

CAPITAL IMPROVEMENTS PROGRAM

2015 - 2020

Town of Newbury
New Hampshire

Prepared with assistance by

Upper Valley Lake Sunapee Regional Planning Commission

This Capital Improvements Program was adopted on 10/21/2014 by a majority vote of the Newbury Planning Board.

Brady Healy, Chair Russell L. B.
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ACKNOWLEDGEMENTS

The Planning Board would like to thank the all the Capital Improvement Program (CIP) Committee members for their effort in preparing the 2015-2020 Capital Improvement Program for the Planning Board to consider and adopt. In particular, the Planning Board would like to acknowledge the hard work and leadership provided by Ivor Freeman, Chair of the CIP Committee. The CIP Committee consisted of the following members:

Ivor Freeman, Chair of the CIP Committee

At-Large

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I. AUTHORIZATION

At the 2002 Town Meeting, the Town voted to authorize the Planning Board to prepare and amend a Capital Improvements Program as provided for by NH RSA 674:5-8.

II. SCOPE AND PURPOSE

The intent of this Capital Improvements Program (CIP) is to identify and prioritize the Town of Newbury's capital improvement needs and to recommend a schedule for the funding and purchase or construction of those improvements.

As stated in NH RSA 674:5, a CIP is a recommended program of town capital improvements projected over a period of at least six years. The Newbury Planning Board chose a six year planning period for this CIP. The sole purpose and effect of the CIP is to aid the Selectmen in their consideration of the annual budget.

The State law outlines the purpose and description of a CIP as follows:

The capital improvements program shall classify projects according to the urgency and need for realization and shall recommend a time sequence for their implementation. The program may also contain the estimated cost of each project and indicate probable operating and maintenance costs and probable revenues, if any, as well as existing sources of funds or the need for additional sources of funds for the implementation and operation of each project. The program shall be based on information submitted by the departments and agencies of the municipality and shall take into account public facility needs indicated by the prospective development shown in the master plan of the municipality or as permitted by other municipal land use controls.

III. PREPARATION AND ANNUAL UPDATE

In March 2002, the Town Meeting approved the preparation and amendment of a CIP by the Planning Board. This CIP is the financial counterpart to the Master Plan and relies on the Master Plan for data on historical growth trends and future growth projections. The Newbury Planning Board adopted the Newbury Master Plan update on April 1, 2008.

The Planning Board appointed a CIP Committee (Committee) to craft a recommended program of capital improvements. The Committee incorporated the following steps into the planning process:

- The Committee researched the financial history of Town expenditures to include the data for 2007-2013 (Section IX) and discussed the financial policies of the community and

factors affecting future expenditure and revenues.

- The Committee met with the department heads and chairs of the affected Town boards and commissions to review and discuss the capital improvements needs of the community.
- Starting with this capital needs assessment, the Committee developed their recommended CIP and Financing Schedule as described on Page 3 and detailed in Table 1. Tables 1A through 1E provide additional background information for items outlined in Table 1.

The CIP is a recommendation for the budgeting of capital projects and is provided to the Selectmen for their use in the annual town budget process. It is hoped that this comprehensive, long-range capital planning will assist the Selectmen with the capital improvements needs portion of the annual budget. This CIP is a recommended plan and does not supersede the power and authority of the Selectmen in preparing the annual budget.

IV. DEFINITION OF CAPITAL IMPROVEMENTS

In Newbury, a capital improvement in this report is a major expenditure or project undertaken that is generally not recurring on a "year in, year out" basis. Usually, a capital item has a minimum \$5,000 value or greater with a life expectancy of three years or longer. This definition of a capital item differs from that used in the Town accounts, where items that can be capitalized and depreciated are treated as capital items. The projected items in this report will be only a part of those shown in the accounts in subsequent years.

Capital projects include:

- all projects requiring debt obligation or borrowing;
- any acquisition or lease of land;
- purchase or leasing of major equipment, vehicles or furnishings for buildings;
- construction of new buildings or facilities, including engineering, design and other pre-construction costs;
- major building improvements and a reserve fund for building maintenance;
- major studies that require the employment of outside consultants; and
- road maintenance and improvements.

This CIP includes only capital projects which affect the Town General Fund and tax rate. It does not include improvements to the Blodgett sewer system, for example, which are funded by the users of that system, or expenditures from the Conservation Fund whose source of revenue is not the Town's General Fund.

