

CAPITAL IMPROVEMENTS PROGRAM

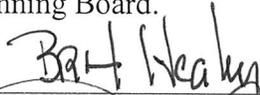
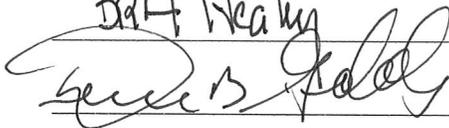
2017 - 2022

**Town of Newbury
New Hampshire**

Prepared by the
Newbury Capital Improvements Program Committee

with assistance from
Kenneth McWilliams, LLC

This Capital Improvements Program was adopted on October 18, 2016 by a majority vote of the Newbury Planning Board.


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ACKNOWLEDGEMENTS

The Planning Board would like to thank the all the Capital Improvements Program (CIP) Committee members for their effort in preparing the 2017-2022 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

Bruce Healey

Planning Board

Bob Caia

Planning Board

Ed Thorson

Board of Selectmen's Representative

Bruce Barton

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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 Master Plan is currently being updated by the community and the Planning Board.

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 2010-2015 (Section IX) and discussed the financial policies of the community and factors affecting future expenditure and revenues.
- The Committee met with most of 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 1D 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, 2017-2022

The CIP Committee and the Planning Board recommend to the Board of Selectmen the 2017-2022 CIP, listed below, regarding capital projects for the next six years. No cemetery capital projects are planned for this time period. Starting on page 4, each project is described briefly

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.

2017: \$25,000 to replace the Bobcat for Sanitation Dept. and general government use

2018: \$23,000 to replace Fire SUV
\$15,000 to replace bailer for Sanitation Dept.
\$70,000 to replace one-ton dump truck for Highway Dept.

2019: \$45,000 for new Kubota for Fire Dept.
\$125,000 to replace rescue truck for Fire Dept.

2020: \$600,000 to replace pumper truck for Fire Dept.
\$60,000 to replace one ton pick-up for Highway Dept.

2021: \$60,000 to replace fire & safety boat for Fire Dept.
\$150,000 to replace dump truck with sander for Highway Dept.

Contributions to Expendable Trust Fund: Town Building Maintenance (including South Newbury buildings), Town Office Computer Hardware, Highway Department Equipment Replacement Program, Highway Road Construction Program, Road Paving Expendable Trust.

Capital Improvements Planned Beyond 2022: Highway Department Equipment, Fire Department Equipment, Police Vehicle Replacement, Town Docks, and Recreation Facilities

Note on Inflation, Cost Projections, and Assumptions: As in previous years this report lists capital item cost estimates and planned appropriations in current-year dollars. The costs and appropriations planned for future years are adjusted by the following rates:

- 2.0% to anticipate annual equipment cost increases (reflected in Table 1B and Table 1D).
- 2.0% for the annual inflation rate.

Library Addition: An expansion of about 2,500 square feet is proposed to the Library for additional meeting space and programs. This would roughly double the size of the existing Library at an estimated cost of about \$800,000. About one-half of the cost is projected to be raised by private donations with the other half funded by the Town. An Architectural Study for the Library Expansion is proposed in 2017 at a cost of \$50,000 to provide architectural schematics, floor plans, building elevations and a site plan. A ten year bond is proposed to pay for the Town portion of the cost with payments of \$48,000 annually starting in 2019.

New Fire & Police Stations: The CIP includes \$15,000 in 2017 for a Professional Facilitator to guide the discussion about new Fire and Police Stations.

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.

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

New Fire & Police Stations: Funding a professional facilitator to guide the discussion of new Fire and Police Stations, as described in Section VI of this report, is recommended by the CIP Committee. There is a capital reserve balance of \$12,402 as shown in Table 1. If approved by the Select Board, the money in this capital reserve fund could be used to reduce the anticipated professional costs for new Fire and Police Stations.

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. With modifications to the compounded annual equipment costs and interest rate the CIP Committee adjusting the annual appropriation to the designated capital reserve fund as shown in Table 1B to \$100,000 for 2017 and 2018, \$90,000 in 2019, \$85,000 in 2020, \$70,000 in 2021 and \$37,000 in 2022. These costs can be reevaluated in future CIPs.

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 CIP Committee recommends continuing a yearly appropriation of \$10,000.

