

**TOWN OF  
JOHNSON  
CAPITAL BUDGET  
AND PLAN  
2012 TO 2016**

**AS APPROVED  
BY THE  
JOHNSON  
SELECTBOARD  
ON 6/25/2012**

Town of Johnson  
Capital Budget and Program

May 21st, 2012

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## INTRODUCTION

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

Goals of a Capital Budget and Program include:

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

In support of these goals, the Capital Budget and Program for the Town of Johnson includes:

- Review of recent trends in capital and operating expenditures.
- Identification of existing capital assets and replacement schedules.
- Identification of additional capital needs based on new facilities/services or population growth.
- Approval of a 6-year plan of capital expenditures and funding sources based on review of capital needs with the Municipal Manager and department representatives and approval by the Town Selectboard.

In the first of the six years covered by the Capital Budget and Program, the list of projects, associated costs and funding sources should match the annual budget presented to voters at Town Meeting. Years two through six of the Capital Budget should reflect the best current estimate of capital needs in those years. The Selectboard should review the list of projects annually as new information on department needs, project costs, and funding sources becomes available. The project list in the Capital Budget and Program should be reviewed and if necessary updated annually.

As provided in 24 VSA, Chapter 117, Section 4404a, the Selectboard may adopt, amend or repeal the Capital Budget and Program following one or more public hearings. A copy of the proposed Capital Budget and Program shall be filed at least fifteen days prior to the final public hearing with the clerk of the municipality and the secretary of the Planning Commission. The Planning Commission may submit a report thereon to the Selectboard prior to the public hearing.

## HISTORIC EXPENDITURES

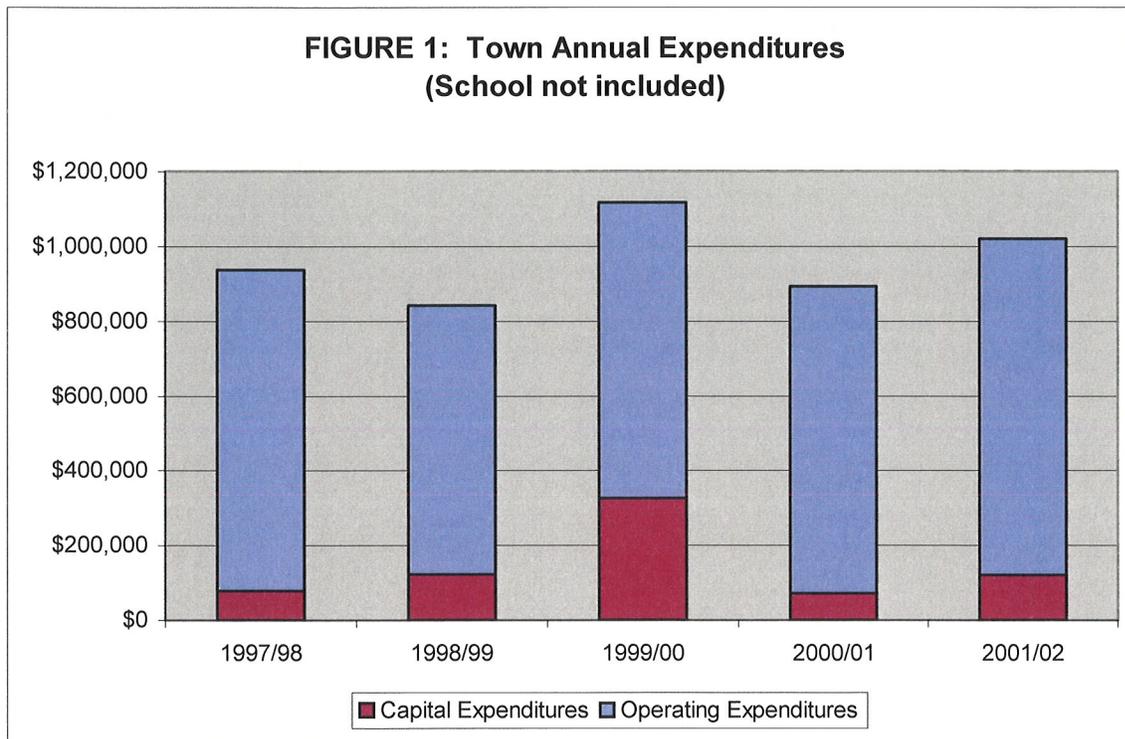
Annual Reports for the Town and Village of Johnson were reviewed from 1998 through 2002. The review of Town expenditures covered all departments including highway, library, recreation and general administration. School costs were not included.