V. BENEFITS OF A CAPITAL IMPROVEMENTS PROGRAM

It is intended that this CIP will be of value to the Town in the following ways:

- To assist in financial management by planning for capital expenditures, coordinating activities of various departments and stabilizing the tax rate.
- To assist in the ability of the Town to accommodate growth and to better serve its residents by identifying, prioritizing and providing for the needs of the community.
- To assist with managing growth. The CIP is a planning tool that enables the Town to:
 - plan for public expenditures and in that way guide growth;
 - develop a schedule of impact fees, and;
 - implement a growth management strategy.

VI. RECOMMENDED CAPITAL IMPROVEMENTS PROGRAM, 2015-2020

The CIP Committee and the Planning Board recommend to the Board of Selectmen the 2015-2020 CIP, listed below, regarding capital projects for the next six years. No cemetery capital projects are planned for this time period. Starting on page 6, each project is described briefly, and the description of any changes from the 2014-2019 CIP are **highlighted in bold in the text**.

The CIP Committee further recommends the financing schedule as outlined in Table 1. Some projects will be funded wholly or in part through withdrawals from designated Capital Reserve Funds; other projects will be funded through bonds or general taxation. Bond payments on future projects are estimated.

- 2015:** \$147,300 to complete a combined architectural/engineering study for the Safety Services Facility and Library addition projects.
\$150,000 to replace loader for Highway Dept.
\$60,000 to replace one ton pick-up for Highway Dept.
\$10,000 to replace personal protective equipment for Fire Dept.
- 2016:** \$135,000 to replace backhoe for Highway Dept.
\$25,000 to replace the Bobcat for Sanitation Dept. and general government use.
- 2017:** \$357,500 for first-year bond payment for construction of Safety Services Facility
\$57,200 for first-year bond payment for construction of Library addition
\$15,000 to replace bailer for Sanitation Dept.
\$75,000 for used vibratory roller for Highway Dept.
- 2018:** \$340,000 for second-year bond payment for construction of Safety Services Facility
\$54,400 for second year bond payment for construction of Library addition
\$70,000 to replace one-ton dump truck for Highway Dept.
- 2019:** \$330,000 for third-year bond payment for construction of Safety Services Facility
\$52,800 for third-year bond payment for construction of Library addition
\$125,000 to replace rescue truck for Fire Dept.

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\$40,000 for new Kubota for Fire Dept.

2020: \$320,000 for fourth-year bond payment for construction of Safety Services Facility
\$51,300 for fourth-year bond payment for construction of Library addition
\$600,000 to replace pumper truck for Fire Dept.
\$60,000 to replace one ton pick-up for Highway Dept.

Ongoing Maintenance or Vehicle Leasing: Town Building Maintenance (including South Newbury buildings), Town Office Computer Hardware, Police Vehicle Municipal Finance Program, Highway Department Equipment Replacement Program, Highway Road Construction Program, Road Paving Expendable Trust.

Capital improvements planned beyond 2020: Ambulance Replacement (pending future service agreements), Fire Equipment Replacement Program, Town Docks

Note on Inflation Allowance: As in previous years this report lists capital item cost estimates in current-year dollars and uses an estimate of 3% rise in appropriations and expenditures per year to account for inflation.

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Table 1: Recommended Financing Schedule for Capital Improvement Program, 2015 -2020