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 existing reserve fund balance is \$48,154. The Select Board should consider whether to dispose of the fund, change the purpose of the fund or leave the fund as is.

Police Vehicle Replacement Program: The CIP includes an annual appropriation of \$25,000 to purchase one new police vehicle each year. The CIP Committee recommends continuing the appropriation schedule as shown in Table 1.

Table 1: Recommended Financing Schedule for Capital Improvement Program, 2017-2022

Capital Item Description	CRF Bal	2017	2018	2019	2020	2021	2022	Type
GENERAL GOVERNMENT								
Town Buildings Maintenance	\$64,734	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	RF
Town Office Computer Hardware Replacement	\$27,290	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	RF
PUBLIC SAFETY								
Fire Equipment Replacement Program (Tables 1A & 1B)	\$447,036	\$100,000	\$100,000	\$90,000	\$85,000	\$70,000	\$37,000	RF
Personal Fire Protection Equipment	\$112,075	\$10,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	RF
Funding for Facilitator to Guide Discussion of New Fire & Police Stations (See Notes)		\$15,000						GF
Architectura/ Engineering Study for New Fire & Police Stations (See Notes)	\$12,402							
Ambulance Replacement Program	\$48,154							
Police Vehicle Replacement Program		\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	GF
HIGHWAYS, STREETS & Bridges								
Highway Equipment Replacement Program (Tables 1C & 1D)	\$104,587	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	RF
Highway Road Construction Program		\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	GF
Road Paving Trust Fund	\$150,190	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	RF
SANITATION								
Replace 1992 Bailer			\$15,000					GF
Replace 2010 Bobcat every 6 yrs.		\$25,000						GF
LIBRARY								
Library Addition Architectural Study		\$50,000						GF
Library Addition debt service				\$48,000	\$48,000	\$48,000	\$48,000	B
RECREATION & CULTURE								
Docks Repair & Replacement	\$98,736	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	RF
Recreation Facilities	\$22,305	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	RF
SUMMARY								
Total Capital Expenditures -All Lines Above		\$699,000	\$619,000	\$642,000	\$637,000	\$622,000	\$589,000	
Existing & Projected Debt Service		\$0	\$0	\$48,000	\$48,000	\$48,000	\$48,000	
Total CIP less Existing or Projected Debt Service		\$699,000	\$619,000	\$594,000	\$589,000	\$574,000	\$541,000	
Line Above plus 2% Inflation Compounded Annually		\$712,980	\$644,008	\$630,358	\$625,053	\$609,134	\$574,115	
Debt Service				\$48,000	\$48,000	\$48,000	\$48,000	
TOTAL PROJECTED EXPENDITURES		\$712,980	\$644,008	\$678,358	\$673,053	\$657,134	\$622,115	

1) "RF Bal" shows the balance as of July 31, 2016 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 2016 dollars. As shown at the bottom of the table, a 2% 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 Select Board 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 is projected debt service for proposed projects to be financed via bonding.

Table 1A: Fire Equipment Replacement Program, 2017-2040

Equipment	Life Expectancy	Replacement Cost	Replacement Year
Replace Fire SUV	7 Years	\$23,000	2018;2025;2031;2038
New Kubota	8 Years	\$45,000	2019; 2027;2035
Replace 2004 Rescue Truck	15 Years	\$125,000	2019;2034
Replace 1990 Spartan FMC Pumper	30 Years	\$600,000	2020
Replace 1987 Winniehof Fire & Safety Boat	34 Years	\$60,000	2021
Replace 2009 Jaws of Life	15 Years	\$30,000	2024
Replace 2000 Freightliner Pumper Truck	30 Years	\$240,000	2030
Replace 2008 Tanker	30 Years	\$200,000	2038
Replace 2020 Ford Foam Pumper-Blodgetts	30 Years	\$210,000	2040
Total		\$1,533,000	

1. Trade-in values have been included in the listed replacement costs for equipment.
2. The costs listed in this table are in 2016 dollars. The actual dollar amounts expended in each year are anticipated in Table 1B.
3. Replacement dates are for broad planning purposes only and are not indicative of automatic replacement.
4. The 1990 Spartan FMC Pumper is planned to be replaced with a \$600,000 Quint Ladder/Pumper in 2020.

