

SPECIAL MEETING AGENDA
TOLLAND TOWN COUNCIL
HYBRID MEETING
6TH FLOOR COUNCIL CHAMBERS OR ZOOM
FEBRUARY 9, 2023 – 7:00 P.M.

1. Call to Order
2. Public Hearing Item
 - 2.1 Consideration of the Proposed 5-Year Capital Improvement Plan
3. Adjournment

Join Zoom Meeting

<https://us02web.zoom.us/j/87317045093?pwd=QjUzdXRlZzI5allkZlNSNExydIMxdz09>

Meeting ID: 873 1704 5093

Passcode: 02092023

One tap mobile

+13052241968,,87317045093#,,, *02092023# US

+13092053325,,87317045093#,,, *02092023# US

Dial by your location

+1 646 876 9923 US (New York)

The Town of Tolland is an Equal Opportunity/Affirmative Action Employer

TOWN OF TOLLAND



FY 2023 - 2024 through 2027 - 2028 Town Manager's Five Year Capital Plan February 9, 2023



CAPITAL BUDGET

Everything the Town does, from providing services to its residents and citizens, to equipping employees to effectively perform their jobs, requires the existence of certain basic physical assets.

Assets include:

- **Streets**
- **School Facilities**
- **Parks**
- **Large Equipment**
- **Buildings**
- **Technology**

Assets must be purchased, maintained and replaced on a timely basis or their usefulness in providing public services will diminish.

The Town's Five Year Capital Improvement Program is developed to ensure adequate capital investment in the Town's assets and to provide an orderly method for funding these assets.



WHAT IS A CAPITAL ITEM?

Definition of Capital Projects: Any project, to be included in the Town's Capital Improvement Program, should fall into one of the following three program categories:

1. Any new or expanded physical facility, including preliminary design and related professional services.
2. Land or property acquisition.
3. Items of a non-recurring nature where the benefits are realized over a long period of time.

A project should also exhibit the following characteristics to be included in the Capital Improvement Program:

1. ***Life Expectancy:*** The project's outcome, non-recurring in nature, should have a useful life of greater than eight years.
2. ***Cost:*** Cost should be a relatively high, non-operative expenditure for the Town; generally in excess of \$10,000 for equipment or plant facility improvements.



CAPITAL BUDGET PLANNING PROCESS

Activity	Dates
Capital budget requests submitted to Town Manager.	October 6, 2022
Preliminary Capital Budget Committee Review and Department Head meetings. Board of Education Superintendent included in meetings.	Month of October, 2022
Manager submits Capital Program to Council.	Week of Dec. 5, 2022
Capital Budget Public Hearing held.	February 9, 2023
Manager submits Capital Program to Council with recommended General Fund Budget.	March 8, 2023
Town Council approves recommended Capital Program as part of Council's Proposed Budget.	March 28, 2023
Capital Program as amended is part of Budget Referendum process.	May 2, 2023



TYPES OF FUNDING METHODS

General Fund Contributions

- **Capital Non-Recurring Fund**
- **Non-Referendum Notes**
- **Local Capital Improvement Plan Grant (State)**
- **Town Aid to Road Grant (State)**
- **State School Construction Grants and other State Grants**
- **ARPA Funds**
- **Ambulance Fees**
- **Cemetery Funds**
- **Referendum Borrowing**
- **Unallocated Capital**
- **Recreation Special Revenue Fund**
- **Utility Reserve Fund**

YEAR 1 CAPITAL BUDGET SUMMARY															
FISCAL YEAR 2023-2024															
YEAR 1 CAPITAL BUDGET FUNDING CATEGORIES			CAPITAL BUDGET FUNDING SOURCES												
			Existing Funds	General Fund Contrib	CNRE Fund	Recreation Special Revenue	Non Refer Notes/ Bonds	Refer Notes/ Bonds	LOCIP Grant	TAR Grant	State & Federal Grants	School Const Grant	Ambul Reserve	Other Funding Sources/ Appr Bonds	Funding Totals
PROJECTED AVAILABILITY OF CAPITAL FUNDS ==>>>			3,966,154	319,451	857,846	0	2,411,000	820,000	115,563	338,776	0	0	421,276	544,000	9,794,066
TOWN ADMINISTRATION															
	Town Administration		576,154	168,533	64,906	0	0	0	0	0	0	0	0	809,593	
BOARD OF EDUCATION															
	Board of Education		0	88,056	56,145	0	0	0	0	0	0	0	99,000	243,201	
CAPITAL EQUIPMENT															
	Capital Equipment		0	14,862	0	0	0	0	0	0	0	0	345,000	359,862	
FIRE AND AMBULANCE															
	Fire and Ambulance		0	0	0	0	0	0	0	0	0	205,000	0	205,000	
PARKS AND RECREATION															
	Parks and Recreation		0	0	0	0	0	0	0	0	0	0	0	0	
PUBLIC FACILITIES															
	Public Facilities		0	48,000	80,000	0	0	0	56,000	0	0	0	100,000	284,000	
PUBLIC WORKS															
	Tree Trimming		0	0	0	0	0	0	0	70,000	0	0	0	70,000	
STREETS AND ROADS															
	Construction and Reconstruction		0	0	0	0	0	0	0	49,000	0	0	0	49,000	
	Pavement Management		3,390,000	0	0	0	0	820,000	59,563	219,776	0	0	0	4,489,339	
SUMMARY PROJECT TOTALS			3,966,154	319,451	201,051	0	0	820,000	115,563	338,776	0	0	205,000	544,000	6,509,995
FUNDING SOURCE VARIANCES			0	0	656,795	0	2,411,000	0	0	0	0	0	216,276	0	3,284,071



FY23-24: Town of Vernon Water Pollution Control Plant Upgrade

Total Amount: \$164,906

Tolland's Funding of the upgrade:

Tolland's total 20 year share of the net project cost is estimated at \$3,298,110 (Subject to Change.) As discussed in previous years we are phasing in the required debt payments to Vernon. This is the fourth year of the debt payments. The annual payments for the following 16 years will be \$164,906 each year unless the debt payment requirements change.

- Tolland's share based on the Inter-municipal agreement is 5.63% of the project cost and loan interest after grant proceeds.
- FY 23-24 General fund funding is \$100,000 and \$64,906 from CNRE.
- We are continuing to phase in the burden on the general fund by using a portion of a lawsuit settlement that was deposited into the CNRE last fiscal year. This process had been discussed with the Town Council during the last Capital Budget plan.



