

TOWN OF TUFTONBORO  
NEW HAMPSHIRE

**CAPITAL IMPROVEMENTS PROGRAM**

FOR THE PERIOD

2020 to 2029

Presented  
December 3, 2019

**Capital Improvements Program  
Tuftonboro, New Hampshire  
2020-2029**

Tuftonboro's Capital Improvements Program ("CIP") Committee wishes to acknowledge and to thank Tuftonboro's Board of Selectmen, Department Heads, Committee and Commission Chairs, the Trustees of the Trust Funds, the Governor Wentworth Regional School District, and the Carroll County Finance Office. Their willingness to take the time to respond to our requests for information regarding their plans for capital projects helped us to be as efficient as possible in completing our work. Also, the Selectmen's Administrative Assistant, Diane Falcey, and Administrative Secretary, Karen Koch, were extremely helpful in providing support services. And, a special thank you goes to Selectman and former CIP Chair Bill Marcussen for help in explaining the complex capital capacity and tax rate calculations.

**Town of Tuftonboro Capital Improvements Program Committee - 2019**

<b>Jill Cromwell</b>	<b>Chair</b>
<b>George Gettman</b>	<b>Vice-Chairman</b>
<b>Maryann Lynch</b>	<b>Secretary</b>
<b>Laureen Hadley</b>	<b>Planning Board Representative</b>
<b>Lloyd Wood</b>	<b>Board of Selectmen Representative</b>
<b>Tom Young</b>	<b>Budget Committee Representative</b>
<b>Barbara Maidhof</b>	<b>CIP Committee Member</b>
<b>Jim Weigel</b>	<b>CIP Committee Member</b>

**Board of Selectmen – 2019**

**William "Chip" Albee, Chair**  
**Bill Marcussen**  
**Lloyd Wood**

## **TABLE OF CONTENTS**

Acknowledgements	2
Table of Contents	3
Introduction	4
Our Capital Improvements Program -- The Fundamentals	5
Capital Capacity	6
Table 1 – Tuftonboro’s Capital Expenditures and Capital Capacity 1991-2029	6
Figure 1 – Capital Expense History and Capital Capacity Projections 1991-2029	7
Proposed Capital Projects & Purchases	8
Details of Town Proposals	8
A. Board of Selectmen	8
B. Code Officer	9
C. Conservation Commission	9
D. Fire / Rescue Department	10
E. Highway Department	13
F. Police Department	15
G. Public Safety Facilities	17
H. Solid Waste Department (Transfer Station)	18
Governor Wentworth Regional School District Capital Projects	22
Carroll County Capital Projects	22
Conclusions and Recommendations	23
Table 2 – Town Decisions v. CIP Recommendations	24
Schedule of Articles Recommended for the 2020 Town Warrant	25
Table 3 – Proposed Project Schedule	26
Projected Tax Rates for 2020 to 2025	27
Table 4 – Projected Tax Rates	28

## Introduction

In October 2007, Tuftonboro's CIP Committee prepared and presented its first annual report to the Selectmen, laying out a projected schedule of Capital Projects for the period 2008 to 2017. The first report included a great deal of background material for the interested reader. Material covered included the establishment of Tuftonboro's CIP Committee, the Revised Statutes Annotated (RSAs) which govern the work of the CIP Committee, the responsibilities of the Committee, and the annual process to be followed by the Committee. In addition, the first report contained detailed information about the history of expenditures by the Town of Tuftonboro (both capital and operating) dating back to 1991. This data provided the foundation for the Committee's establishment of a Capital Capacity for Tuftonboro which in turn led to projections of “reasonable” or “normal” levels of Capital Expenditure through 2017.

Previous CIP Committee reports can be viewed and downloaded through links found on the CIP Committee's page on Tuftonboro's website, [www.tuftonboro.org](http://www.tuftonboro.org). Copies of the reports are also available at the Tuftonboro Free Library and a limited supply is available at the Town Offices.

The CIP Committee is an advisory committee, which makes recommendations to the Planning Board, Selectmen and Budget Committee on the town's anticipated capital expenditures for the next ten years. In this 2019 CIP report, covering the years 2020 -2029, we list projects proposed by Tuftonboro's various departments, committees, commissions, and boards for the next ten years. Each project proposal includes the presenter's submission, this committee's discussion and recommendations, and a suggested timetable and financing approach. Financial data for these projects is also included in a summary schedule.

In addition, this report includes a summary list of what was recommended by the CIP Committee in the previous year, what was proposed by the Board of Selectmen for Town Meeting, the Budget Committee's action, and the decisions made by the voters at the Town Meeting this past March. Often more detailed information on projects is developed after CIP issues their report, prompting these other boards to propose different recommendations.

In the final two pages of this report, we include the history of tax rates from 2014 through 2019 broken down into “Town Only” and “County Only” and “School Only” expense components. The former includes Tuftonboro's own operating and capital expenses while the two latter components include school and county operating expenses as well as identifiable capital projects and any tax effects of important state mandates. We extend this data series as our projection of what Tuftonboro's taxpayers might expect to see over the period 2020 – 2025, using the 2019 net assessed property valuation.