Table 1B: Fire Equipment Capital Reserve Fund Balance, 2017-2035

Year	Expenditures in 2016 Dollars	Expenditure with 2% Cost Adjustment	Appropriations in 2016 Dollars	Appropriation with 2% Annual Inflation	Year-End Balance
2016					\$447,000
2017	\$0	\$0	\$100,000	\$102,000	\$553,470
2018	\$23,000	\$23,460	\$100,000	\$104,040	\$639,585
2019	\$170,000	\$176,868	\$90,000	\$95,509	\$564,622
2020	\$600,000	\$636,725	\$85,000	\$92,007	\$25,550
2021	\$60,000	\$64,946	\$70,000	\$77,286	\$38,146
2022	\$0	\$0	\$37,000	\$41,668	\$80,195
2023	\$0	\$0	\$37,000	\$42,501	\$123,498
2024	\$30,000	\$33,785	\$37,000	\$43,351	\$134,299
2025	\$23,000	\$26,420	\$37,000	\$44,218	\$153,440
2026	\$0	\$0	\$37,000	\$45,103	\$200,077
2027	\$45,000	\$53,779	\$37,000	\$46,005	\$194,304
2028	\$0	\$0	\$37,000	\$46,925	\$243,172
2029	\$0	\$0	\$32,000	\$41,395	\$286,999
2030	\$240,000	\$316,675	\$32,000	\$42,223	\$15,417
2031	\$23,000	\$29,170	\$32,000	\$43,068	\$29,469
2032	\$0	\$0	\$32,000	\$43,929	\$73,693
2033	\$0	\$0	\$45,000	\$63,011	\$137,441
2034	\$125,000	\$164,935	\$40,000	\$57,130	\$31,010
2035	\$45,000	\$60,564	\$32,000	\$46,618	\$17,374

1. Expenditures are based on Table 1A Fire Equipment Replacement Program, reported in 2016 dollars, adjusted 2% compounded annually.
2. The annual appropriation (in 2016 dollars) is required to maintain a positive balance in the capital reserve account. A 2% annual increase in appropriation is applied to cover inflation.
3. Assumed 1% return on Capital Reserve Fund balance, applied annually.

C. Highways, Streets And Bridges – Recommended Capital Projects

Highway Equipment Replacement Program: The CIP Committee recommends the schedule outlined in Table 1C to replace highway equipment at the end of its useful life. The costs to replace equipment, adjusted appreciation in equipment costs and rate of inflation have changed the anticipated appropriations and expenditures. The CIP Committee recommends an annual appropriation to the Highway Capital Reserve Fund

of \$100,000 during the 2017-2023 period, an increase to \$110,000 from 2024 through 2026, \$120,000 in 2027 through 2029, \$110,000 in 2030, \$30,000 from 2031 through 2034 and \$20,000 in 2035 as indicated in Table 1D (to be revised in future CIPs).

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

Paving Expendable Trust Fund: The CIP Committee recommends continued appropriation of \$75,000 annually. This fund will help provide a buffer for unanticipated road paving costs or road maintenance needs.

Table 1C: Highway Equipment Replacement Program 2017-2035

Equipment	Life Expectancy	Replacement Cost	Replacement Year
Replace 2013 One Ton Dump Truck	5 Years	\$70,000	2018; 2023; 2028; 2033
Replace One Ton Pick-up	5 Years	\$60,000	2020; 2025; 2030; 2035
Replace 2006 Dump Truck with Sander	15 Years	\$150,000	2021
Replace 2009 Dump Truck with Sander	15 Years	\$150,000	2024
Replace 2012 Dump Truck with Sander	15 Years	\$150,000	2027
Replace 2015 Loader	15 Years	\$150,000	2028
Replace 2003 Backhoe	13 Years	\$125,000	2029
Replace 2000 Grader	15 Years	\$275,000	2029
Replace 2013 Dump Truck with Sander	15 Years	\$150,000	2030
Total		\$1,355,000	

1. Trade-in values have been included in the listed replacement costs for equipment.
2. The costs in this table are in 2016 dollars. The actual dollar amounts expended in each year are shown in Table 1D. 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.
3. Replacement dates are for broad planning purposes only and are not indicative of automatic replacement.