FY23-24: SIGNIFICANT CAPITAL PROJECTS
FUNDED BY THE GENERAL FUND

Total Amount: \$319,451

Other Town Administration Projects:

- General Fund portion of WPCA \$100,000

Board of Education Projects:

- District-wide Radio Recorder security upgrade \$16,106
- TIS Modular Roof Replacement \$45,000
- TMS Library & Main Office Carpet \$26,950

Capital Equipment Projects:

- Light Duty Vehicle Reserve \$14,862

Public Facilities Projects:

- Security Cameras and Silent Alarm \$48,000



FY23-24: SIGNIFICANT CAPITAL PROJECTS
FUNDED BY THE GENERAL FUND
Total Amount: \$319,451

Town Admin Vehicle Reserve:

- Depreciation amount for replacement of light duty vehicles funded by the General Fund:

Town	\$54,033
BOE	\$14,500

NOTE: These amounts cover 10 Town Vehicles and 3 BOE Vehicles.



FY23-24: SIGNIFICANT CAPITAL PROJECTS FUNDED BY OTHER SOURCES

BOE Projects:

- **Capital & Non-recurring (CNRE)** \$56,145 from settlement funds
 - TIS Entrance Security Upgrade \$32,382
 - THS Stage Audio Replacement \$11,663
 - THS Irrigation Refurb \$12,100

- **BOE ARPA Funds-** \$99,000
 - TIS and TMS Seclusion Room Updates \$58,000
 - TIS Nurses Station Renovation/Security/Safety \$41,000



FY23-24: SIGNIFICANT CAPITAL PROJECTS FUNDED BY OTHER SOURCES

Capital Equipment:

- Replacement of 2006 F250 Truck #56 (Parks) - \$50,000 (Cemetery Fund)
- Replacement of 2008 Dump/Plow Truck #14 (Highway) - \$295,000 (ARPA)

Public Safety:

(Ambulance Reserve Fund)

- Replacement of Firefighter Protective Gear- \$25,000
- Refurbishment of Tanker 140 (2003) - \$180,000



FY23-24: SIGNIFICANT CAPITAL PROJECTS FUNDED BY OTHER SOURCES

Public Facilities:

Funded by LOCIP

- Arts Building Roof - \$30,000
- Transfer Station at Old Stafford Rd Storage Refurb - \$26,000

Funded by CNRE:

- Emergency Generator Highway Garage - \$60,000
- Retro Fit Generator to Parks & Facilities Garage - \$20,000
 - From Birch grove project

Funded By ARPA:

- Jail Museum Renovations & ADA Ramp - \$100,000



FY23-24: SIGNIFICANT CAPITAL PROJECTS FUNDED BY OTHER SOURCES

Public Works:

- Tree Trimming - \$70,000 TAR Grant
 - Elimination of hazardous trees due to damage done by insect infestation

Streets & Roads:

- Drainage construction and design - \$49,000 (Town Aid Road Grant)
- Pavement Management - \$279,339 (Town Aid Road Grant/LOCIP)
- Road Improvements \$820,000 (Part of \$5 million bond funding approval from November, 2018)



Significant Projects in Years 2-5 By All Sources

Year 2

Town Administration:

- Contribution to Town of Vernon Water Pollution Control Plant Facility Plan as defined by Inter-Municipal agreement with Vernon (\$164,906) - \$100,000 from General Fund and \$64,906 from CNRE.
- Two Information Technology Servers for Town Hall Operations - \$50,000 (General Fund)
- Light Duty Replacement Vehicle Depreciation - General Fund
 - Town Vehicles \$54,033 -Public Works Vehicles \$14,862
 - BOE Vehicles \$14,500

Board of Education:

- TMS Concrete Patio & Stairs replacement - \$67,000 (General Fund)



Significant Projects in Years 2-5 By All Sources

Year 2, continued

Capital Equipment:

- Bonded Equipment - \$175,000 (Non-Refer. Debt)
 - Grader (Used \$100K), Refurb of Truck #21 2008 Mack Snow/Dump
- Replace Truck #81 2006 F250 \$48,000 (CNRE)
- Infield Scarifier - \$31,000 (General Fund)
- Ventrac - \$49,000 (General Fund)
- Equipment Trailer - \$45,000 (General Fund)
- Replacement of Truck #32 2013 Plow/Dump (Pending Consultant) (ARPA)



Significant Projects in Years 2-5 By All Sources

Year 2, continued

Public Safety:

- Replacement of 1993 Engine Tank 440 \$1,200,000 (Non-Refer. Bond)
- Refurb 2003 Water Tanker 440 - \$180,000

Public Facilities:

- Parks & Facilities Garage \$1,115,563 (\$1 Million Non-Refer. Debt, \$115,563 LOCIP)

Public Works:

Tree Trimming - \$70,000 funded by TAR grant

Streets & Roads

Drainage Construction and Design - \$49,000 from TAR Grant

Pavement Management - \$1,009,776 (TAR & Ref. Debt)



Significant Projects in Years 2-5 By All Sources

Year 3

Town Administration:

Contribution to Town of Vernon Water Pollution Control Plant Facility Plan as defined by Inter-Municipal agreement with Vernon - \$164,906 (General Fund \$134,906 & \$30,000 CNRE)

- Light Duty Replacement Vehicle Depreciation - General Fund
 - Town Vehicles \$56,700 Public Works Vehicles \$18,863
 - BOE Vehicles \$14,500

Board of Education:

- Multiple BOE Projects \$6,620,000 (Referendum \$4.4, School Grant \$2.2)
 - (THS Roof, Track, Technology Upgrades & Photography. TMS Auditorium seats, THS Stage Lighting)

Capital Equipment:

- Bonded Equipment - \$357,000 (non-refer. debt)
 - Roadside mower, Chipper, Replace 2012 F250/PlowTruck #11
- Replace John Deere Tractor - \$48,000 (Cemetery Fund)



Significant Projects in Years 2-5 By All Sources

Year 3, continued

Public Safety:

- Replacement of 1991 Ladder Truck 240 - \$2,000,000 (Non-Refer. Debt)
- Replacement of Safety Gear - \$70,000 (Ambulance Res. Fund)

Public Facilities:

- Clean and Stain Lodge exterior - \$45,000 (General Fund)
- Senior Center Underground Oil Tank Replace - \$21,674 (General Fund)
- Hicks Building, Windows and Doors - \$50,000 (LOCIP)

Public Works:

- Tree Trimming - \$70,000 (TAR Grant)

Streets and Roads:

- Various drainage construction - \$50,000 (TAR Grant)
- Pavement Management - \$334,339 (LOCIP/TAR Grant)
- Road Improvements - \$1,000,000 (Referendum)

Bond Referendum for \$5 Million in November, 2024 for road improvements



Significant Projects in Years 2-5 By All Sources

Year 4

Town Administration:

- Contribution to Town of Vernon Water Pollution Control Plant Upgrade Facility Plan - \$164,906 (\$164,906 General Fund)
- Light Duty Replacement Vehicle Depreciation - General Fund
 - Town Vehicles \$54,500 Public Works Vehicles \$15,433
 - BOE Vehicles \$14,500

Board of Education:

- Replace Stage Floor - \$38,000 (General Fund)
- TMS/TIS Locker Replacement - \$160,000 (Non-Refer Debt)

Capital Equipment:

- Replace 2008 GMC Plow/Dump Truck #28 - \$275,000 (Non-Refer. Debt)
- Replacement of 2007 Loader 930G - \$275,000 (Non-Refer. Debt)



Significant Projects in Years 2-5 By All Sources

Year 4, continued

Public Safety:

- Replacement of Utility Trailers- \$70,000 (Ambulance Fund)
- Replacement of 2008 UTV 240 - \$60,300 (Ambulance Fund)
- Replacement of Engine Tank 340 - \$1,200,000 (Non-Refer. Debt)

Parks & Recreation:

- Pickleball Courts - \$255,563 (LOCIP/Non-Refer. Debt)
- Artificial Turf Replacement - \$829,000 (Non-Refer. Debt)

Public Works:

- Replacement of Old Fuel Dispensing System - \$34,411 (CNRE)
- Tree Trimming - \$70,000 (TAR Grant)

Streets & Roads:

- Various drainage construction - \$50,000 (General Fund)
- Pavement Management - \$268,776 (TAR Grant)
- Road Improvements – 1,000,000 (November, 2024 Referendum Bond)



Significant Projects in Years 2-5 By All Sources

Year 5

Town Administration:

- Contribution to Town of Vernon Water Pollution Control Plant Upgrade Facility Plan - \$164,906 (General Fund)
- Light Duty Replacement Vehicle Depreciation - General Fund
 - Town Vehicles \$47,800 Public Works Vehicles \$15,000
 - BOE Vehicles \$14,500

Board of Education:

- Articulating Lift - \$80,000 (General Fund)
- THS/TMS Cafeteria Table Replacement \$122,500 (Non-Refer. Debt)
- THS Boilers Replacement - \$621,000 (Non-Refer. Debt)

Capital Equipment:

- Replacement of 2009 Intl Plow/Dump Truck #31 - \$245,000 (Non-Refer. Debt)
- Replacement of 2015 Cat Backhoe #22- \$250,000 (Non-Refer Debt)



Significant Projects in Years 2-5 By All Sources

Year 5, continued

Public Safety:

- Replacement of Ambulance 640 - \$385,000 (Ambulance Res)

Parks & Recreational Facilities:

- New Multi-Purpose Athletic Field - \$300,000 (LoCIP/Refer. Debt)
- LED Lighting Crandall Park - \$210,000 (Utility Fund)

Public Works:

- Tree Trimming - \$70,000 (TAR Grant)

Streets & Roads

- Drainage - \$49,000 (TAR Grant)
- Pavement Management - \$219,776 (TAR Grant)
- Road Improvements - \$1,000,000 (Non-Refer. Debt)

Equipment Aging Schedule for Units Assigned to Highway Division

		2023/2024	proposed 5 year CIP						
Vehicle/Eqp #	Description	Year	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29
Trucks:									
12 TOL	International 4700 (Tree Truck)	2000	22	23	24	25	26	27	28
64 TOL	Ford F250	2002	20	21	new	1	2	3	4
35 TOL	Western Star Dump	2002	1	2	3	4	5	6	7
8 TOL	Ford Utility (new body in 2018)	2003/2018	1	2	3	4	5	6	7
9 TOL	Ford F150	2003							
23 TOL	Mack 10 Wheel (refurbished 2015)	2004	18	19	20	21	22	23	24
33 TOL	Mack Dump	2005							
10 TOL	Ford F250 P/U	2007	1	2	3	4	5	6	7
25 TOL	Ford D-550 Dump	2007							
14 TOL	GMC 7500	2008	14	new	1	2	3	4	5
21 TOL	Mack Dump	2008	14	15	new	1	2	3	4
27 TOL	International 7400	2008	14	new	1	2	3	4	5
31 TOL	International 7400	2009	13	14	15	16	17	new	1
26 TOL	International 7400	2012	11	12	13	14	15	16	17
32 TOL	International 7400	2012	11	new	1	2	3	4	5
51 TOL	International 7400	2013	10	11	12	13	14	15	16
28 TOL	International 7400	2014	9	10	11	12	new	1	2
11 TOL	Ford F350	2015	8	9	10	new	1	2	3
13 TOL	Ford F350 Rack Body	2015	8	9	10	11	12	13	14
2 TOL	Ford F350	2015	8	9	10	11	12	13	14
24 TOL	International 7400	2016	7	8	9	10	11	12	13
6 TOL	International Low Pro 4300	2016	7	8	9	10	11	12	13
4 TOL	Ford F250	2018	4	5	6	7	8	9	10
29 TOL	International 7400	2018	4	5	6	7	8	9	10
30 TOL	International 7400	2018	4	5	6	7	8	9	10
Scheduled Replacements:									
19 TOL	Street Sweeper	2022	new	1	2	3	4	5	6
7 TOL	Vac-All	2022	new	1	2	3	4	5	6
14 TOL	GMC 7500	2024	14	new	1	2	3	4	5
27 TOL	International 7400	2024	14	new	1	2	3	4	5
21 TOL	Mack Dump	2024	14	15	new	1	2	3	4
11 TOL	Ford F350	2021	8	9	10	new	1	2	3
	Roadside Mower	2026	12	13	14	new	1	2	3
	Cat Grader	2023	50	51	new	1	2	3	4
	International 7400	2027	9	10	11	12	new	1	2
31 TOL	International 7400	2028	13	14	15	16	17	new	1
22 TOL	Cat Backhoe	2028	9	10	11	12	13	new	1
32 TOL	International 7400	2024	11	new	1	2	3	4	5
Heavy Equipment:									
	Cat Grader	1972	50	51	new	1	2	3	4
7 TOL	Vac-All	2000	new	1	2	3	4	5	6
20 TOL	Cat 938 Loader	2002	1	2	3	4	5	6	7
19 TOL	Elgin Sweeper	2003	new	1	2	3	4	5	6
	Paver (used)	2007	15	16	17	18	19	20	21
	Roadside Mower	2010	12	13	14	new	1	2	3
	Hyndai Excavator 4500	2011	12	13	14	15	16	17	18
17 TOL	Cat Loader 924	2014	9	10	11	12	13	14	15
22 TOL	Cat Backhoe	2014	9	10	11	12	13	new	1
	Wacker Pro-Line Roller	2017	5	6	7	8	9	10	11
Scheduled Replacements:									
20 TOL	Front End Loader	2022	1	2					
	Big Truck					3 years past recommended end of service			
	Low Profile Dump					4 years or more past recommended end of service			
	Small Dump					scheduled for replacement			
	Pick Up w/Utility Body								
	Pick Up								