Capital Item Description	CRF Bal	2015	2016	2017	2018	2019	2020	Type
GENERAL GOVERNMENT								
Town Buildings Maintenance	\$ 36,906	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	RF
Town Office Computer Hardware Replacement	\$ 21,622	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	RF
PUBLIC SAFETY								
Fire Equipment Replacement Program (Tables 1A &1B)	\$ 236,326	\$ 110,000	\$ 110,000	\$ 110,000	\$ 110,000	\$ 110,000	\$ 80,000	RF
Personal Fire Protective Equipment	\$ 91,897	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	RF
Architectural/Engineering Study for Safety Services Facility (See Notes)	\$ 12,383	\$ 100,000						GF
Safety Services Facility				\$ 357,500	\$ 340,000	\$ 330,000	\$ 320,000	B
Ambulance Replacement Program	\$ 48,077	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	RF
Police Vehicle Municipal Finance Program (Table 1C)		\$ 25,000	\$ 25,000	\$ 23,000	\$ 25,000	\$ 25,000	\$ 25,000	GF
HIGHWAYS, STREETS & BRIDGES								
Highway Equipment Replacement Program (Tables 1D & 1E)	\$ 142,108	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	RF
Highway Road Construction Program		\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	GF
Road Paving Trust Fund	\$ 25,000	\$ 50,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	RF
SANITATION								
Replace 1992 Bailer				\$ 15,000				GF
Replace 2010 Bobcat			\$ 25,000				\$ 25,000	GF
LIBRARY								
Architectural/Engineering Study for Library (see Notes)		\$ 35,000						GF
Construct Library Addition				\$ 57,200	\$ 54,400	\$ 52,800	\$ 51,300	B
RECREATION & CULTURE								
Docks Repair and Replacement	\$ 77,469	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	RF
Recreation Facilities	\$ 269	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	RF
SUMMARY								
Total Capital Expenditures - All Lines Above		\$ 752,000	\$ 667,000	\$ 1,069,700	\$ 1,036,400	\$ 1,024,800	\$ 1,008,300	
Existing and Projected Debt Service		\$ 0	\$ 0	\$ 414,700	\$ 394,400	\$ 382,800	\$ 371,300	
Total CIP less Existing or Projected Debt Service		\$ 752,000	\$ 667,000	\$ 655,000	\$ 642,000	\$ 642,000	\$ 637,000	
Line Above plus 3% Inflation Compounded		\$ 752,000	\$ 687,010	\$ 694,890	\$ 701,531	\$ 722,577	\$ 738,458	
Total Projected Expenditures		\$ 752,000	\$ 687,010	\$ 1,109,590	\$ 1,095,931	\$ 1,105,377	\$ 1,109,758	

- 1) "RF Bal" shows the balance as of Dec. 31, 2014 in each Reserve Fund, as determined by the Town Administrator.
- 2) "Type" indicates what type of funding has been recommended for financing the capital project: GF = General Fund; RF = Reserve Fund; B = Bond
- 3) The costs listed in Table 1 are in 2014 dollars. As shown at the bottom of the table, a three-percent compounded inflation factor has been applied to the total cost of all capital projects in a given year.
- 4) Replacement dates are for broad planning purposes only and are not indicative of automatic replacement. As with all major equipment items, before replacement, the condition of the equipment and ongoing maintenance costs need thorough review and analysis before the Selectmen determine the practicality of extending the life further. Trade-in values have been included in replacement value costs.
- 5) Debt service as described in Table 1 includes both committed debt service for existing projects and projected debt service for proposed projects to be financed via bonding.

A. General Government – Recommended Capital Projects

Town Buildings Maintenance: The Town has been funding a reserve fund (Town Buildings Expendable Trust Fund) to be used for maintenance of Town buildings. **The CIP Committee recommends maintaining the yearly appropriation to \$20,000 to anticipate future building maintenance needs for Town buildings including South Newbury Buildings.**

Town Office Computer Hardware Replacement: The Town has been funding a reserve fund (Computer Hardware Expendable Trust Fund) to be used for replacing computer hardware in the Town Office. The CIP Committee recommends continuing a yearly appropriation of \$6,000.

B. Public Safety – Recommended Capital Projects

Fire Equipment Replacement Program: The CIP Committee recommends the schedule outlined in Table 1A to replace fire equipment at the end of its useful life. **The CIP Committee recommends increasing the annual appropriation to the designated capital reserve fund to \$110,000 for 2015-2019, based on Table 1B. It is also noted that after several equipment purchases are completed in 2021 the annual appropriation may be reduced to \$80,000 (to be revised in future years).**

Table 1A: Fire Equipment Replacement Program, 2015-2040

Equipment	Life Expectancy	Replacement Cost	Replacement Year
New Kubota	8 Year	\$ 40,000	2019, 2027, 2035
Replace 2004 Rescue Truck	15 Year	\$ 125,000	2019, 2034
Replace 1990 Spartan FMC Pumper	30 Year	\$ 600,000	2020
Replace 1987 Winninghof Fire & Safety Boat	34 Year	\$ 60,000	2021
Replace 2009 Jaws of Life	15 Year	\$ 30,000	2024
Replace 2000 Freightliner Pumper Tanker	30 Year	\$ 200,000	2030
Replace 2008 Tanker	30 Year	\$ 160,000	2038
Replace 2010 Ford Foam Pumper at Blodgetts	30 Year	\$ 210,000	2040
Total		\$ 1,425,000	

- 1) The costs listed in this table are in 2014 dollars. The actual dollar amounts expended in each year are anticipated in Table 1B.
- 2) Replacement dates are for broad planning purposes only and are not indicative of automatic replacement.
- 3) The 1990 Spartan FMC Pumper is planned to be replaced with a \$600,000 Quint Ladder/Pumper in 2020.