## **Our Capital Improvements Program -- The Fundamentals**

The CIP Committee has defined a Capital Project to be a specified item or activity with a cost of at least \$10,000 and with a useful life of two years or more.

Typical Capital Projects include:

- Purchasing vehicles or other equipment
- Purchasing land or buildings
- Constructing, expanding, or renovating a building
- Paving and upgrading roads
- Contracting for services with a work order for a defined task

In late summer, the CIP Committee solicits input from all departments, commissions, and committees in Tuftonboro for all Capital Projects contemplated for the next ten years. The CIP Committee reviews each proposed project (often with the sponsors presenting their projects) and presents these on a single spreadsheet with a suggested financing method and a schedule for each year consistent with the Town's Capital Capacity. The CIP Committee then votes to accept the final version of the spreadsheet. The Committee prepares a report (this document) summarizing its work and including suggested Articles for the Town Warrant and other recommended capital spending for the coming year. This report is presented to a joint meeting of the Board of Selectmen, Budget Committee, and Planning Board.

There are substantial benefits to managing a capital budgeting process and developing the discipline associated with a long-range planning culture. For example, the work done by the CIP Committee:

- Helps stabilize and control the Town's tax rate
- Assists Town officials in laying out their departmental plans
- Helps residents anticipate future projects and expenses
- Enables a dialogue between residents and officials about Capital Project priorities
- Encourages Departments and Committees to think and plan for the future
- Enables more efficient use of limited resources
- Permits the Town to consider using impact fees and growth management ordinances

The CIP provides a formal, legally recognized bridge between the Town's Master Plan and the annual budgeting activity. This is the basis for the Planning Board to be represented on the CIP Committee. The CIP report, with its identified costs and forward-looking timetable, is the action plan to implement the goals of the Master Plan.

Tuftonboro's CIP report is an advisory document. The Selectmen and Budget Committee are not bound to follow any of its recommendations. However, the report is proving to be an essential, helpful management tool for everyone involved in planning the Town's future.

## Capital Capacity

Probably no aspect of the CIP Committee's report generates as much discussion as Capital Capacity. Using spreadsheet software, a graph is plotted with the points representing the Town's **actual expenditures** for Capital Projects as extracted from Town Reports beginning with 1991. The software generates a line from these points that is the "best fit" to show their trend. This historical trend line is described by an equation. The next step is to extend that trend line through the coming 10-year period within which the CIP Committee works. Using the equation from the first step, values are generated for this extension. The result is a line describing Tuftonboro's capital expenditure levels since 1991 and a projection from the current year to the end of the period covered in this report. The trend line equation will change with each year of actual Capital Project expenditures.

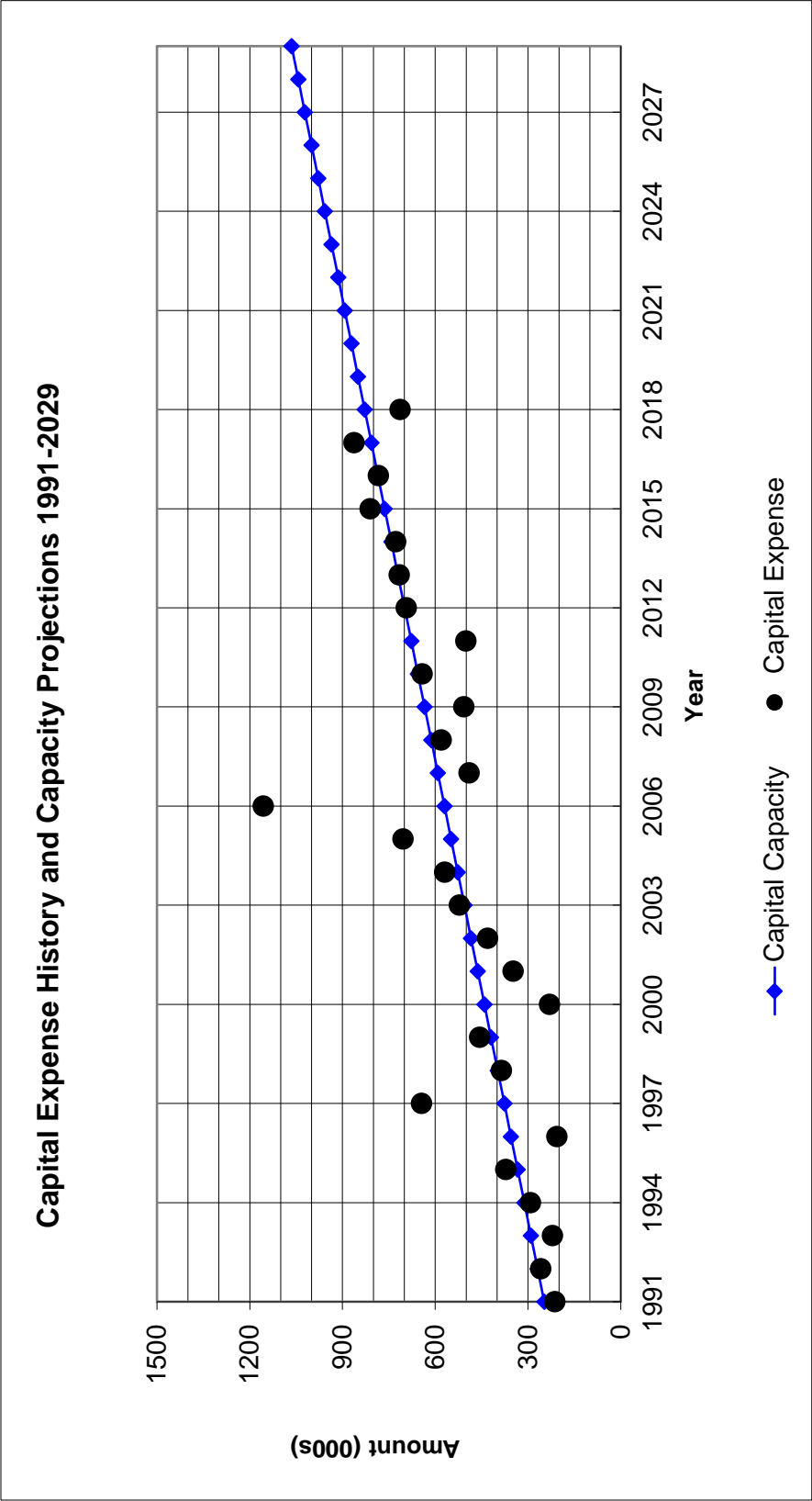
Table 1 (below) lists the historical data as well as the values for Tuftonboro's Capital Capacity utilized by the CIP Committee this year. They will also be found in the "Proposed Project Schedule", Table 3 on page 26.