Table 1D: Highway Equipment Capital Reserve Fund Balance, 2017-2035

Year	Expenditures in 2016 Dollars	Expenditures with 2% Cost Adjustment	Appropriation in 2016 Dollars	Appropriation with 2% Annual Increase	Year-End Balance
2016					\$105,000
2017	\$0	\$0	\$100,000	\$102,000	\$208,050
2018	\$70,000	\$72,828	\$100,000	\$104,040	\$241,343
2019	\$0	\$0	\$100,000	\$106,121	\$349,877
2020	\$60,000	\$64,946	\$100,000	\$108,243	\$396,673
2021	\$150,000	\$165,612	\$100,000	\$110,408	\$345,436
2022	\$0	\$0	\$100,000	\$112,616	\$458,052
2023	\$70,000	\$80,408	\$100,000	\$114,869	\$497,094
2024	\$150,000	\$175,749	\$110,000	\$128,883	\$455,199
2025	\$60,000	\$71,706	\$110,000	\$131,460	\$519,505
2026	\$0	\$0	\$110,000	\$134,089	\$658,789
2027	\$150,000	\$186,506	\$120,000	\$149,205	\$628,076
2028	\$220,000	\$279,013	\$120,000	\$152,189	\$507,533
2029	\$400,000	\$517,442	\$120,000	\$155,233	\$150,399
2030	\$210,000	\$277,090	\$110,000	\$145,143	\$19,956
2031	\$0	\$0	\$30,000	\$40,376	\$60,532
2032	\$0	\$0	\$30,000	\$41,184	\$102,321
2033	\$70,000	\$98,017	\$30,000	\$42,007	\$47,334
2034	\$0	\$0	\$30,000	\$42,847	\$90,654
2035	\$60,000	\$87,409	\$20,000	\$29,136	\$33,288

1. Expenditures are based on Table 1C Highway Equipment Replacement Program, reported in 2016 dollars, adjusted 2% compounded annually.
2. The annual appropriation (in 2016 dollars) is required to maintain a positive balance in the capital reserve account. A 2% annual increase in appropriation is applied to counteract inflation.
3. Assumed 1% return on Capital Reserve Fund Balance, applied annually.

D. Sanitation – Recommended Capital Projects

Replace 2010 Bobcat: The CIP Committee anticipates replacing the Bobcat used at the Transfer Station in 2017, to be funded through the General Fund at a cost of \$25,000.

Replace 1992 Bailer: The CIP Committee anticipates replacing the bailer used at the Transfer Station in 2018, and every 6 years thereafter, to be funded through the General Fund at a cost of \$15,000.

E. Library – Recommended Capital Projects

Library Addition: The principal capital project is the Library Addition as described in Section VI of this report on page 2.

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. 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 2008 Master Plan 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. The CIP Committee recommends this position be reassessed after the adoption of the Master Plan update currently in process.
2. **Sewer Feasibility Study for Newbury Center & South Newbury:** In addition, the 2008 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. Again, the CIP Committee recommends this position be reassessed after the adoption of the Master Plan update currently in process.
3. **Sidewalk Extension South Along Route 103:** The CIP Committee recommends consideration be given to extending the sidewalk on the east side of Route 103 farther south to serve additional properties.

VIII. CAPITAL PROJECTS ON THE HORIZON

The CIP Committee discussed the potential future projects that would be incorporated into future a CIP:

- A use for the historic South Newbury Buildings has not been determined. If they remain under municipal ownership and are used for public purposes there will need to be substantial renovations to meet current Building Code. When appropriate, these costs should be incorporated into the CIP.
- Extreme weather events could have significant impacts on the Town's stormwater and transportation infrastructure and have significant secondary environmental and economic impacts. Comprehensive stormwater and roadway improvements may need to become part of the CIP forecast needs.
- The existing Safety Services Facility will be vacated upon completion of new fire and police stations. The CIP Committee recommends incorporating design and construction costs to repurpose the existing facility once the new facility is complete and a new use is determined for the existing facility.

IX. PAST FINANCIAL TRENDS

The following pages are a summary of past trends in Newbury's budget from 2010 through 2015 to help the Capital Improvements Program (CIP) Committee members understand Newbury's budget characteristics. In this analysis, only town expenses and revenues which affect the Town general fund and the Town tax rate are considered. School and county finances are not considered in this analysis.