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Table 1B: Fire Equipment Capital Reserve Fund Balance, 2015-2034

Year	Appropriation in 2015 dollars	Appropriation w/Annual Increase	Expenditure in 2014 dollars	Expenditure Adjusted for Inflation	Year-End Balance
2014					\$ 236,326
2015	\$ 110,000	\$ 110,000	\$ 0	\$ 0	\$ 346,326
2016	\$ 110,000	\$ 113,300	\$ 0	\$ 0	\$ 459,626
2017	\$ 110,000	\$ 116,699	\$ 0	\$ 0	\$ 576,325
2018	\$ 110,000	\$ 120,200	\$ 0	\$ 0	\$ 696,525
2019	\$ 110,000	\$ 123,806	\$ 165,000	\$ 191,280	\$ 629,051
2020	\$ 80,000	\$ 92,742	\$ 600,000	\$ 716,431	\$ 5,361
2021	\$ 80,000	\$ 95,524	\$ 60,000	\$ 73,792	\$ 27,093
2022	\$ 80,000	\$ 98,390	\$ 0	\$ 0	\$ 125,483
2023	\$ 80,000	\$ 101,342	\$ 0	\$ 0	\$ 226,825
2024	\$ 80,000	\$ 104,382	\$ 30,000	\$ 40,317	\$ 290,889
2025	\$ 80,000	\$ 107,513	\$ 0	\$ 0	\$ 398,402
2026	\$ 80,000	\$ 110,739	\$ 0	\$ 0	\$ 509,141
2027	\$ 80,000	\$ 114,061	\$ 40,000	\$ 58,741	\$ 564,460
2028	\$ 80,000	\$ 117,483	\$ 0	\$ 0	\$ 681,943
2029	\$ 80,000	\$ 121,007	\$ 0	\$ 0	\$ 802,950
2030	\$ 80,000	\$ 124,637	\$ 200,000	\$ 320,941	\$ 606,646
2031	\$ 80,000	\$ 128,377	\$ 0	\$ 0	\$ 735,023
2032	\$ 80,000	\$ 132,228	\$ 0	\$ 0	\$ 867,251
2033	\$ 80,000	\$ 136,195	\$ 0	\$ 0	\$ 1,003,445
2034	\$ 80,000	\$ 140,280	\$ 125,000	\$ 225,764	\$ 917,962

- 1) Expenditures are based on Table 1B Fire Equipment Replacement Program, reported in 2014 dollars, then adjusted for 3% inflation compounded annually.
- 2) The annual appropriation (in 2015 dollars) is required to maintain a positive balance in the capital reserve account. Table 1 applies a 3% annual increase in appropriation to counteract inflation.

Personal Fire Protective Equipment: The Town has been funding a reserve fund (Personal Fire Protection Expendable Trust Fund) to be used for purchasing personal fire protection equipment. The Town anticipates a \$100,000 equipment purchase in 2015. The CIP Committee recommends continuing a yearly appropriation of \$10,000.

Architectural/Engineering Study for the Safety Services Facility: The CIP Committee recommends that an architectural/engineering study for the Safety Services facility for Fire and Police be completed in 2015 in conjunction with an architectural/engineering study for the planned library expansion, funded through the General Fund. There is \$12,383 in a reserve fund that may be used for this work. The CIP Committee recommends that the appropriation for the study be made of \$100,000 for 2015. A separate appropriation for the Library study is listed in Section VI.E.

Safety Services Facility Construction: The CIP Committee recommends including the construction of the Safety Services Facility in the CIP for 2016, to be funded by a \$2,500,000

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10-year bond. **Estimated bond payments will commence in 2017.** This cost estimate will be revised in the future.

Ambulance Replacement Program: The Town has been funding a reserve fund (Ambulance Capital Reserve Fund) to be used to pay for replacing an ambulance. The CIP Committee recommends continuing a yearly appropriation of \$3,000.

Police Vehicle Replacement Municipal Finance Program: The Town has been leasing police vehicles for several years, with a three-year payment period on each vehicle; this is paid through the General Fund. The CIP Committee recommends continuing the appropriation schedule as shown in Table 1C.