Equipment Aging Schedule for Units Assigned to Parks & Facilities Division

2023/2024 proposed 5 year CIP

Vehicle/Eqp #	Description	Year	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29
Trucks:									
37 TOL	Chevrolet 3500	2023	new	1	2	3	4	5	6
38 TOL	Ford F550	2023	new	1	2	3	4	5	6
56 TOL	Ford F250	2006	13	new	1	2	3	4	5
53 TOL	Ford F450	2022	1	2	3	4	5	6	7
81 TOL	Ford F250	2007			new	1	2	3	4
68 TOL	Ford F550	2023	new	1	2	3	4	5	6
75 TOL	3/4 Ton Van	2022	1	2	3	4	5	6	7
55 TOL	Ford F450	2011	12	13	14	15	16	17	18
63 TOL	Ford F250 (mechanics truck)	2019	2	3	4	5	6	7	8
50 TOL	Ford F550	2015	8	9	10	11	12	13	14
80 TOL	Ford F550	2016	6	7	8	9	10	11	12
39 TOL	International 4300 Durastar	2017	5	6	7	8	9	10	11
3 TOL	Ford F250	2018	4	5	6	7	8	9	10
Scheduled Replacements:									
81 TOL	Ford F250	2025	12	13	new	1	2	3	4
	John Deere Tractor	2026	21	22	23	new	1	2	3
	Cat Loader	2027	17	18	19	20	new	1	2
56 TOL	Ford F250	2023	13	new	1	2	3	4	5
Equipment:									
	Ford Tractor	1970	42	43	44	45	46	47	47
	Sweepstar	1991	31	32	33	34	25	26	26
	Easy Rake	1998	24	25	26	27	28	29	29
	Gravely Snow Blower	1999	23	24	25	26	27	28	28
	Gravely Snow Blower	1999	23	24	25	26	27	28	28
	John Deere Tractor	2001	21	22	23	new	1	2	3
	Easy Rake	2001	21	22	23	24	25	26	26
	Skidsteer New Holland 180	2001							
	Easy Rake	2005	18	19	20	21	22	23	23
	Lazer Lawnmower	2005	18	19	20	21	22	23	23
	Gravely Snow Blower	2005	18	19	20	21	22	23	23
	Cat Loader	2006	17	18	19	20	new	1	1
	Gravely Snow Blower	2007	16	17	18	19	20	20	20
	Lazer Lawnmower	2007	16	17	18	19	20	20	20
	Kubota tractor	2007							
	4000 Lawnmower	2007	16	17	18	19	20	20	20
	Line Painter	2008	17	18	19	20	21	22	23
	Skidsteer New Holland 170	2011	12	13	14	15	16	17	18
	Toro 5910 Mower	2022	new	1	2	3	4	5	6
	Ventrix mower/thrower	2013	11	12	new	1	2	3	4
	ExMark Lazer Lawnmower	2022	1	2	3	4	5	6	7
	ExMark Lazer Lawnmower	2022	1	2	3	4	5	6	7
	ExMark Lazer Lawnmower	2022	1	2	3	4	5	6	7
	ExMark Lazer Lawnmower	2022	1	2	3	4	5	6	7
	Easy Rake/Smithco Groomer	2015	7	8	9	10	11	12	12
	Line Painter	2017	5	6	7	8	9	10	10
	Toro Mower	2018	4	5	6	7	8	9	10
	60" Exmark Mower	2018	4	5	6	7	8	9	10
	Remote Control Mower	2022	1	2	3	4	5	6	7
Scheduled Replacements:									
	Mini Excavator	2019	3	4	5	6	7	8	9
	Skidsteer New Holland 180	2020	2	3	4	5	6	7	8
	ExMark Lazer Lawnmower	2021	1	2	3	4	5	6	7
	ExMark Lazer Lawnmower	2021	1	2	3	4	5	6	7
	ExMark Lazer Lawnmower	2021	1	2	3	4	5	6	7
	ExMark Lazer Lawnmower	2021	1	2	3	4	5	6	7
	Toro 5910 Mower	2022	new	1	2	3	4	5	6
	Small Dump						3 years past recommended end of service		
	Low Profile Dump						4+ years recommended end of service		
	Pick Up						scheduled for replacement		
	Van								

Town-Owned Front-Line Apparatus										
(Blue denotes year it should have been replaced - Green denotes new date assigned)										
Vehicle Year	Current Age of Vehicle	Historical Replacement Year	Year Rehab Completed or Recommended	Vehicle	Make	Type	Original Cost to Department	Cost of Rehab	Cost of Replacement	Comments
1990	33	2025	2015	T 240	Pierce Lance	Ladder	\$62,500	\$132,000	\$2 million	Cap. 2025-2026 Replacement
1993	30	2023 / 2024	2012	ET 440	Pierce	Fire Pumper	\$245,000	\$85,000	\$1.2 million	Cap. 2024-2025 Replacement
1994	29	2024 / 2026	2016	ET 340	Pierce	Fire Pumper	\$316,000	\$90,000	\$1.2 million	Cap. 2026-2027 Replacement
2000	23	2030	2020	ET 140	Pierce	Fire Pumper	\$335,410	\$154,000		
2003	20	2033	2023	T 140	Kenworth	Tanker	\$225,000	\$180,000	\$350,000	Cap. 2023-2024 Refurb.
2003	20	2032	2024	T 440	Kenworth	Tanker	\$225,000	\$180,000	\$350,000	Cap. 2024-2025 Refurb.
2006	17	2033	2023	ET 240	Pierce	Fire Pumper	\$440,000	\$180,000		Project currently in process Cap. 2022-2023 Refurb.
2015	8	2021	NR	A 640	Ford	Ambulance	\$270,000		\$312,000	Ordered October, 2021 Replace every 5 years
2017	6	2022	NR	A 540	Ford	Ambulance	\$220,000		\$370,000	Ordered August, 2022 Replace every 5 years
2022	1		2035	SQ 240	Spartan	Squad Heavy Res./Pumper	\$750,000			
Town-Owned Service Vehicles										
Vehicle Year	Current Age of Vehicle	Historical Replacement Year	Year Rehab Completed or Recommended	Vehicle	Make	Type	Original Cost to Department	Cost of Rehab	Cost of Replacement	Comments
2003	20	2023	2015	S 340	Ford	Service	\$35,000	\$25,000	\$90,000	Renamed to S340 (2016) To be sold as soon as new ambulance arrives. Old ambulance will
2006	17	n/a	2011	S 540	Jeep	Service		\$4,500	\$50,000	2011 Reassigned from Town Pool to Fire Marshal, then in 2015 to Fire Dept.
2007	16		2020	S 440	Ford	Service	\$85,000		\$90,000	Former S240. 2020 Reassigned to Fire Police
2015	8	2030	2026	S 140	Ford	Service	\$120,000	\$80,000	\$155,000	(Chassis) To be sold as soon as new apparatus arrives
2016	7	2021	NR	Fire Chief (Director of	Chevrolet	Service	\$90,000		\$90,000	Capital Project (\$70,000 designated under Town Administration FY 2022-2023) TFD
2020	3			S 240	Ford	Service	\$85,000		\$90,000	
2021	2	2030	NR	FM 140	Chevrolet	Service	\$70,000		\$90,000	Replaced 2011 Ford Expedition. Was outfitted w/ Refurb. Equipment
Dept. Head Request for Capital Project Replacement										
2004	19	2026	NR	Dive-Rescue Trailer	Car Mate	Enclosed Trailer	\$8,500	Replacement of both trailers \$70,000		TFD Corp purchased (2004) Cap. 2026-2027 Replacement
2014	9	2026	NR	Enclosed Red Trailer	United Trailer	Enclosed Trailer	\$12,000			TFD Corp purchased USED (2014) Cap. 2026-2027 Replacement
Vehicles Owned by Tolland Fire Department, Inc.										
These vehicles are used by Career and Volunteer staff to conduct Town and Fire Department business.										
Vehicle Year	Current Age of Vehicle	Historical Replacement Year	Year Rehab Completed or Recommended	Vehicle	Make	Type	Cost to Town	Cost paid by TFD Corp.	Cost of Replacement	Comments
1987	36		NR	ACO Horse Trailer	Texas	Trailer	\$0.00			TFD Corp purchased USED (2018)
2006	17	2021	NR	C 140	Chevrolet	Service	\$0.00	\$20,000	\$90,000	TFD Corp purchased USED (2014)
2008	15	2021 / 2026	NR	UTV-240	Polaris	UTV	\$0.00	\$28,000	\$60,300	TFD Corp purchased (2008) Cap. 2026-2027 Replacement
2008	15	2024	NR	ATV-240	Polaris	ATV	\$0.00	\$7,500	\$15,000	TFD Corp purchased USED (2014)
2008	15	2028	NR	UTV-TRAILER	BIG TEX	Trailer	\$0.00	\$4,500	\$7,500	TFD Corp purchased (2008)
2011	12	2021	NR	S640	Chevrolet	Service	\$0.00	\$90,000	\$90,000	TFD Corp purchased (2011) Old S440
2012	11		NR	Landscape Trailer	Carry-on	Trailer	\$0.00			TFD Corp purchased USED (2019)
NR=Not Recommended										