A. Trends in Town Operating & Debt Service Expenditures

Total town expenditures for the analysis period indicate an increasing expenditure trend for the period. Operating expenditures have increased from \$2.5 million in 2010 to \$2.9 million in 2015. This equates to a 14% increase over 6 years (not adjusted for inflation). Debt service has declined each year with final payments on existing bonds expiring in 2014 leaving no debt service for 2015.

B. Trends in Capital Expenditures

The large increase in Town capital expenditure in 2011 was due to a bridge replacement (Table 2). The net town expenditures for capital items have ranged from a low of \$398,140 in 2013 to a high of \$639,365 in 2015. Table 3 provides an inventory of town capital expenditures in 2015.

C. Trends in Town Revenues

Total town revenues have increased from \$3,751,639 in 2010 to \$4,388,580 in 2015. This translates to a 17% increase over the six year period.

D. Trends in Assessed Valuation and Tax Rates

Over the six year period, actual assessed valuation has ranged from a low of \$693,241,593 in 2011 to a high of \$707,247,502 in 2015. Total full value tax rates have increased from \$13.85 (Town \$3.52) in 2010 to \$15.78 (Town \$3.70) in 2015 that equates to a 14% (Town 5%) increase over the six year period.

Table 2: Trends in Town Expenditures, 2010-2015

TOWN EXPENDITURES	2010	2011	2012	2013	2014	2015
OPERATING						
Gen. Gov't	\$873,279	\$889,769	\$907,021	\$956,087	\$957,936	\$929,315
Pub. Safety	\$615,990	\$660,665	\$655,149	\$696,213	\$720,989	\$722,771
Hwys, Sts, & Brdgs	\$600,560	\$621,177	\$610,102	\$679,423	\$685,435	\$672,113
Sanitation	\$248,199	\$253,604	\$273,683	\$282,674	\$272,474	\$276,003
Health & Welfare	\$46,541	\$39,740	\$39,418	\$38,007	\$46,929	\$48,378
Culture & Rec	\$168,655	\$231,367	\$190,528	\$206,413	\$229,083	\$266,036
TOTAL OPERATING	\$2,553,224	\$2,696,322	\$2,675,901	\$2,858,817	\$2,912,846	\$2,914,616
CAPITAL						
Gen. Gov't.	\$136,872	\$84,240	\$229,042	\$54,552	\$55,485	\$53,392
Pub. Safety	\$124,938	\$118,603	\$105,789	\$93,601	\$107,168	\$206,590
Hwys, Sts, & Brdgs	\$255,217	\$1,064,748	\$437,887	\$423,960	\$581,990	\$492,338
Sanitation	\$21,695	\$15,802	\$9,300	\$13,903	\$79,310	\$10,920
Culture, Rec & Cons	\$27,000	\$44,361	\$86,257	\$73,217	\$118,415	\$49,416
TOTAL CAPITAL	\$565,722	\$1,327,754	\$868,275	\$659,233	\$942,368	\$812,656
DEBT SERVICE	\$214,000	\$205,750	\$197,500	\$189,250	\$168,000	\$0
TOTAL EXPENDITURES	\$3,332,946	\$4,229,826	\$3,741,676	\$3,707,300	\$4,023,214	\$4,539,928