Table 1C: Police Vehicle Municipal Finance Program, 2015-2020

Vehicle#	2015	2016	2017	2018	2019	2020
7	\$7,667					
8	\$9,667	\$9,667				
9	\$7,667	\$7,667	\$7,667			
10		\$7,667	\$7,667	\$7,667		
11			\$7,667	\$7,667	\$7,667	
12				\$9,667	\$9,667	\$9,667
13					\$7,667	\$7,667
14						\$7,667
Total	\$25,000	\$25,000	\$23,000	\$25,000	\$25,000	\$25,000

- 1) Car: Assumes vehicle cost of \$24,000 with \$7,667 cost per year over a three-year payment period.
- 2) SUV (Vehicles #8 and #12 above): Assumes cost of \$29,000 with \$9,667 cost per year over a three-year payment period.

C. Highways, Streets And Bridges – Recommended Capital Projects

Highway Equipment Replacement Program: The CIP Committee recommends the schedule outlined in Table 1D to replace highway equipment at the end of its useful life. The costs to replace several pieces of equipment have been adjusted; therefore, the CIP Committee recommends increasing the annual appropriation to the designated capital reserve fund to \$120,000 during the 2015-2030 period based on Table 1E.

Table 1D: Highway Equipment Replacement Program, 2015-2033

Equipment	Life Expectancy	Replacement Cost	Replacement Year
Replace 1998 Loader	15 Year	\$ 150,000	2015, 2030
Replace 2011 One Ton Pick-up	5 Year	\$ 60,000	2015, 2020, 2025, 2030
Replace 2003 Backhoe	13 Year	\$ 135,000	2016, 2029
Used Vibratory Roller	15 Year	\$ 75,000	2017, 2032
Replace 2013 One Ton Dump Truck	5 Year	\$ 70,000	2018, 2023, 2028, 2033
Replace 2006 Dump Truck with Sander	15 Year	\$ 150,000	2021
Replace 2009 Dump Truck with Sander	15 Year	\$ 150,000	2024
Replace 2012 Dump Truck with Sander	15 Year	\$ 150,000	2027
Replace 2000 Grader	15 Year	\$ 275,000	2029
Replace 2013 Dump Truck with Sander	17 Year	\$ 150,000	2030
Total		\$ 1,020,000	

- 1) The costs listed in this table are in 2014 dollars. The actual dollar amounts expended in each year are shown in Table 1E. It has been assumed that the 'trade in' value will be 10% of the new cost. Trade-in values have been included in the listed replacement costs.
- 2) Replacement dates are for broad planning purposes only and are not indicative of automatic replacement.

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Table 1E: Highway Equipment Capital Reserve Fund Balance, 2015-2034

Year	Appropriation in 2015 dollars	Appropriation w/Annual Increase	Expenditure in 2014 dollars	Expenditure Adjusted for Inflation	Year-End Balance
2014					\$ 142,108
2015	\$ 120,000	\$ 120,000	\$ 210,000	\$ 216,300	\$ 45,808
2016	\$ 120,000	\$ 123,600	\$ 135,000	\$ 143,222	\$ 26,187
2017	\$ 120,000	\$ 127,308	\$ 75,000	\$ 81,955	\$ 71,540
2018	\$ 120,000	\$ 131,127	\$ 70,000	\$ 78,786	\$ 123,882
2019	\$ 120,000	\$ 135,061	\$ 0	\$ 0	\$ 258,943
2020	\$ 120,000	\$ 139,113	\$ 60,000	\$ 71,643	\$ 326,412
2021	\$ 120,000	\$ 143,286	\$ 0	\$ 0	\$ 469,699
2022	\$ 120,000	\$ 147,585	\$ 0	\$ 0	\$ 617,284
2023	\$ 120,000	\$ 152,012	\$ 70,000	\$ 91,334	\$ 677,962
2024	\$ 120,000	\$ 156,573	\$ 150,000	\$ 201,587	\$ 632,947
2025	\$ 120,000	\$ 161,270	\$ 60,000	\$ 83,054	\$ 711,163
2026	\$ 120,000	\$ 166,108	\$ 0	\$ 0	\$ 877,271
2027	\$ 120,000	\$ 171,091	\$ 150,000	\$ 220,280	\$ 828,082
2028	\$ 120,000	\$ 176,224	\$ 70,000	\$ 105,881	\$ 898,425
2029	\$ 120,000	\$ 181,511	\$ 410,000	\$ 638,767	\$ 441,169
2030	\$ 120,000	\$ 186,956	\$ 360,000	\$ 577,694	\$ 50,431
2031	\$ 100,000	\$ 160,471	\$ 0	\$ 0	\$ 210,902
2032	\$ 100,000	\$ 165,285	\$ 75,000	\$ 127,682	\$ 248,504
2033	\$ 100,000	\$ 170,243	\$ 70,000	\$ 122,745	\$ 296,002
2034	\$ 100,000	\$ 175,351	\$ 0	\$ 0	\$ 471,352