PAST 5 YEAR GENERAL FUND CAPITAL CONTRIBUTIONS

FY19 - \$ 61,906 or .11% of Townwide Operating Budget

FY20 - \$121,048 or .21 % of Townwide Operating Budget

FY21 - \$192,567 or .34 % of Townwide Operating Budget

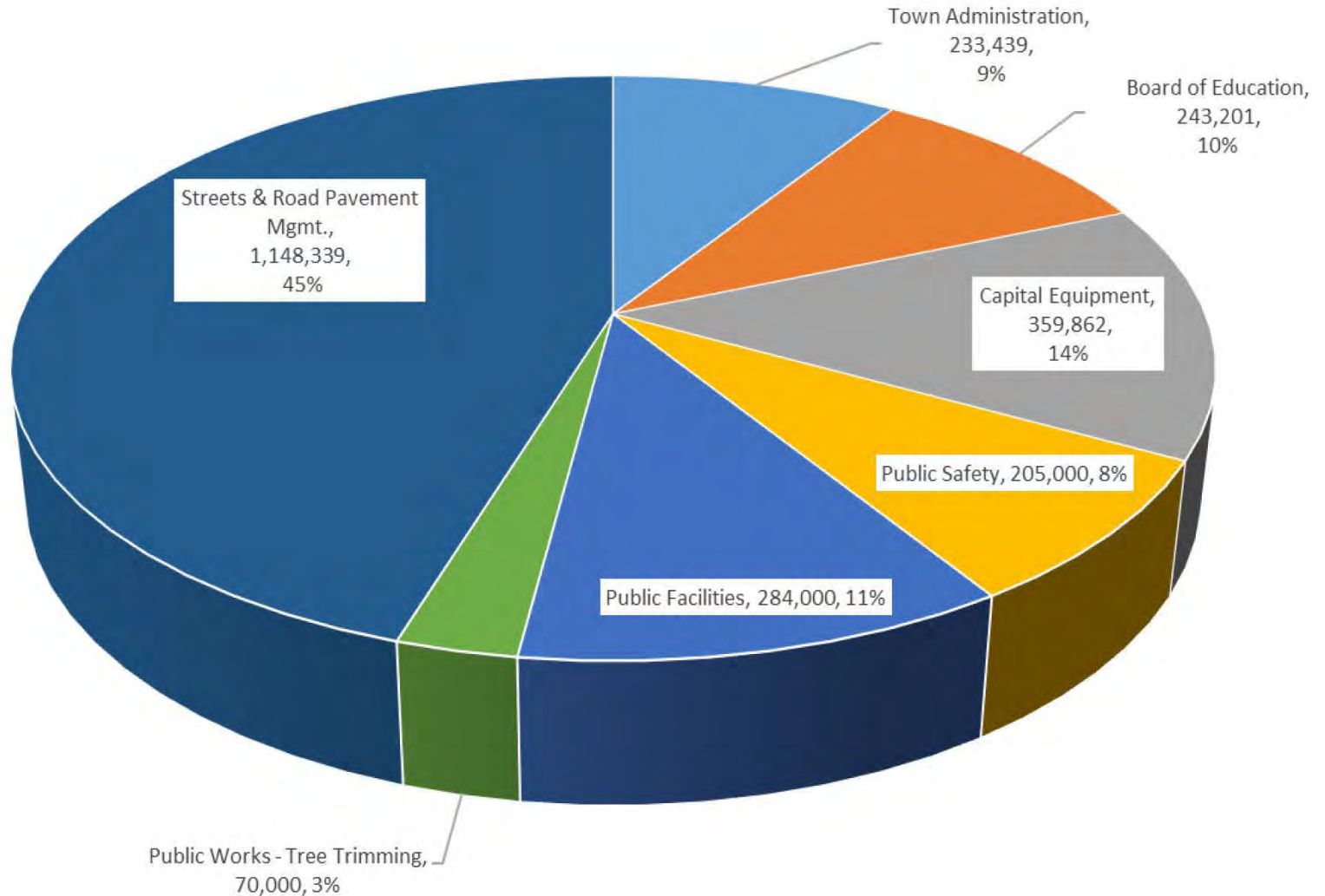
FY22 - \$137,946 or .24% of Townwide Operating Budget

FY23 - \$255,880 or .43% of Townwide Operating Budget

Town Manager Proposed FY24 = \$319,451



FY23-24 CAPITAL PLAN BY PROGRAM AREA





TOLLAND DEBT MANAGEMENT PLAN SCHEDULE 2023-24 THROUGH 2027-28

In FY 23/24 the General Fund budget will increase by \$50,000 to \$4,750,000 and will remain at that amount through FY 25/26. The negative amount listed below under “Amount to be Paid from Debt Service Fund” is the amount to be contributed to cover the total debt payments. Much of this impact is due to debt for the Birch Grove School and potential renovations to the Firehouses. The plan will allow the budget to begin being reduced in FY 2026-27 to eventually get reduced to \$4,500,000 or an amount determined by Town Council. Once the budget returns to this level, the plan is to begin building capital reserves to fund future projects on a pay as you go basis as debt falls off the books.