Table 1 provides an itemized list of major capital expenditures for both Town and Village for the 5-year period.

**TABLE 1: Capital Expenditures  
Town – 1998 – 2002**

		1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
TOWN	Office Expense - Computers	1,820		2,140			
	New Equipment	5,669	10,814	10,666	1,482	8,539	
	New Garage	41,235	38,486	35,737	32,988	30,239	
	1998 Chev. Pickup Truck	28,074					
	Prescott Land		50,482				
	Backhoe		21,900		21,650		
	Beauregard Equipment			111,183			
	Municipal Office Construction			165,717	14,800		
	Clark's Truck Center					56,113	
	VT Municipal Truck Center					25,725	

Figure 1 depicts a breakdown of Town operating and capital expenditures for the 5-year period. The peak of capital expenditures in year 1999/2000 included \$165,717 for construction of the municipal office building, a project that was largely funded by non-tax revenues.



Between 2004 and 2011, large capital equipment purchases, net of salvage or trade in value totaled \$657,178.00 and averaged \$82,147.00 per year. During the same time period there were tax contributions into the reserve fund of \$542,248.00 for an average of \$67,781.00 per year and the loan costs paid out of the reserve fund were \$558,705.00 for an average annual payment of \$69,838.00.

For the 6 year period 2012 through 2017, estimated capital purchase costs are \$529,395.00 for an average annual cost of \$88,232.00. Estimates of contributions to the reserve fund are \$555,000.00 for an average annual contribution of \$92,500.00 and the loan costs are estimated at \$600,159.00 for an average annual cost of \$100,026.00.

#### TOWN DEPARTMENTS

At this time the two major components of the Capital Budget and Plan will focus on the Highway Department and the Administrative Department. As time allows it is intended to extend the capital budgeting process to the Library and Recreation expenses.

#### Highway (HWY)

##### Equipment

The Town Highway Department owns and operates 4 dump trucks for summer and winter road maintenance. Three of the four trucks are replaced on a rotating basis with a useful life of approximately 12 years. The fourth truck is replaced approximately once every 8 years. A smaller pickup truck has a useful life of 5 years. The department also has a grader and loader, both with useful lives of approximately 12 years. Other major equipment includes a 1988 screen-all, a 1994 tractor and mower, and a 2000 backhoe (currently shared with the Village).

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

The Selectboard looked at financing costs associated with these two groupings. A 12 year useful life (proposed for this plan) and a 6 year useful life were evaluated. Results show that the additional costs of purchase and financing add app \$6700.00 per year over a 12 year period for the 6 year useful life option. While warranty coverage would preclude major repair or replacement costs for trucks traded every 6 years, thereby reducing the \$6700.00 annual cost, the Selectboard concluded that the extra cost did not warrant the shorter useful life. This plan therefore proposes a 12 year useful life replacement schedule for large trucks.

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

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

#### Land and Buildings

The existing highway garage is suitable for the town's needs for the foreseeable future. The town and village own the public works complex jointly, which includes 200 acres of land. An initial purchase of 15 acres comprised the Highway Garage, the Village Water & Light Department Garage, and the Mill House Office building. An additional 185 acres was purchased, which also included the "lower building", which is shared space between town and village.

Originally the 185 acre purchase was envisioned as a potential water source for the village and the lower building. Extensive testing indicated there was not a suitable source of water for the village water system. There have been ongoing discussions about what to do with the 185 acres. The village had also intended to occupy the lower building as it's W&L Garage and turn their current building into shared space building. That could still occur.

The town has established a Buildings, Grounds and Equipment Reserve Fund that can be used to pay for or offset the costs of and town owned buildings and grounds and non-highway equipment.