Table 3: Trends in Town Capital Expenditures, 2010-2015

	2010	2011	2012	2013	2014	2015
Total Capital Expenditures						
Gen. Gov't	\$150,973	\$84,240	\$229,042	\$54,552	\$55,485	\$53,392
Pub. Safety	\$338,773	\$118,603	\$105,789	\$93,601	\$107,168	\$206,590
Hwys, Sts, & Brdgs	\$388,707	\$1,669,345	\$437,887	\$423,960	\$581,990	\$492,338
Sanitation	\$31,695	\$15,802	\$9,300	\$10,155	\$79,310	\$10,920
Culture, Rec & Cons	\$40,625	\$44,361	\$86,257	\$73,217	\$118,415	\$49,416
Total	\$950,773	\$1,932,351	\$868,275	\$655,485	\$942,368	\$812,656
Offsets						
Gen. Gov't.	\$14,101	\$51,475	\$35,277	\$36,836	\$35,720	\$1,500
Pub. Safety	\$213,835	\$0	\$0	\$0	\$0	\$0
Hwys, Sts, & Brdgs	\$133,490	\$1,417,913	\$218,897	\$178,291	\$274,800	\$152,375
Sanitation	\$10,000	\$0	\$0	\$0	\$7,000	\$0
Culture, Rec & Cons	\$13,625	\$7,700	\$54,700	\$42,218	\$54,820	\$19,416
Total	\$385,051	\$1,477,088	\$308,874	\$257,345	\$372,340	\$173,291
Net CIP Expenditures						
Gen. Gov't.	\$6,000	\$13,000	\$163,908	\$14,000	\$16,000	\$26,000
Pub. Safety	\$94,453	\$101,149	\$94,914	\$93,601	\$95,128	\$197,676
Hwys, Sts, & Brdgs	\$255,217	\$251,432	\$217,092	\$243,793	\$304,758	\$325,748
Sanitation	\$12,395	\$0	\$0	\$0	\$29,905	\$0
Culture, Rec & Cons	\$27,000	\$27,000	\$27,000	\$28,000	\$63,595	\$28,000
Total	\$395,065	\$392,581	\$502,914	\$379,394	\$509,386	\$577,424
Net Non-CIP Expenditures						
Gen. Gov't.	\$130,872	\$19,765	\$29,587	\$3,716	\$3,765	\$25,892
Pub. Safety	\$30,485	\$17,454	\$10,875	\$0	\$12,040	\$8,914
Hwys, Sts, & Brdgs	\$0	\$0	\$1,898	\$1,876	\$2,432	\$14,215
Sanitation	\$9,300	\$15,802	\$9,300	\$10,155	\$42,405	\$10,920
Culture, Rec & Cons	\$0	\$9,661	\$4,557	\$2,999	\$0	\$2,000
Total	\$170,657	\$62,682	\$56,217	\$18,746	\$60,642	\$61,941
Total Net Capital Expenditures	\$565,722	\$455,263	\$559,131	\$398,140	\$570,028	\$639,365

Note: The definition of a capital item for Town accounts (shown here) is different from the definition used for the Capital Improvements Program. For Town accounts, anything with a useful life of 1 year or greater is treated as a capital item and then depreciated. For the Capital Improvements Program, we consider only those capital items over \$5,000 with a life of 3 years or more, therefore, the CIP covers a subset of the capital items documented in the town accounts.

Table 4: Inventory of Town Capital Expenditures (2015)

General Government	TOTAL EXPEND.	OFFSETS	NET CIP	NET NON-CIP
Copier Lease	\$3,765	\$0		\$3,765
Golf Cart	\$2,000	\$1,500		\$500
Master Plan Update	\$5,110	\$0		\$5,110
Town Buildings Exp Trust Fund	\$20,000	\$0	\$20,000	\$0
Crack Sealing-GG	\$4,050	\$0	\$0	\$4,050
I Pad's	\$4,758	\$0	\$0	\$4,758
Town Office Fireproof Room	\$7,709	\$0	\$0	\$7,709
Town Office Equipment Exp. Trust	\$6,000	\$0	\$6,000	\$0
SUBTOTAL	\$53,392	\$1,500	\$26,000	\$25,892
Public Safety				
PD Cruiser Lease Payments	\$20,179	\$0	\$20,179	\$0
PD New Computer	\$3,679	\$0	\$0	\$3,679
PD vehicle mounted mobile radios	\$2,910	\$0	\$0	\$2,910
FD Crack Sealing	\$2,325	\$0	\$0	\$2,325
FD Capital Reserve Fund	\$110,000	\$0	\$110,000	\$0
Safety Services Geotechnical Study	\$57,497	\$0	\$57,497	\$0
FD Personal Protection Expendable	\$10,000	\$0	\$10,000	\$0
SUBTOTAL	\$206,590	\$0	\$197,676	\$8,914
Highways, Streets and Bridges				
Paving & Grading	\$165,748	\$0	\$165,748	\$0
Brifges Engineering & Construction				
Highway Dept. Cap Reserve	\$110,000	\$0	\$110,000	\$0
Paving Expendable Trust Fund	\$50,000	\$0	\$50,000	\$0
Loader	\$122,000	\$122,000	\$0	\$0
One Ton Dump	\$30,375	\$30,375	\$0	\$0
Large Culvert	\$3,700	\$0	\$0	\$3,700
Turbo for 2010 Mack	\$5,025	\$0	\$0	\$5,025
York Rake and Radar based counter	\$5,490	\$0	\$0	\$5,490
SUBTOTAL	\$492,338	\$152,375	\$325,748	\$14,215
Sanitation				
SW Equipment Rental	\$10,920	\$0	\$0	\$10,920
Transfer Station Addition				
Pickup Truck w/Plow				
SUBTOTAL	\$10,920	\$0	\$0	\$10,920
Culture, Recreation & Conservation				
Conservation Fund	\$14,416	\$14,416	\$0	\$0
Millfoil Expenditure	\$5,000	\$5,000	\$0	\$0
Craksealing- Rec	\$2,000	\$0	\$0	\$2,000
Docks Exp Trust Fund	\$12,000	\$0	\$12,000	\$0
Recreation Facilities Trust Fund	\$11,000	\$0	\$11,000	\$0
Millfoil Exp. Trust Fund	\$5,000	\$0	\$5,000	\$0
SUBTOTAL	\$49,416	\$19,416	\$28,000	\$2,000
2015 TOTAL CAPITAL EXPENDITURES	\$812,656	\$173,291	\$577,424	\$61,941