	Debt Management Plan	General Fund Budget	Amount to be (Paid from) or Contributed to Debt Service Fund
FY 23/24	\$5,218,424	\$4,750,000	(\$ 468,424)
FY 24/25	\$5,057,640	\$4,750,000	(\$ 307,640)
FY 25/26	\$5,029,839	\$4,750,000	(\$ 279,839)
FY 26/27	\$4,189,164	\$4,500,000	\$ 310,836
FY 27/28	\$3,798,106	\$4,500,000	\$ 701,894

Town of Tolland, Connecticut

Proposed Debt Management Plan Fiscal Years 2024 to 2028



February 9, 2023

**Barry Bernabe
Managing Director**



Executive Summary

Existing and Authorized-But-Unissued Debt

As of February 2023, the Town has outstanding tax-supported long-term debt outstanding of approximately \$33 million, and \$9,170,000 of short-term Notes that mature on September 14, 2023. Authorized-but-unissued debt totals approximately \$8.6 million.

Proposed Debt Issuance Plan

Actual and proposed capital projects for fiscal years ending 2024 through 2028 total \$24,075,000.

	Remaining Authorized But Not Issued	Capital Needs From CIP FY 23-24 Plan	Total Cash Needs
Year 1 - FY 2023-24	\$ 5,781,221	775,000	\$ 6,556,221
Year 2 - FY 2024-25	2,690,000	2,375,000	5,065,000
Year 3 - FY 2025-26	0	7,777,000	7,777,000
Year 4 - FY 2026-27	0	3,050,000	3,050,000
Year 5 - FY 2027-28	203,827	2,422,937	2,626,764
			-
	\$ 8,675,048	\$ 16,399,937	\$ 25,074,985
	Amount Issued		
YEAR 1	6,556,221	Issue BANS - Sept 2023	
YEAR 2	11,621,221	Issue Bonds - Sep 2024	
YEAR 3	7,777,000	Issue BANS - Sept 2025	
YEAR 4	10,827,000	Issue Bonds - Sep 2026	
YEAR 5	2,626,764	Issue BANS - Sep 2027	
	\$ 25,074,985	Total amount	

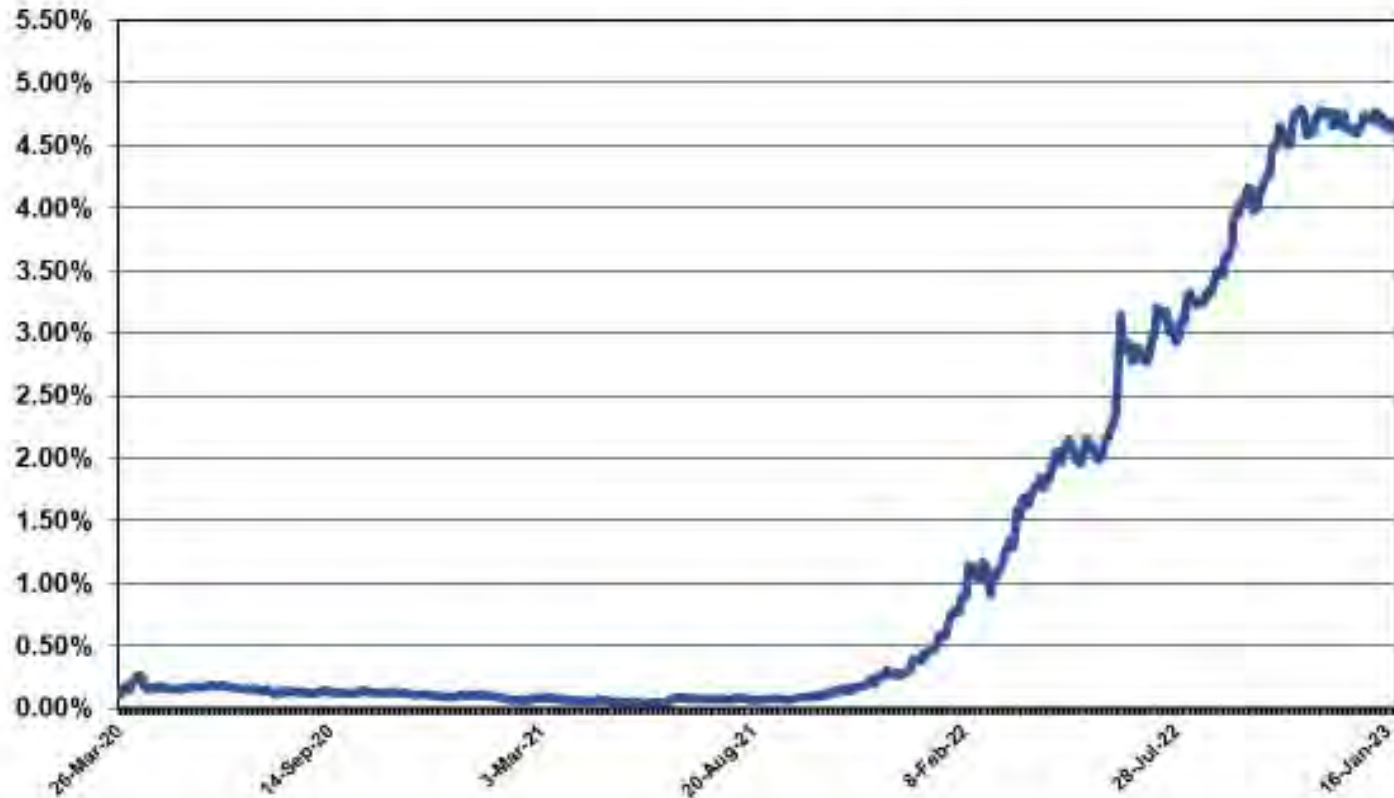
Long-term Interest Rates- Past 54 Years

Ten Year U.S. Treasury Yield - 1970 to January 2023



Short-term Interest Rates

1-Year Treasury Rates – January 2020 to January 2023



Treasury Yield Curves – January 2022 vs. January 2023



Town Bond Ratings

Standard & Poor's & Fitch Rating Scales

Highest	<u>AAA</u>	AAA
	<u>AA+</u>	AA+
	<u>AA</u>	AA
	<u>AA-</u>	AA-
	<u>A+</u>	A+
	<u>A</u>	A
	<u>A-</u>	A-
	<u>BBB+</u>	BBB+
	<u>BBB</u>	BBB
Lowest	<u>BBB-</u>	BBB-



Major Rating Assessment Categories

- 1) Management Practices - 25%
 - Fiscal Discipline and Ability to Plan, Monitor and Manage Government Finances
- 2) Economy & Demographics — 30%
 - Unemployment Rate, Housing Values
- 3) Financial Performance - 25%
 - Fund Balance Levels & Budgetary Discipline
- 4) Debt Management - 10%
 - Debt % of Budget, Debt % of Grand List
- 5) Long-term Liabilities – 10%
 - Pension & OPEB (Retirement Health Care)