Year	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Expense (000s)	\$214	\$260	\$222	\$293	\$373	\$207	\$645	\$387	\$457	\$231	\$349	\$431	\$523
Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expense (000s)	\$570	\$705	\$1,157	\$491	\$581	\$508	\$643	\$502	\$694	\$717	\$729	\$811	\$785
Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Expense (000s)	\$863	\$714											
Capacity (000s)			\$850	\$871	\$893	\$914	\$936	\$957	\$979	\$1,000	\$1,022	\$1,043	\$1,065

**Table 1 - Tuftonboro's Capital Expenditures and Capital Capacity 1991-2029**

While actual expenditures (rather than voter-authorized amounts) are subject to year-to-year fluctuations and changing economic conditions, work using these actual totals strongly suggests they provide the best basis from which to determine Tuftonboro's Capital Capacity. Spending levels that may be variously described as "normal for," or "acceptable to," or "accepted by" town voters seem to be reflected well in these numbers. The more we work with them, the more we understand they are not a "budget" but rather a description of Tuftonboro's "normal" capital spending levels.

The full graph of Tuftonboro's Capital Capacity is found on the next page in Figure 1. The plotted points are those from Table 1 above. These values are at the heart of the work of the CIP Committee. They capture the Town's history, provide actual numbers to guide Town planning, and are firmly grounded upon the actual actions and decisions of the voters of Tuftonboro.



**Figure 1**

## **Proposed Capital Projects & Purchases**

The CIP Committee contacted the head of each department, committee, and commission in Tuftonboro during the summer of 2019 with a request to prepare a project submission form for each Capital Project planned or contemplated for implementation during the next 10 years. The responses are summarized in the next several pages, together with associated comments and recommendations of the CIP Committee.

### **Details of Town Proposals**

#### **A. Board of Selectmen**

##### **1. 19 Mile Bay Beach Improvements Project – Phase 2** (New)

**Submission:** The 2019 warrant article didn't allow for enough funding to complete this project so it was split into two phases. Phase one will be completed after Columbus Day 2019 for \$40,238. Phase two is anticipated to be completed by Memorial Day 2020. It includes replacing the stone wall with a concrete block wall, replenishing the perched beach, grading to divert water runoff, and planting rain gardens. A proposal for the work came in for \$31,299.

**CIP Committee Comments:** This would complete the project started in 2019 for \$31,299

**CIP Committee Recommendation:** An article on the warrant for \$31,299 for this project in 2020 as requested.

##### **2. Lake Road Culvert Wall and Dredging** (no change)

**Submission:** Lake Road Boat Launch was replaced in 2017. The second part of the project to rebuild the culvert wall and possibly dredge the channel to the lake contain cost and scheduling estimates. More information will follow when the permitting process is completed. Submitted for 2022 at \$160,000.

**CIP Committee Comments:** The Town's access for boats should be maintained in a condition that contributes to the recreational appeal of our town and region.

**CIP Committee Recommendation:** Due to other priorities, schedule \$160,000 for this project in 2023.

##### **3. Union Wharf Bulkhead Reconstruction** (update)

**Submission:** Cost is an estimate. More accurate cost information will follow as the permitting process is completed. Union Wharf is approximately 265 feet long and it is thought to be well over 100 years old. It serves the following critical public functions:

- The Tuftonboro Fire/rescue boat is docked at the Wharf to provide fire suppression and medical services to our island residents, mutual aid to nearby communities, and water-to-land ambulance transfers.
- NH Fish and Game uses the Wharf for docking their boat.
- Disabled island residents can be picked up and dropped off by boats in close proximity of handicap parking reserved for such usage.