Table 5: Trends in Town Revenues, 2010-2015

TOWN REVENUES	2010	2011	2012	2013	2014	2015
Property Tax Revenues (Town Only)	\$ 2,429,038	\$ 2,632,073	\$ 2,643,465	\$ 2,594,762	\$ 2,731,269	\$ 2,777,638
Other Local Revenues (Fees, Charges, Etc.)	\$ 1,108,575	\$ 1,193,467	\$ 1,254,370	\$ 1,400,101	\$ 1,138,591	\$ 1,402,247
Federal Revenues	\$ 14,401	\$ 5,337	\$ 5,719	\$ 549	\$ 230	\$ 260
State Revenues	\$ 199,625	\$ 209,465	\$ 165,912	\$ 191,842	\$ 200,991	\$ 208,535
TOTAL TOWN REVENUES	\$ 3,751,639	\$ 4,040,342	\$ 4,069,466	\$ 4,187,254	\$ 4,071,081	\$ 4,388,580

Note: Other Local Revenues includes motor vehicle registrations, boat registrations, building Permit fees, revenues from all departments, and revenue received from New London and Sunapee for the three town assessment program.

Table 6: Trends in Assessed Valuation and Tax Rates, 2010-2015

	2010	2011	2012	2013	2014	2015
ASSESSED VALUATION (ACTUAL)	\$ 705,436,059	\$ 693,241,593	\$ 695,543,508	\$ 701,287,041	\$ 704,469,467	\$ 707,247,502
ACTUAL TAX RATES						
School	\$ 7.58	\$ 8.11	\$ 7.89	\$ 8.35	\$ 8.66	\$ 9.24
Town	\$ 3.52	\$ 3.76	\$ 3.80	\$ 3.70	\$ 3.84	\$ 3.83
County	\$ 2.75	\$ 2.81	\$ 2.92	\$ 2.88	\$ 2.99	\$ 3.21
TOTAL	\$ 13.85	\$ 14.68	\$ 14.61	\$ 14.93	\$ 15.49	\$ 16.28
EQUALIZED ASSESSED VALUATION	100.00%	97.70%	100.00%	99.10%	90.60%	97.20%
ASSESSED VALUATION (FULL)	\$ 703,053,162	\$ 713,511,157	\$ 694,305,825	\$ 706,227,728	\$ 778,476,828	\$ 728,945,184
FULL VALUE TAX RATES						
School	\$ 7.58	\$ 7.92	\$ 7.89	\$ 8.28	\$ 7.87	\$ 8.97
Town	\$ 3.52	\$ 3.67	\$ 3.80	\$ 3.67	\$ 3.47	\$ 3.70
County	\$ 2.75	\$ 2.75	\$ 2.92	\$ 2.85	\$ 2.71	\$ 3.11
TOTAL	\$ 13.85	\$ 14.34	\$ 14.61	\$ 14.80	\$ 14.05	\$ 15.78