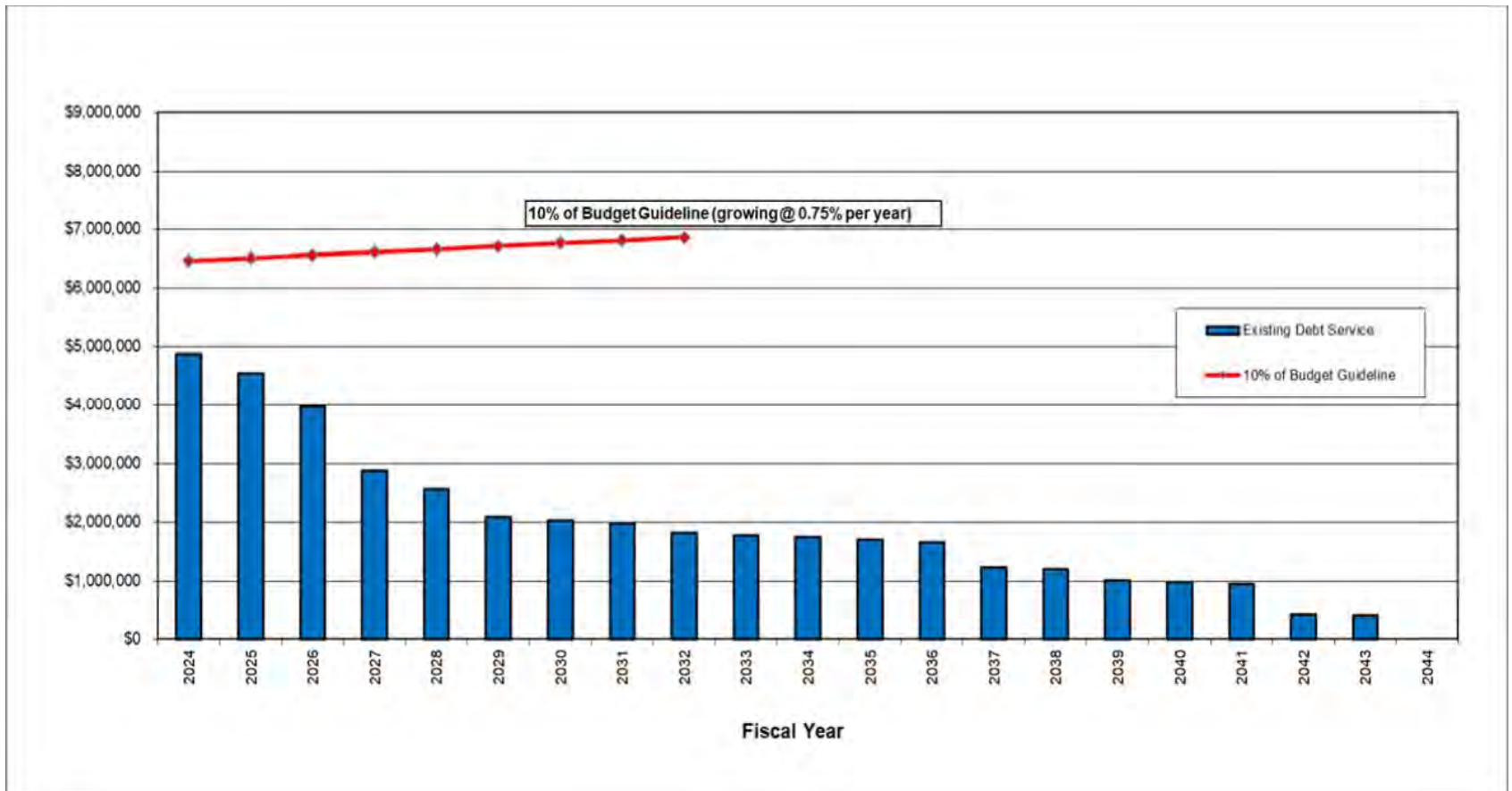
Importance of Fund Balance

- The Town's demographic profile is healthy but below average compared to other "AAA" rated municipalities in Connecticut and across the country
- The Town is over-achieving with its AAA bond rating due to strong management practices and current fund balance levels
- What is the debt service cost if the town gets downgraded from AAA to AA+

DATE	Debt Service with AAA @ 2.25%	Debt Service with AA+ @ 2.40%	Savings
06/30/2023	275,737.50	300,247.50	24,510.00
06/30/2024	1,767,637.50	1,815,427.50	47,790.00
06/30/2025	1,739,962.50	1,785,292.50	45,330.00
06/30/2026	1,707,343.75	1,750,218.75	42,875.00
06/30/2027	1,679,781.25	1,720,206.25	40,425.00
06/30/2028	1,652,218.75	1,690,193.75	37,975.00
06/30/2029	1,624,656.25	1,660,181.25	35,525.00
06/30/2030	1,597,093.75	1,630,168.75	33,075.00
06/30/2031	1,569,531.25	1,600,156.25	30,625.00
06/30/2032	1,541,968.75	1,570,143.75	28,175.00
06/30/2033	1,514,406.25	1,540,131.25	25,725.00
06/30/2034	1,486,843.75	1,510,118.75	23,275.00
06/30/2035	1,459,281.25	1,480,106.25	20,825.00
06/30/2036	1,431,718.75	1,450,093.75	18,375.00
06/30/2037	1,404,156.25	1,420,081.25	15,925.00
06/30/2038	1,376,593.75	1,390,068.75	13,475.00
06/30/2039	1,349,031.25	1,360,056.25	11,025.00
06/30/2040	1,321,468.75	1,330,043.75	8,575.00
06/30/2041	1,293,906.25	1,300,031.25	6,125.00
06/30/2042	1,266,343.75	1,270,018.75	3,675.00
06/30/2043	1,238,781.25	1,240,006.25	1,225.00
Total	\$30,298,462.50	\$30,812,992.50	\$514,530.00