The town has assumed the financial responsibility to maintain the Highway Garage, the village the responsibility for the W&L Garage, and joint responsibility for the Mill House and "lower building". There is no formal agreement between the town and the village for this assignment of costs.

#### Other Facilities and Structures

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

#### Administration (ADM)

##### Equipment

Administration is listed in this Capital Budget and Program as a town department, but it provides services for both Town and Village. Existing administrative equipment includes 2 copiers, office computers, a security/alarm system, and communications equipment. Replacement schedules for these items of equipment are relatively short, ranging from 5 years for copiers and computers to 10 years for communications systems to 15 years or more for the security/alarm system.

##### Land and Buildings

The town and village jointly own the Municipal Building, which houses the administrative office functions of town and village and also provides a multi-use meeting space and a room used by Johnson seniors. The building was constructed in 1999 and has been well maintained. A new roof is a known capital expense in the near future. Maintenance and capital expense are shared equally between the town and village.

The town also owns various parcels of land, including several recreation fields: Old Mill Park, Legion Field, Duba Field (Checkerberry), Skate Park and adjacent land, two Town Forests: Gomo lot and Prindle lot and town cemeteries: Whiting, Evergreen Ledge, Grow and Plot.

The town has established a Buildings, Grounds and Equipment Reserve Fund that can be used to pay for or offset the costs of and town owned buildings and grounds and non-highway equipment.

#### Library (LBRY)

The library building was initially constructed in 1909. A privately-funded addition was constructed in 1941. In 1987, the town funded a renovation to the children's room. Additional building renovations, including changing of the current resource room to an expanded children's room and work on lighting and shelving have been undertaken.

The Library Trustees have been grappling with expansion plans and the need for additional parking at the facility for some time and continue to develop plans to address these needs.

At this time, capital expenses are being budgeted on an annual basis by inclusion in the budget. Funding mechanisms for any major capital expense will have to be addressed as plans become more specific and incorporated into the Capital Plan.

#### Recreation (REC)

The Recreation Committee has recently been re-vitalized and become very active, with a good membership base. Initial efforts have focused on program development, but capital projects will no doubt become an important focus of the Committee in the near future. Playground equipment, especially for younger aged children is an identified need.

The town has established a Recreation Grounds and Equipment Fund, which can be used for paying for or offsetting the cost of capital improvements to help meet these needs.

#### FUNDING METHODS

A variety of funding methods are available to pay for capital projects in Johnson. A brief description of each of those methods is given below.

##### Single-Year General Fund

Most operating costs and some capital costs are funded as part of the annual Town budgets, prepared by the Selectboard and approved by the voters at the annual Town meeting. Many small capital items are funded in this manner. Capital items under \$3,000 generally are not considered under this Capital Budget and Program. More expensive capital items normally are funded via another source.

##### Bonding/Borrowing

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

##### Reserve Funds

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

Johnson voters have established several Reserve Funds including: Capital Equipment Fund (2001), Emergency Management Fund (2002), Buildings, Grounds and Equipment Reserve Fund (2004), Tax Anticipation Reserve Fund (2004), Recreation Grounds and Equipment Fund (2007), Bridge and Culvert Reserve Fund (2010), Land Records Computerization Reserve Fund (2010). The articles as approved by the voters for the establishment of these funds are listed in an appendix to this plan.

The Capital Equipment Reserve Fund is used for the purchase of large capital equipment items for the Highway Department. It is funded by annual appropriation line item "Capital Equipment Reserve Fund". Johnson has been utilizing a combination approach for the purchase of large capital equipment for the highway department. Typically, lower cost items have been purchased directly with reserve funds and larger cost items have been financed with the annual principal and interest payments being paid from the reserve fund. This method provides a relatively constant balance to the reserve fund, which provides a "buffer" in any given year that a piece of equipment was needed on an emergency basis. It is funded, upon voter approval, by an annual appropriation in the Selectboard's budget from the line item "Capital Equipment Reserve Fund".

A spreadsheet listing major capital purchases and estimating reserve fund balances is included in this plan, which estimates the annual contribution necessary to meet the planned purchases. In 2012 the annual appropriation is \$80,000.00. By 2017 the appropriation will need to increase to \$105,000.00 to keep pace with increased costs.