- The Wharf serves as a tie up point for one of the few 3-season boat ramps available to the public without a fee.

The wooden bulkhead portion of the Wharf extends to the lake bed and is in need of repairs due to ice damage. The repairs require a wetland permit and in pursuing the wetland permits we are unable to find any historic documentation of a Grant in Right from the Governor and Council conveying permission to build the Wharf nor make repairs along the periphery of its footprint. The Selectmen will be inviting Executive Councilor Cryans to meet with them to see if he may be able to help secure the Grant in Right so repairs can be made.

**CIP Committee Comments:** This project continues significant maintenance spending on this important town asset. It was requested for 2021 at \$150,000, a price double that previously submitted.

**CIP Committee Recommendation:** Due to many other priorities, CIP recommends splitting it into a two-year project and scheduling \$50,000 in 2021 and \$100,000 in 2022.

## **B. Code Officer**

### **1. Code Enforcement Vehicle** (No change)

**Submission:** The current vehicle was purchased in 2018. A new vehicle will replace the existing one in eight years, 2026.

**CIP Committee Comments:** The vehicle replacement schedule is appropriate to support the code officer's duties.

**CIP Committee Recommendation:** Schedule \$35,000 for this project in 2026.

## **C. Conservation Commission**

### **1. Great Meadow Trail** (No change)

**Submission:** Supports Master Plan goal to conserve the Tuftonboro Great Meadow area and provide rural, recreational experience. This trail will provide high quality natural resource education and wildlife viewing. Due to the abundance of wet soils, considerable boardwalk structure will be needed. Project includes parking area and wildlife viewing platform. Labor for trail location, design and construction will be volunteers. Construction and financing will be in phases, parking area and gate at trail entrance and part of the trail is being built with donated funds; final section of elevated trail and observation platform will be built for \$12,000 in 2024.

**CIP Committee Comments:** The committee is pleased to see that fundraising for a portion of the trail was undertaken as it recommended.

**CIP Committee Recommendation:** Schedule \$12,000 for this project in 2024.

## **D. Fire / Rescue Department**

**1. Continue Lease/Purchase payments on Rescue 1 & Ambulance** (Previously approved projects).

**CIP Committee Comments:** It is important that the payment continues for this last year of the agreement, preserving our investment in the vehicles.

**CIP Recommendation:** An article on the warrant to raise and appropriate \$89,000 to pay the fifth and final installment toward the Rescue 1 vehicle and ambulance acquired in 2016.

**2. Continue Lease/Purchase payments on Engine 2** (Previously approved project)

**CIP Committee Comments:** It is important that the payments continue for the last years of the agreement, preserving our investment in the vehicle.

**CIP Recommendation:** An article on the warrant to raise and appropriate \$125,000 to pay the third installment toward the fire truck acquired in 2018.

**3. Engine 4** (resubmitted – no change)

**Submission:** The scope of this project is to replace the current Engine 4 at the end of its 20-year service life. When this truck is due for replacement in 2025, it is expected to cost \$800,000. As the project comes closer to fruition a better cost estimate will be available.

**CIP Committee Comments:** Consistent with NFPA service life guidelines. Though the Fire Department requested to schedule this as a lease/purchase for 2025 – 2029, the CIP Committee looked into starting a capital reserve fund instead. It was estimated that saving for the purchase in advance would save the town approximately \$150,000 in interest expense.

**CIP Committee Recommendation:** In last year's report, the Committee recommended starting a Capital Reserve Fund for the purchase of Engine 4 in 2020 with \$120,000, but it was determined that other priorities should take precedence. So this year we have moved it to 2021 at \$124,000 through 2024 with a final payment in 2025 of \$248,000.

**4. Car 1** (resubmitted - no change)

**Submission:** The scope of this project is to replace the current Car 1 on a 15-year replacement cycle instead of the original 10-year plan, due to the fact that the car had to have a new motor installed in 2017. Even though the engine was replaced all of the other components of the vehicle are original and subject to the rigors of daily use. Car 1 is used primarily by the chief as his command vehicle. Car 1 is also used by members to respond to all types of calls, tow department trailers, boats and the EMD generator. Members take Car 1 to trainings outside of the department and any other department business. It is used daily. The cost of the project is estimated to be in the \$90,000 range.

**CIP Committee Comments:** Though originally requested last year for 2020, Chief Thompson thought it could be postponed until 2025 since it has a new engine and is now garaged and not kept running so that the medical equipment would not freeze.

**CIP Committee Recommendation:** Schedule \$90,000 for 2025 as requested by the department.

**5. Utility/Forestry 1** (resubmitted – no change)

**Submission:** The scope of this project is to replace the current Utility/Forestry 1 on its normal replacement cycle of 15 years. This vehicle is a pickup with a forest fire skid unit in the back. It is used for forest/grass fires, daily errands and medical calls. The cost of this project is estimated to be \$100,000 in 2023.