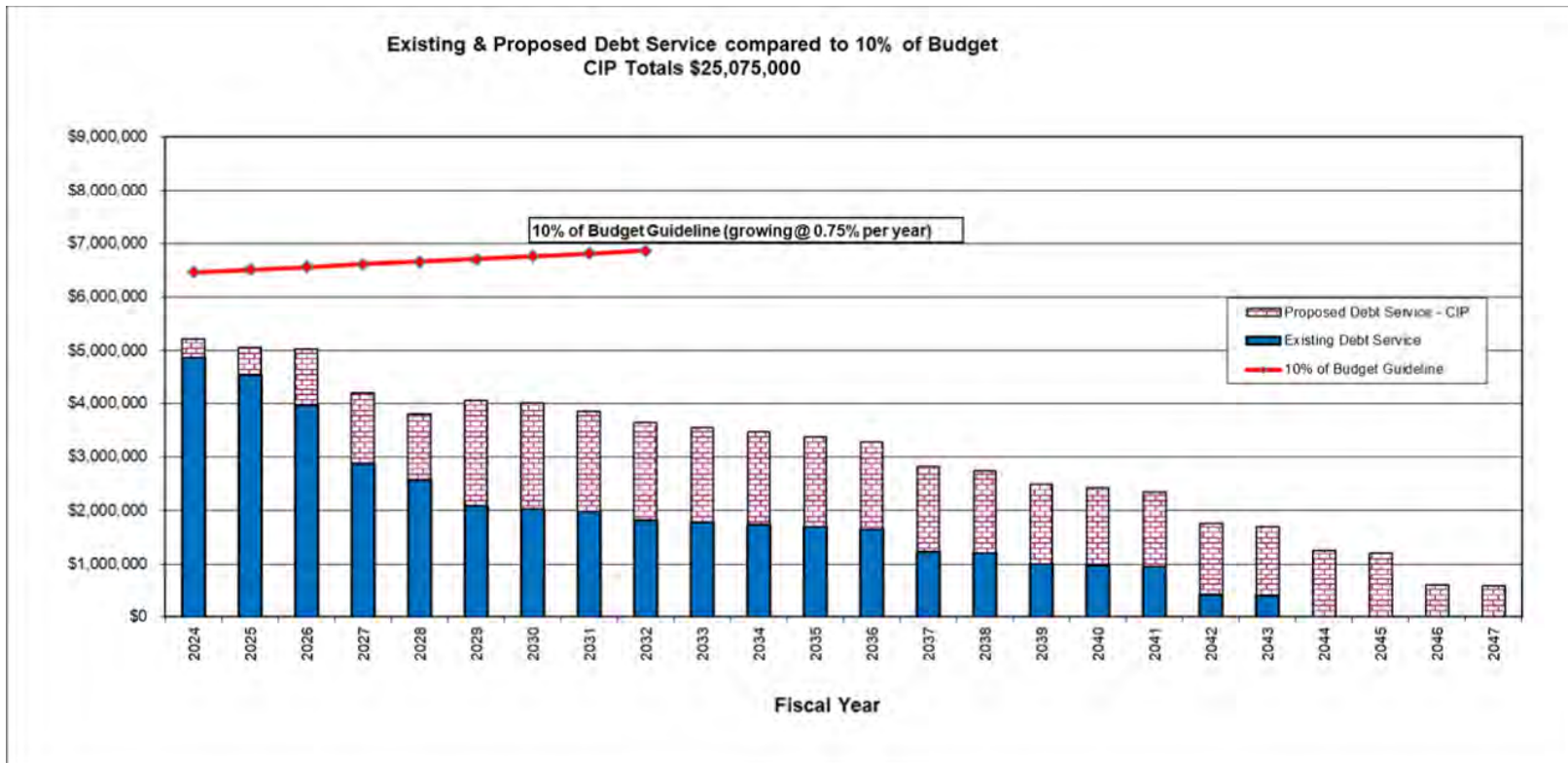
Existing Debt Service

The Town's existing debt service amortizes fairly aggressively. That decrease will help to mitigate the impact of the new debt that will be issued for the Capital Improvement Program.



The Proposed Debt Issuance Plan makes the following assumptions:

- Bonds issues to be issued at a rate of 4.0% and increasing 0.25% for subsequent issues.
- Current Bond rates for Tolland are at 4.25% (versus 2022 at 3.38%)
- Bond issues are amortized over 20-years
- Growth in the grand list was assumed at 0.75% per year



Projected Impact of the Proposed Capital Plan on the Debt Service Budget

FY 2024 – increase of \$50,000

FY 2025 – stays flat

FY 2026 – stays flat

FY 2027 – stays flat or decreases

FY 2028 – stays flat or decreases

Summary Points

- Short-term rates have been close to zero for several years, but the Fed has increased short-term rates significantly in 2022 and continues to increase in 2023 to combat inflation.
- Long-term rates hit all-time lows in 2020 and 2021; however, long-term rates increased significantly in 2022 and have moderated somewhat in 2023. Interest rate yield curve is currently inverted.
- The Town issued \$9,170,000 of short-term BANs in September of 2022 to mature in September 2023. The bulk of the Notes are for the Birch Grove School project.
- The Town has above average bond ratings: S&P & Fitch both rate the Town “AAA”. These highest possible ratings will allow the town to borrow at the lowest possible rate
- Some factors mentioned in the recent S&P and Fitch reports that justify the AAA ratings include: Very Strong Management Practices, Strong Budget Flexibility and Liquidity and Limited Pension and OPEB liabilities.
- The Town has numerous formalized policies that include: Fund Balance, Debt Service and Capital Improvement.
- The Town’s existing debt service amortizes aggressively, which helps to mitigate the impact of the proposed new debt.
- The proposed capital plan totals \$25,075,000 which would put a “moderate” amount of pressure on the town’s debt service budget. The Town’s use of the debt service fund helps to mitigate the impact of the new debt.
- In order to manage the projected increase in debt service, the Town would need to increase the annual debt service budget for the next year by about \$50,000. *(This could change if rates increase dramatically)*



Budget Schedule: Important Upcoming Dates

February 13, 2023 (Monday)	Board of Education submits Budget to Manager
February 23, 2023 (Thursday)	A. Manager convenes joint meeting between Council and Board of Education (by April 11 per Charter requirement). Recommendations & Suggestions to BOE regarding consolidation of non-education services and cost savings (10 days from date of receiving BOE Budget per State Statutes (Public Act 13-60)) B. Discuss Board of Education budget overall request, pursuant to Charter Section C9-4 or C9-1 – Library Program Room* – 7:00 p.m.
March 8, 2023 (Wednesday)	Manager submits Budget to Council
March 9, 2023 (Thursday)	Advertise Public Hearing
March 15, 2023 (Wednesday)	Mgr. discusses Budget w/Council–Council Chambers* – 7:00 p.m.
March 16, 2023 (Thursday)	Mgr. discusses Budget w/Council–Council Chambers* – 7:00 p.m.
March 20, 2023 (Monday)	Mgr. discusses Budget w/Council–Council Chambers* – 7:00 p.m.
March 23, 2023 (Thursday)	<u>PUBLIC HEARING</u> on Manager’s Recommended Budget: Board of Education, Town Gov’t., Capital Improvement Plan – Council Chambers* – 7:00 p.m.
March 28, 2023 (Tuesday)	Council Discussion – Budget Finalized – Council Chambers* – 6:00 p.m.
April 4, 2023 (Tuesday)	Advertise Budget
April 19, 2023 (Wednesday)	<u>ANNUAL BUDGET PRESENTATION MEETING</u> – Council Chambers* – 7:00 p.m. – BOE is provided an opportunity to present a revised adopted budget based on funding approved by Town Council and other line item updates
May 2, 2023 (Tuesday)	Annual Budget Referendum
By May 9, 2023 (Tuesday)	Council Establish Mill Rate upon referendum adoption

*Meetings may be Hybrid