The Emergency Management Fund was established to pay for public needs caused by natural or man-made disasters. It is funded, upon voter approval, by an annual appropriation in the Selectboard's budget from the unexpended balance of the line item "Emergency Management". This line item been funded at the same level (\$5000.00) since its inception.

The Tax Anticipation Reserve Fund was established to avoid tax anticipation borrowing, or to retire a deficit. Since established, Johnson has not had to borrow in anticipation of taxes (or use the fund to retire a deficit). The Tax Anticipation fund has a cap on the size of the fund that is equivalent to 10% of the annual budget. There is no separate line item for the fund. If there is an estimated "surplus" in any given budget year, the Selectboard proposes to reserve a sum for transfer to the fund as part of the annual budget, which is consistent with the 10% cap.

The Buildings, Grounds and Equipment Reserve Fund was established for non-highway capital equipment, buildings and property. It is funded, upon voter approval, by an annual appropriation in the Selectboards budget from the unexpended balance of the line item "Equipment Purchase Current Year". Computers and office related capital equipment are paid for from this line item or the fund. The fund has also been used for major building repairs and will likely be used for roof replacement of the municipal building. This line item been funded at the same level (\$10,000.00) since its inception. This level of funding should be adequate for this 6 year budget cycle.

The Recreation Grounds and Equipment Fund was established to pay for equipment or capital needs of recreation programs. It is not funded from a specific line item in the Annual Budget. Instead it is funded from the year end balance (if any) of the Recreation Committee budget (as included in the Selectboard's Annual Budget. The year-end balance is the difference between the actual Recreation Committee expenses and revenues.

The Bridge and Culvert Fund was established for the replacement or major repair of bridges and large culverts. In the past the voters have authorized the establishment of funds for specific bridges (such as the Railroad St Bridge Fund and the Pearl St Bridge Fund). This reserve fund was established to cover any future bridge and large culvert repair/replacement projects. It is expected that the primary purpose of the fund will be to meet town match requirements for state repair and replacement grant programs. It is funded, upon voter approval, from an annual appropriation in the Selectboard's budget from the line item, "Bridge/Culvert Reserve Fund". When approving the establishment of the fund, the voters authorized the transfer of any remaining funds from the Pearl St Bridge Fund, to the Bridge and Culvert Reserve Fund.

Land Records Computerization Reserve Fund was established for the purpose of making a digital or electronic record of existing and future Land Records which are the responsibility of the Town to maintain with the funding from a \$2.00 per page recording fees paid by persons recording documents in the Land Records. The fund allows for the year end transfer of these funds as determined annually by the Selectboard.

#### Grants, Donations

A variety of outside funding sources, not requiring local tax payments, are available. The State has various grant programs for highway, recreation and other projects. State loans may offer better terms than municipal bonds. One example is the State's low-interest loan program for highway vehicles. The municipality must submit an application for each individual vehicle and must pay a portion of the initial cost from its annual budget. This program is competitive, and the municipality cannot be assured of the availability of State funds. Another example is State Highway Grant programs for Class II paving, Structures and Bridge replacement programs, and Enhancement Grants. Johnson has been very successful in securing these grant programs over the past 10 years.

The library regularly benefits from outside grants from the State and from private foundations. Donations and/or fundraising activities have contributed to the budgets of several departments including recreation. Active participation by town officials and citizens will allow these types of funding sources to continue to be used for future capital projects.

#### Trade-In Value

The highway department replaces vehicles on a regular basis. Most vehicles have a trade-in value that reduces the purchase cost of a new vehicle. Anticipated trade-in values are included in this capital budget as a funding source.

#### INVENTORY OF EXISTING CAPITAL ASSETS AND LONG TERM REPLACEMENT LIST

Existing capital assets – including buildings, land, vehicles and equipment – were reviewed with the Municipal Manager and representatives from all departments. An inventory was made of each capital item including purchase year, useful life, estimated replacement date, estimated replacement cost and salvage value. A long-term replacement list of "repeatable assets" was prepared from this information and is shown in Table 1.