**CIP Committee Comments:** Consistent with NFPA service life guidelines. The Tuftonboro Fire Fighters Association donated an extruded aluminum flat bed and associated parts for this vehicle in 2019.

**CIP Committee Recommendation:** Schedule \$100,000 for 2023 as requested.

**6. Boat 2/Airboat** (resubmitted – no change)

**Submission:** The scope of this project is to replace Boat 2 the air boat on its normal replacement cycle of 20 years. This boat is used for ice rescue, safely going to the islands in the winter cold weather months and as a backup for boat 1 when the weather/water conditions permit. The boat has been an asset to the department since it was purchased in 2005. It has been on numerous cold-water rescues and recovery missions. It gives the department a way of getting manpower and equipment to the islands when there is little or no ice or in the winter in the event of a fire or emergency. The boat is used under severe conditions and needs to be kept in good repair for safety. The estimated cost of replacement is \$100,000.

**CIP Committee Comments:** Consistent with NFPA service life guidelines. The Tuftonboro Fire Fighters Association donated \$14,942, the cost of repairs to the polymer plastic protective coating on the boat in 2019.

**CIP Committee Recommendation:** Schedule \$100,000 for 2025 as requested.

**7. ATV/Trailer, Rescue Sled** (resubmitted – no change)

**Submission:** The scope of this project is to replace the existing ATV and rescue sled at its normal replacement cycle of 20 years. This unit allows the department to access the snow machine, hiking trails and off-road areas around town. In the warm weather, the unit carries a small removable water/pump unit for forest fires and in the winter, it gets equipped with tracks to better handle going off road in snow and mud. A good used unit may be available at the time of replacement but that is not guaranteed. An estimated replacement cost of \$50,000 for the package of atv/utv, tracks, rescue trailer and an enclosed trailer for transport is needed.

**CIP Committee Comments:** Consistent with NFPA service life guidelines.

**CIP Committee Recommendation:** Schedule \$50,000 for 2021 as requested.

## **8. Portable Radio Replacement** (resubmitted – no change)

**Submission:** The Department's radios are in need of replacement. The mobile radios were replaced in 2017. The portables were obtained in 2006. All of these radios were part of a state-wide grant that was a direct result of the 9/11 tragedy. The intent of the program was to address the need of every member of the department to have a portable radio that operated the same and could communicate with all of the agencies in the region. This was an incredible cost savings for the community and it allowed all of the state agencies to communicate better. However, the radios will no longer be supported by the manufacturer after 2021 due to their age (the manufacturer increased their support an additional 5 years last year). So, the radios cannot be repaired if needed. Some are starting to fail. Like the SCBAs the radios are considered part of a firefighter's protective equipment. Each firefighter has a radio assigned to them that is coded with their number and a man down button so that in the event of an emergency they can simply push a button to alert dispatch of the emergency if they are unable to talk, getting them the help they need as soon as possible. By purchasing the radios at the same time all of them will be the same model and operate the same way so that any firefighter can use any radio in the event of an emergency if their own is lost or not with them. The department has 36 portable radios. The cost estimate per radio is \$4,300 in 2021, bringing the total project cost to \$155,000. Hopefully the new radios will last 10 to fifteen years like their predecessors. These radios were part of the 2017 CIP request but were able to be deferred due to the manufacturer's update on how long they could be serviced.

**CIP Committee Comments:** The failure of existing portable radio units and the fact that they will not be repairable due to the manufacturer's plan to no longer support them in 2021, creates personnel and fire safety issues.

**CIP Committee Recommendation:** Schedule the replacement for 2021 at \$155,000.

## **9. SCBA (Self Contained Breathing Apparatus)** (resubmitted – no change)

**Submission:** Firefighters depend on SCBAs to keep them safe from unsafe environments and keep them from breathing toxic fumes and gases. They are a key component of the personal protective equipment that are required to be worn by firefighters. SCBAs allow them to perform their job as safely as possible. The Fire Rescue Dept. currently has 22 SCBAs. 19 were procured with a Home Land Security grant in 2007. The remaining 3 were purchased as refurbished units in 2012 to allow for members to take them to training and not deplete the front-line apparatus of SCBAs. The department also maintains a spare air bottle for each pack and has a few reserve bottles that can be used to change out quickly in the event they are needed and later refilled as time allows. SCBAs have a service life of 15 years. The Department's SCBAs are due to be replaced no later than 2022. It is not unreasonable to think that at the time of replacement approximately 30 packs and 40 spare bottles will be needed. It is unknown if there will be any federal grants available when it comes time to replace the SCBAs. The current replacement cost of an SCBA is \$6,000 per SCBA and \$775 per spare bottle. SCBAs have been and continue to go up 5% per year. At that rate in ten years the same SCBA will cost \$10,015 and \$1,294 per spare cylinder bringing the cost of the project to \$352,210. However, SCBA standards are changed every 5 years so the cost of the changes cannot be foreseen. The cost estimate was later revised to be \$263,665. With \$183,000 in the SCBA Capital Reserve Fund, an additional \$81,000 would be needed.