- 1) Expenditures are based on Table 1D Highway Equipment Replacement Program, reported in 2014 dollars, then adjusted for 3% inflation compounded annually.
- 2) The annual appropriation (in 2015 dollars) is required to maintain a positive balance in the capital reserve account. Table 1 applies a 3% increase in appropriation to counteract inflation.

Highway Road Construction Program: The Town has been raising and appropriating funds from the General Fund for the ongoing maintenance and construction of Town roads. The CIP Committee recommends continuing a yearly appropriation of \$250,000.

Paving Expendable Trust Fund: The CIP Committee recommends continued funding of this fund from the \$25,000 payment in 2014, \$50,000 in 2015, and \$75,000 annually 2016-2020. This fund will cover unanticipated road paving costs.

D. Sanitation – Recommended Capital Projects

Replace 2010 Bobcat: The CIP Committee recommends replacing the Bobcat used at the Transfer Station in 2016, to be funded through the General Fund at a cost of \$20,000. This may be deferred.

Replace 1992 Bailer: The CIP Committee recommends replacing the bailer used at the

Transfer Station in 2017, to be funded through the General Fund at a cost of \$15,000. This may be deferred.

E. Library – Recommended Capital Projects

Architectural/Engineering Study for the Library Addition: The CIP Committee recommends an appropriation of \$35,000 in 2015 to develop an architectural/engineering study for a 2,000-square-foot addition to the library. The CIP Committee recommends this study be combined with the Safety Services Building architectural/engineering study as discussed in Section VI.B.

Library Addition Construction: The CIP Committee recommends including the construction of a 2,000-square-foot addition to the library and building maintenance in the CIP for 2016, to be funded through a \$400,000 10-year bond. Estimated bond payments will commence in 2017. This cost estimate will be revised following the study.

F. Recreation And Culture– Recommended Capital Projects

Docks Repair and Replacement: The Town has been funding a Capital Reserve Fund (Docks Expendable Trust Fund) to be used to repair and replace town docks, with a goal of funding half of the \$350,000 cost of the docks over thirty years. The CIP Committee recommends continuing a yearly appropriation of \$12,000.

Recreation Facilities: The Town has been funding a Capital Reserve Fund (Recreation Expendable Trust Fund) to be used to pay for future recreation and ancillary facilities. Constructing the second set of athletic fields at Fishersfield Park has been put out to bid 2014. The CIP Committee recommends continuing a yearly appropriation of \$11,000.

VII. CAPITAL PROJECTS DEFERRED UNTIL THE FUTURE

In addition to the capital projects recommended to be included in the next six years, the Capital Improvements Program Committee discussed a number of capital improvement projects which they thought should be deferred until sometime in the future. These may be reevaluated each year for inclusion with the annual update of the Capital Improvement Program. The capital projects the CIP Committee thought should wait until a future date to be funded included the following:

1. **Public Water and/or Sewer around the Shore Land of Lake Sunapee: The Master Plan also recommends a study be done of the potential for providing public water and/or sewer services for the shore land areas of Lake Sunapee. Again the CIP Committee concluded this project was not a high enough priority to include in this six year program.**

2. **Sewer Feasibility Study for Newbury Center & South Newbury:** In addition, the Master Plan suggests that a study be done for Newbury Center and South Newbury to determine the feasibility of providing sewer collection and treatment service. The CIP Committee concluded this project was beyond the horizon of this six year program. The CIP Committee recommends that water samples be taken and tested frequently for indications of e-coli and other sewage indicators, especially during the busy summer months in the Newbury Center area of Lake Sunapee.

VIII. CAPITAL PROJECTS ON THE HORIZON

The CIP Committee discussed the potential impact of extreme weather on the town's infrastructure. The effect of the rain has been obvious on the ground between Route 103A and Blodgett's Landing. The runoff from Grace Hill has been extreme and has not been helped by the fact that the spring that causes damage to Route 103A on the hill has not been repaired by the New Hampshire Department of Transportation in many years. The stormwater drainage system in Blodgett's Landing is largely unmapped and was constructed over 100 years ago. The system has been overwhelmed, which has left stormwater in yards and gardens as well as running into the lake.