Proposed capital projects for years 2012 to 2017, based on the needs of individual departments and available funding sources, are included in this plan. Some items, such as highway vehicles, are based on regular replacement schedules. New capital items, such as the municipal building roof replacement and library renovations, will be based on a combination of departmental need

and available funding in any given year. An attempt has been made to avoid scheduling of multiple large projects in the same budget year.

The first year of these capital projects should exactly match the Selectboard's proposed annual budget, as presented to the voters on Town Meeting Day. Years two through six represent the current best estimate for upcoming capital projects and are subject to change each year.

Some capital items are funded by more than one source. The major funding sources in this capital budget are: 1) reserve funds as described above, 2) annual single year expense, 3) borrowing, 4) grant programs.

#### EFFECT OF CAPITAL PLAN ON TAX RATES

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

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

Finally, most of our large equipment can be reasonably considered "emergency" equipment due to changed expectations of the public. The public expectation for maintenance of the roads has become one of, "access all the time under any conditions". Fire, police, school buses and emergency services all require access to the highways. Without reliable equipment to provide these services, we are not able to meet the public expectations. Planned replacement of equipment and planned and regular maintenance of the equipment are key elements in providing service that our residents want and desire.

Table 2 provides an estimate of the Highway Reserve Fund balance, assuming the Long Term Replacement list is followed.

#### ARTICLES ESTABLISHING RESERVE FUNDS

Below is the language from Town Warnings, by which each Reserve Funds was legally established.

**CAPITAL EQUIPMENT FUND 2001**

Article as warned for Capital Equipment Fund 2001 Annual Town Warning

Article 12: "Will the Town authorize the establishing of a Capital Equipment Fund to pay for items to be identified in the Capital Budget which will be funded by annual contributions set forth in the Town's Annual Budget as line items?"

**Article as amended and approved:**

Article 12: "Will the Town authorize the establishing of a Capital Equipment Fund to pay for items to be identified in the Capital Budget which will be funded by annual contributions set forth in the Town's Annual Budget as line items, and further providing that for disbursements in excess of \$50,000.00, voter approval will be required"

**Note:** The wording of this article has proved confusing and been open to different interpretations. At issue is the \$50,000.00 limit on spending and whether the limit is on the purchase price of the equipment being purchased or the amount of money that is being "disbursed" from the fund to pay for the purchase (in one budget cycle). The issue came to a head in 2012 over the proposed purchase of a new backhoe.

The placement of a spending limit on the use of the Reserve Fund to purchase equipment tends to defeat the purpose of establishing a Reserve Fund. By identifying a schedule of capital equipment replacements and an estimated annual appropriation needed to fund the purchases in a Capital Budget and Plan, and seeking annual voter approval of appropriations to a Reserve Fund to implement the Capital Budget and Plan, it seems reasonable that the Selectboard should then be able to administer the Reserve Fund to purchase the equipment. The Selectboard has a statutory obligation to maintain highways and bridges and must have the latitude and discretion to use their best judgment on the day to day operation of the Highway Department, including when and how to replace equipment. The voters always have the power of the purse to limit spending (and the size of the Reserve Fund) or to vote the Selectboard out of office if they disagree in large enough numbers to do so.

The Legislature recognized this need for Selectboard discretion and granted statutory authority to purchase highway tools and equipment and to finance their purchase through the Vt. Municipal Equipment Loan Fund, without seeking any voter approval. Placing a spending limit on highway equipment purchases runs afoul of the Boards authority and obligations under statute.

Finally, the article establishing this Reserve Fund does not specifically refer to "Highway" Capital Reserve Fund or to pay for "highway" items as identified in the Capital Budget. The Selectboard feels the language establishing the Reserve Fund and the use of the funds should be limited to Highway equipment.

In order to get clarity on these issues and avoid future confusion or debate on how the fund can be used, it is the intent of the Selectboard to hold a Special Town Meeting to amend this article to remove the spending limit and to clarify that the fund shall be used for highway capital equipment purchases.

**EMERGENCY MANAGEMENT FUND 2002**

Article as warned:

Article 18: Will the Town authorize the establishment of an Emergency Management Fund to pay for public needs caused by a natural or manmade disaster within the town to be funded by the un-expended funds from Selectman's Budget line item "Emergency Management"?