A capital Reserve fund has been established and has been funded over the last few years. The need for this project hasn't changed and over the last year several air packs needed substantial repairs. This capital reserve should continue to be funded annually so that the impact to the tax payers is spread out over time and the SCBAs can be purchased on time.

**CIP Committee Comments:** The 15-year maximum service life reflects both the effects of wear and tear on the equipment and gradual obsolescence as standards are updated to embrace technology and safety enhancements. Ideally, replacement funds would be accumulated across the full equipment life cycle. Given the substantial estimated replacement cost, a Capital Reserve Fund was established in 2014. This fund currently contains \$182,575.

**CIP Committee Recommendation:** Continue contributions to the SCBA Capital Reserve Fund in 2020 through 2022. An article on the Town Warrant for \$27,000 for this project in 2020 and schedule \$27,000 in each year 2021-2022.

## **E. Highway Department**

Tuftonboro has an elected Road Agent responsible for maintaining and upgrading the Town's roads, bridges and docks. Tuftonboro maintains approximately 28 miles of paved and 5.8 miles of unpaved roads. The Town also owns 5 bridges, 5 boat launch access locations and 2 wharves. In the past, Town Meeting voted on three separate highway budget items: (1) "Paving and Shoulder" work (previously called "Special for Tar"); (2) individual Named Road Improvement projects identified by the Board of Selectmen; and (3) regular road maintenance. Item (1) was listed as a separate article on the Warrant, while (2) and (3) were included in the operating budget. Starting in 2015, the Road Improvement project and the Paving project were combined and presented as a single article on the Warrant, with regular road maintenance continuing in the operating budget. This will continue for 2020. In November 2018 a Road Surface Management System and Guardrail Inventory Report compiled by Lakes Region Planning Commission was presented to the Selectmen. This will be an excellent tool for planning road maintenance and repaving projects for the next ten years. Each road was given a PCI (Pavement Condition Index). The study found that 51% of the paved roads maintained by the town warrant some type of maintenance or repair to bring them up to the goal of a PCI of 70 or greater.

### **1. Paving and Improvements on Town Roads** (no change)

**Submission:** Continued improvements and paving on town roads at \$285,000 per year.

**CIP Committee Comments:** It is important to continue funding for this at last year's level.

**CIP Committee Recommendation:** A Paving and Road Improvements article on the Town Warrant for \$285,000 in 2020.

### **2. Heating System Upgrade at Town Garage** (resubmitted – updated)

**Submission:** Estimated Total Cost \$15,000; Estimated Useful Life 25 years. To lower heating costs of the highway garage. The current system is not economically efficient. Move out to 2021.

**CIP Committee Comments:** The current system (which is set at 50 degrees) is as old as the building (over 30 years old) and includes three different heaters. The department wants more time to study the best type of heating system. It is believed that radiant heat in the

floor is best for facilities with large garage doors such as this building. A better estimate of cost will be submitted next year.

**CIP Committee Recommendation:** Schedule \$15,000 in 2021.

**4. New Town Plow Truck** (revised)

**Submission:** New 10-wheel dump truck for \$235,000 in 2022.

**CIP Committee Comments:** A 10-wheel truck was purchased in 2015 and has 50,000 miles on it. The Road Agent stated that trading this in on a 7-year cycle would result in a higher trade-in value (estimated at \$75,000). This truck allows the department to haul their own sand, saving the town money. Last year a 6-wheel truck, good for the narrower roads in town, was requested for 2023 - at the 20-year life of the existing truck at a cost of \$178,517. This request was not resubmitted in 2019, but replaced with the 10-wheel truck request.

**CIP Committee Recommendation:** Schedule \$235,000 in 2022, pending more data on the different trucks next year.

**5. Town Sanders** (new)

**Submission:** Replacement of two slide-in town sanders at \$15,000 in 2020. These sanders are put into 1-ton trucks which are meant for smaller roads. One existing town sander is about 25 years old and the other is 11 years old. The maintenance is getting expensive and the road agent would like to trade them in while they still have some value. It will be easier to operate two sanders that operate the same. New sanders have better technology which can spread less sand/salt mix.

**CIP Committee Comments:** These are necessary pieces of equipment that must be in good working order when storms hit.

**CIP Committee Recommendation:** An article on the Town Warrant for \$15,000 in 2020.

**6. Paving Highway Garage** (updated)

**Submission:** This year's submission stated: "Previously submitted form requested paving be done in 2020" and requested \$20,000 in 2022. The 2017 submission stated: "Removing old pavement in front of garage to re-grade so water will not puddle on building. Pave new loading dock that was built last year. Pave existing parking area. Replace dilapidated cement wall along front of building."

**CIP Committee Comments:** Upon research, it was determined that the project was submitted in 2017 for \$31,000 for 2018 and recommended by the CIP committee. However, it was not recommended by the Selectmen.