IX. PAST FINANCIAL TRENDS

Past financial trends were examined in order to understand Newbury's budget characteristics and make projections for the future. In this analysis, only town expenses affecting the Town General Fund and tax rate are considered. School and county finances are not considered in this analysis.

A. Trends in Town Expenditures

Total town expenditures for 2008-2013 indicate an increasing trend of approximately 6% for the period, or approximately 2% per year (on average, unadjusted for inflation). Higher expenditures in 2011 and 2012 are due to large capital expenditures with continued road maintenance and highway equipment expenditures in 2013. Operating expenditures have increased from \$2.5 million to over \$2.8 million from 2008-2013, which translates to a 13% increase over that period (unadjusted for inflation). Debt service has declined each year, and final payments on the Town's existing bonds are scheduled for this year.

B. Trends in Town Capital Expenditures

Starting in 2009, the Town began tracking which capital items were included in the Capital Improvement Program; over the last four years, the Capital Improvement Program has covered a steadily increasing proportion of net capital expenditures (from 65% in 2009 to 95% in 2013). This discrepancy is due to the CIP's focus on capital items that have a life span of 3 years or more and are not recurring "year-in, year-out" expenses, such as equipment leasing.

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Table 2: Trends in Town Expenditures, 2008-2013

TOWN EXPENDITURES		2008	2009	2010	2011	2012	2013
OPERATING							
	Gen. Gov't	\$ 816,534	\$ 825,767	\$ 873,279	\$ 889,769	\$ 907,021	\$ 956,087
	Pub. Safety	\$ 615,117	\$ 588,645	\$ 615,990	\$ 660,665	\$ 655,149	\$ 696,213
	Hwys, Sts, & Brdgs	\$ 630,721	\$ 594,848	\$ 600,560	\$ 621,177	\$ 610,102	\$ 679,423
	Sanitation	\$ 256,609	\$ 242,365	\$ 248,199	\$ 253,604	\$ 273,683	\$ 282,674
	Health & Welfare	\$ 41,600	\$ 48,563	\$ 46,541	\$ 39,740	\$ 39,418	\$ 38,007
	Culture & Rec	\$ 166,240	\$ 172,776	\$ 168,655	\$ 231,367	\$ 190,528	\$ 206,413
	TOTAL OPERATING	\$ 2,526,821	\$ 2,472,964	\$ 2,553,224	\$ 2,696,322	\$ 2,675,901	\$ 2,858,817
CAPITAL							
	Gen. Gov't.	\$ 64,969	\$ 151,019	\$ 136,872	\$ 84,240	\$ 229,042	\$ 54,552
	Pub. Safety	\$ 101,702	\$ 113,863	\$ 124,938	\$ 118,603	\$ 105,789	\$ 93,601
	Hwys, Sts, & Brdgs	\$ 332,847	\$ 280,291	\$ 255,217	\$ 1,064,748	\$ 437,887	\$ 423,960
	Sanitation	\$ 25,870	\$ 21,020	\$ 21,695	\$ 15,802	\$ 9,300	\$ 13,903
	Culture, Rec & Cons	\$ 192,755	\$ 13,000	\$ 27,000	\$ 44,361	\$ 86,257	\$ 73,217
	TOTAL CAPITAL	\$ 718,143	\$ 579,193	\$ 565,722	\$ 1,327,754	\$ 868,275	\$ 659,233
DEBT SERVICE		\$ 253,675	\$ 214,000	\$ 205,750	\$ 197,500	\$ 189,250	\$ 176,000
TOTAL EXPENDITURES		\$ 3,498,639	\$ 3,266,157	\$ 3,324,696	\$ 4,221,576	\$ 3,733,426	\$ 3,694,050

1) Trade-in values have been included in the replacement costs for equipment.