Article passed as warned.

**TAX ANTICIPATION RESERVE FUND 2004**

Article as warned:

Article 14: Will the Town authorize a Tax Anticipation Reserve Fund, in accordance with 24 VSA Section 2804, to pay expenses in anticipation of tax collections and or to retire a budget deficit, funded from Selectman's Budget year end fund balance, said fund having a cap of 10% of the Selectman's Budget for that year?

Article passed as warned.

**BUILDINGS, GROUNDS AND EQUIPMENT RESEERVE FUND 2004**

Article as warned:

Article 15: Will the Town authorize a Buildings, Grounds and Equipment Reserve Fund, in accordance with 24 VSA Section 2804, for non-highway capital equipment purchases and or capital improvements to town owned buildings and property, to be funded by unexpended funds from the Selectman's budget line item "Small Equipment Purchase Current Year" and the current fund balance from the "Restricted Fund Small Capital Equipment" account?

Article passed as warned.

**RECREATION GROUNDS AND EQUIPMENT RESERVE FUND 2007**

Article as warned:

Article 18: Will the Town authorize a Grounds and Equipment Reserve Fund, in accordance with 24 VSA Section 2804, for equipment purchases and or capital improvements to town owned and or leased property, and to fund it with year end fund balances (if any) from the Recreation Committee Revenue versus Expense budgets, such sums to be determined annually, funded initially from any 06-07 fund balance from the Recreation Committee account?

Article passed as warned.

**BRIDGE AND CULVERT RESERVE FUND 2010**

Article as warned:

Article 9: Will the Town authorize establishment of a Bridge and Culvert Reserve Fund, in accordance with 24 VSA Section 2804, for the replacement and or major repair to town owned bridges and large culverts, and to fund it with unspent balances (if any) from the Highway Budget line item "Bridge /Culvert Reserve Fund", such sums to be determined annually?

**Article as amended:**

Article 9: Will the Town authorize establishment of a Bridge and Culvert Reserve Fund, in accordance with 24 VSA Section 2804, for the replacement and or major repair to town owned bridges and large culverts, which will be funded by annual contributions as set forth in the annual budget, as a line item.

Article passed as amended.

**LAND RECORDS COMPUTERIZATION RESERVE FUND 2010**

Article as warned:

Article 11: Will the Town authorize the creation of a Land Records Computerization Reserve Fund, in accordance with 24 VSA Section 2804, for the computerization of land records to be funded by revenues of no more than \$2.00 per page received from recording fees established under VSA 32 Section 1671(a) (1) and (6) of this section with the exact amount determined by the local legislative body?

Article passed as warned.