**CIP Committee Recommendation:** Move the project to 2023 due to other priorities.

## **7. Sodom Road Bridge Replacement** (no change)

**Submission:** This bridge is currently on the state red list and recently had load capacity restrictions placed on it. The State estimated this project to be \$235,000. The state bridge program will reimburse 80% of this cost but the current backlog in this program is 8 years. HEB has notified the Selectmen that this amount does not address hazard mitigation. Based on their experience they have estimated that this project's replacement cost would be \$525,000. Repairs that can extend the current bridge's life for up to 10 years may be needed sooner, but there would be no state support. No bridge funds were appropriated in this year's biennial state budget, so future funding is questionable.

**CIP Committee Comments:** It is important to maintain the quality and safety of the Town's bridges and allow oil delivery trucks and fire engines to have access across it. This bridge is included in the state replacement program and we have scheduled its replacement in accordance with that schedule at this time. In 2018 the Town voted to approve \$75,000 for repairs to the bridge to restore full load carrying capacity.

**CIP Committee Recommendation:** Schedule replacement of the Sodom Road Bridge for \$105,000 (the net impact to the town budget) in 2024.

## **8. Tuftonboro Neck Bridge Replacement** (no change)

**Submission:** This bridge is close to being red-listed by the state. Estimated replacement cost was updated by the State from \$935,000 to \$905,000. The state bridge program will reimburse 80% of this cost but the current backlog in this program is 8 years. The construction of this bridge does not lend itself to interim repairs. No bridge funds were appropriated in this year's biennial state budget, so future funding is questionable.

**CIP Committee Comments:** It is important to maintain the quality and safety of the Town's bridges. This bridge is included in the state replacement program.

**CIP Committee Recommendation:** Scheduled replacement of the Tuftonboro Neck Road Bridge for the net impact to the budget of \$181,000 in 2026.

# **F. Police Department**

## **1. Cruiser computers** (New)

**Submission:** This is a required replacement of the computers in three of the cruisers. According to our IT specialist, Tom Albert, these computers will need to be replaced in 2020. The computers to be purchased are ruggedized tablets with data radios, 2D bar code scanners, and ruggedized keyboards. The cost is based upon an quote from Patrol PC including installation. The computers need to be ruggedized as they are kept in the cruisers and need to be durable for longevity. Police also need to have them secured for Criminal Justice Information System (CJIS) compliance.

This was not a planned purchase until the computer IT contractor said recently they need to be replaced in 2020. The computers to be replaced are used as Mobile Data Terminals (MDTs) are not ruggedized and the department has had to replace some keyboards. They are tablets and do not scan or do GPS as will be required to do e-crash accident reports and

e-ticketing. E-crash is electronic accident report submissions, which the Chief expects will be required soon. Many agencies are using it now. E-ticketing is electronic submission of citations. This will probably be required in a few years. E-ticketing and e-crash can save time. Scanners can eliminate errors as the data is read by the computer not written down.

They include data radios which means that the cellular modems planned for 2019 will not be needed so they will not be purchased this year. The present computers lack ports to connect equipment needed for e-crash and e-ticketing such as GPS and an in-car printer. These are specialized tablets that are in use by several local police departments.

There may be highway safety grant funds available to help offset the cost but the department would have to agree to e-crash and e-ticket submissions. \$17,000 was submitted for 2020; revised to \$21,000 with printers (included permitting immediate printouts of electronic tickets and accident reports) allowing for the possibility of a 50% grant.

**CIP Committee Comments:** Purchasing equipment with software that is compatible with the state for reporting digitally is an important feature. The current computers are 4-5 years old. New ones will include printers, modem and GPS and roof-mounted antennas for better reception.

**CIP Committee Recommendation:** Recommend an article on the warrant for \$21,000 in 2020 for the purchase of new Police cruiser computers and printers.

## **2. Message Sign & Radar Trailer** (Updated)

**Submission:** The Police presently have a radar speed trailer. It was purchased in 2008 and fixed in 2019. The proposal is for the purchase of a new trailer that includes a variable message capability along with radar speed measurement. It will supplement the radar trailer, which is effective in slowing traffic. The proposal is to add it in 2024 at an estimated cost of \$19,000. The Transfer Station has expressed an interest in using a message trailer at the facility and the possibility of sharing one is being discussed.

**CIP Committee Comments:** The committee agreed with the Chief that this was not a priority since we do have a working radar trailer now in addition to some smaller portable radar signs that are pole mounted. There are issues with sharing it with the Transfer Station due to the time it takes to move it from location to location with the police vehicle which can tow it and secure it. It is usually left in one location for a week or more.

**CIP Committee Recommendation:** Schedule the project for 2024.

## **3. Police Vehicles** (updated)

**Submission:** Since it was last submitted the 2019 vehicle was not purchased. This has created a situation where maintenance has increased for that older vehicle and it is critical it be replaced in 2020. It will also mean we will need one in 2021.