Town of Newbury Capital Improvements Program 2015-2020
Adopted by Newbury Planning Board October 21, 2014

Table 3: Trends in Town Capital Expenditures, 2007-2013

	2007	2008	2009	2010	2011	2012	2013
Total Capital Expenditures							
Gen. Gov't	\$ 488,738	\$ 224,089	\$ 779,822	\$ 150,973	\$ 84,240	\$ 229,042	\$ 54,552
Pub. Safety	\$ 144,942	\$ 239,377	\$ 167,154	\$ 338,773	\$ 118,603	\$ 105,789	\$ 93,601
Hwys, Streets, & Bridges	\$ 259,972	\$ 414,313	\$ 553,059	\$ 388,707	\$ 1,669,345	\$ 437,887	\$ 423,960
Sanitation	\$ 11,555	\$ 25,870	\$ 21,020	\$ 31,695	\$ 15,802	\$ 9,300	\$ 10,155
Culture, Rec & Conservation	\$ 568,371	\$ 235,824	\$ 13,000	\$ 40,625	\$ 44,361	\$ 86,257	\$ 73,217
Total	\$ 1,473,578	\$ 1,139,473	\$ 1,534,055	\$ 950,773	\$ 1,932,351	\$ 868,275	\$ 655,485
Offsets							
Gen. Gov't.	\$ 330,381	\$ 159,120	\$ 628,803	\$ 14,101	\$ 51,475	\$ 35,277	\$ 36,836
Pub. Safety	\$ 47,554	\$ 137,675	\$ 53,291	\$ 213,835	\$ 0	\$ 0	\$ 0
Hwys, Streets, & Bridges	\$ 42,766	\$ 81,466	\$ 272,768	\$ 133,490	\$ 1,417,913	\$ 218,897	\$ 178,291
Sanitation	\$ 0	\$ 0	\$ 0	\$ 10,000	\$ 0	\$ 0	\$ 0
Culture, Rec & Conservation	\$ 451,764	\$ 43,069	\$ 0	\$ 13,625	\$ 7,700	\$ 54,700	\$ 42,218
Total	\$ 872,465	\$ 421,330	\$ 954,862	\$ 385,051	\$ 1,477,088	\$ 308,874	\$ 257,345
Net Capital Expenditures (2007-2008)/Net CIP Expenditures (2009-2013)							
Gen. Gov't.	\$ 158,357	\$ 64,969	\$ 5,000	\$ 6,000	\$ 13,000	\$ 163,908	\$ 14,000
Pub. Safety	\$ 97,388	\$ 101,702	\$ 80,731	\$ 94,453	\$ 101,149	\$ 94,914	\$ 93,601
Hwys, Streets, & Bridges	\$ 217,206	\$ 332,847	\$ 280,291	\$ 255,217	\$ 251,432	\$ 217,092	\$ 243,793
Sanitation	\$ 11,555	\$ 25,870	\$ 0	\$ 12,395	\$ 0	\$ 0	\$ 0
Culture, Rec & Conservation	\$ 116,607	\$ 192,755	\$ 13,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 28,000
Total	\$ 601,113	\$ 718,143	\$ 379,022	\$ 395,065	\$ 392,581	\$ 502,914	\$ 379,394
Net Non-CIP Expenditures (2009-2013)							
Gen. Gov't.	n/a	n/a	\$ 146,019	\$ 130,872	\$ 19,765	\$ 29,587	\$ 3,716
Pub. Safety	n/a	n/a	\$ 33,132	\$ 30,485	\$ 17,454	\$ 10,875	\$ 0
Hwys, Streets, & Bridges	n/a	n/a	\$ 0	\$ 0	\$ 0	\$ 1,898	\$ 1,876
Sanitation	n/a	n/a	\$ 21,020	\$ 9,300	\$ 15,802	\$ 9,300	\$ 10,155
Culture, Rec & Conservation	n/a	n/a	\$ 0	\$ 0	\$ 9,661	\$ 4,557	\$ 2,999
Total	n/a	n/a	\$ 200,171	\$ 170,657	\$ 62,682	\$ 56,217	\$ 18,746
Total Net Capital Expenditures (2009-2013)			\$ 579,193	\$ 565,722	\$ 455,263	\$ 559,131	\$ 398,140

- 1) The definition of capital item for Town accounts (shown here) is different from the definition used for the CIP. For town accounts, anything with a useful life of 1 year or greater is treated as a capital item and then depreciated. CIP considers only capital items over \$5,000 with a life of 3 years or more, which is a subset of the capital items documented in the Town accounts.
- 2) The inventory of capital expenditures changed format between 2008 and 2009. In 2008 and years prior, total capital expenditures were broken into two categories: offsets and net expenditures by the town. Later the net expenditures were further broken down into the amount for projects/items that would be considered under the CIP (Net CIP Expenditures) and the amount for other capital items (Net Non-CIP Expenditures).