TABLE 1

## JOHNSON CAPITAL BUDGET - Long-term Replacement List

1	A	C	D	E	F	G		H		I	J		K
						Useful Life	Replace Date	Replacemnt Cost	Salvage Value		Replacemnt Cost	Replacemnt Date	
2	Dept	DESCRIPTION	Purchase Year										
3	TOWN				0								
4	HWY	Salt/Sand Shed (not done but still a need)			0								
5	HWY	1982 Compressor (scheduled for 2007)	1982	25	2012	\$	4,500	\$0		2037	\$9,400		
6	HWY	2000 John Deere Backhoe 410E (80%)	2000	12	2012	\$	84,000	\$12,500		2024	\$105,000	\$30,000	
7	HWY	2001 Int. Dump/Plow Truck 2500 (3rd tandem?)	2001	12	2013	\$	185,000	\$10,000		2025	\$249,500	\$21,380	
8	HWY	1994 Ford Tractor (replace?)	1994	20	2014	\$	38,000	\$7,500		2034	\$68,632	\$13,545	
9	HWY	Mower for Ford Tractor	1994	10	2014	\$	7,500	\$500		2024	\$10,079	\$675	
10	HWY	2008 International Dump Truck 4300	2007	8	2015	\$	131,225	\$20,000		2023	\$181,170	\$34,200	
11	HWY	2011 Ford Pickup Truck	2011	5	2016	\$	38,090	\$10,450		2021	\$46,250	\$12,750	
12	HWY	John Deere 624J Loader	2004	12	2016	\$	164,870	\$58,340		2028	\$263,700	\$93,380	
13	HWY	2007 International Dump Truck 7600 (tandem)	2006	12	2018	\$	215,600	\$20,000		2030	\$310,930	\$28,515	
14	HWY	1988 Read Screen-all RD-90 (replace?)	1998	25	2019	\$	188,000	\$10,000		2044	\$394,000	\$20,930	
15	HWY	2009 International Dump Truck 7600 (tandem)	2008	12	2020	\$	221,940	\$22,000		2032	\$348,300	\$29,940	
16	HWY	2016 Pickup (2nd replacement)	2016	5	2021	\$	\$46,250	\$12,750		2026			
17	HWY	2010 John Deere Grader 770G	2010	12	2022	\$	253,640	\$68,500		2034	\$406,540	\$109,770	
18	HWY	2003 York Rake	2003	20	2023	\$	7,700	\$1,000		2043	\$11,900	\$1,550	
19	HWY	2015 Int. Dump Truck 4300 (2nd replace)	2015	8	2023	\$	\$181,170	\$34,200		2031			
20	HWY	Emergency Generator (\$4500) 50/50	2012	20	2032	\$	3,300	\$300					
21	HWY	Garage Roof (done)	2009	25	2034				salvage value				
22		Total Cost				\$	1,767,485	\$287,740		16%	\$2,291,001	\$366,635	
23		Net Cost after trade			Net	\$	1,479,745	12 yr avg cost			\$1,924,366		
24								\$ 123,312.08					
25	TOWN/VILLAGE	ADMINISTRATION											
26	ADM	Telephone System	1999	12	2012	\$	8,750			2024			
27	ADM	computer laptop (manager)	2007	5	2012	\$	1,000			2017			
28	ADM	Roller shelving (1 section)		25	2012	\$	1,400			2037			
29	ADM	computer workstation (Listers)	2008	5	2013	\$	1,000			2018			
30	ADM	Network Server, Software & Peripherals	2008	5	2013	\$	8,700			2018			
31	ADM	4 Portable Radios, cases, chargers	2003	10	2013	\$	3,000			2023			
32	ADM	1 Radio Base Station and equipment	2003	10	2013	\$	1,400			2023			
33	ADM	computer laptop (reomote server)	2009	5	2014	\$	1,000			2019			
34	ADM	computer workstation (Clerk)	2009	5	2014	\$	1,000			2019			
35	ADM	Security/Alarm System	1999	15	2014	\$	12,900			2029			
36	ADM	Municipal Building new roof	1999	15	2014	\$	30,000			2029			
37	ADM	Copier (currently lease/purchase 5yrs)	2010	5	2015	\$	9,500			2020			
38	ADM	computer workstation (Asst Clerk)	2010	5	2015	\$	1,000			2020			
39	ADM	computer laptop (elections)	2010	5	2015	\$	1,000			2020			

TABLE 1 JOHNSON CAPITAL BUDGET - Long-term Replacement List

1	A	C	D	E	F	1st Replacement			2nd Replacement			
						Purchase Year	Useful Life	Replace Date	Replacemt Cost	Salvage Value	Replacemt Date	Replacemt Cost
2	ADM	Roller shelving (3 section)			2016	\$ 4,900						
40	ADM	computer laptop (CEDC)	2011	5	2016	\$ 1,000			2021			
41	ADM	computer workstation (Admin Asst)	2011	5	2016	\$ 1,000			2021			
42	ADM	computer workstation (AR Clerk)	2011	5	2016	\$ 1,000			2021			
43	ADM	voting machine	2008	10	2018	\$ 8,000			2028			
44	ADM	Emergency Generator	2000	20	2020	\$ 9,000			2040			
45	ADM	computer workstation (Listers) recycle							0			
46	ADM	Copier (rotate old one to Listers )						10 yr avg cost	50			
47	ADM	computer workstation (cash drawer) recycle	2003			\$ 106,550		\$10,655				
48	ADM											
49												