We will need to look at adding an officer. We were short staffed over the last year with one officer on extended leave and then hiring and training to fill a vacancy took close to a year. Being short staffed in the summer made it so we could not fill every shift and led to busy



shifts. It also meant our availability for discretionary patrol was limited. For more than one month, our patrol time was less than 20%. That is an indication that we should be adding staff. I would suggest that wait until the station is completed as we lack space now. Also needs and demands are increasing. The Governor's School Safety Task Force has recommended a School Resource Officer in every school in the state. The present staffing does not allow for us to spend much time at the school. While the officer in the academy has returned and will be on patrol soon, it shows that one vacancy can adversely impact our ability to serve the community. We had numerous requests for stationary radar and directed patrols in several areas of town and we were unable to fill all of the requests.

Due to the age of the vehicles and increasing cost of equipment, it would be prudent to increase the amount projected to at least \$60,000 for each vehicle and probably \$65,000 after 2025. The last one cost nearly that much and more equipment will need to be replaced such as the radar and lights. In the past we have reused the radars which are now nearly 20 years old in most cases. The light bars have been refurbished and reused in some cases. The plan is to retain the oldest vehicle. Over the last year we have seen that having a spare vehicle has been a tremendous time saver. When a vehicle was out for repairs or maintenance, there was no need to drive around shuffling cars and officers to make sure an oncoming officer had a cruiser for shifts and during their on call time. It would be a reserve when the 2020 vehicle came on line. It would be replaced in 2021. Having 5 vehicles in the rotation means there would need to another replaced in 2028.

**CIP Committee Comments:** The Board of Selectmen had established an eight-year vehicle replacement cycle resulting in a purchase every other year for the four-vehicle fleet. However, they did not stick to this schedule in 2019 since all vehicles saw a decrease in use due to the staffing shortage. The CIP Committee agrees with replacing a vehicle in 2020, but then recommends moving all other purchases out a year – to 2022, 2024, 2026, and 2028, since all vehicles had fewer miles put on them in 2018/19 due to staffing shortages. Purchasing a vehicle every other year fits well into the overall capital plan, but means that some vehicles will be replaced in 8 or 9 or 10 years. Vehicle mileage and conditions should be considered for each request.

**CIP Committee Recommendation:** An article on the warrant for a new police vehicle for \$60,000 in 2020 and cruiser replacements scheduled at \$60,000 in 2022, 2024, 2026, and 2028 (with an increase in expected cost to \$65,000 in 2028).

## **I. Public Safety Facilities**

**1. Fire Station:** Continue loan payments of the previously approved new Fire Station with \$184,000 scheduled out of the operating budget for 2020.

**2. Police Station Architectural Plans** (Update)

**Submission:** The Selectmen hired an architectural firm to help assess the needs, determine a location, and estimate the costs of a new Police Facility. As part of the process they assessed three locations: near the fire station, near the present location, and across from the library. The assessment at the present location looked at adding onto the present structure and a new separate structure. The assessment determined that the best location would be across the library at the "Dearborn lot". The new structure proposed would cost nearly the

same thing at each location. An addition to the present structure would have cost about the same without addressing all the needs. The location at the present site would impact the present parking lot and the town garden with the loss of many parking spaces and the garden. Construction would restrict access to town services in the Town office building. The fire station lot had access restrictions that would have to be worked around and would impact the fire station parking lot. The "Dearborn lot" has no restrictions that would impact other town services or construction. It would also allow for future expansion if needed.

Based upon the assessment report, the Board of Selectmen voted to use the "Dearborn lot" for the police facility. They also felt that it would prudent to wait until after the library was completed in 2020. The "Dearborn lot" is being used for storage and parking while the library project is being completed. The architects said it would cost around \$60,000 to complete the plans and have it bid with actual costs for the 2021 Town meeting. Therefore, the Police Chief suggested that \$60,000 be raised in 2020 for completion of the plans and get bids for the 2021 Town meeting.

**CIP Committee Comments:** This approach is appropriate given that the need to expand the current station has been clearly demonstrated.

**CIP Committee Recommendation:** An article on the Town Warrant to raise and appropriate \$60,000 for a Police Station Architectural Plan.

### **3. Police Department Facility** (no change)

**Submission:** The results of the Police Building Feasibility Study approved in 2018 were received in May 2019. Based upon the assessment report, the Board of Selectmen voted to use the "Dearborn lot" for the police facility, with a recommended size is 4,859 square feet and estimated cost between \$1,292,136 and \$1,460,136. They requested that this be scheduled for 2021.

**CIP Committee Comments:** It is important to address the needs of the Police Department. The Committee asked for a breakdown of estimated loan payments from the Selectmen but did not receive one.

**CIP Committee Recommendation:** Schedule \$819,000 to be financed as a 20-year loan (in order to spread out capital expenses more in line with the Town's Capital Capacity) starting in 2021 for the net amount of a \$1,300,000 project minus the Capital Reserve funds. Due to recommending \$60,00 for Architectural Plans in 2020, the committee removed funding for the Police Department Facility Capital Reserve Fund.

## **J. Solid Waste Department (Transfer Station)**

The projects outlined below are part of the Transfer Station strategic vision and long-range plan.

### **1. Replace Old Vertical Baler** (New)

**Submission:** OCC Cardboard Baler is over 20 years old and piston is leaking and may fail at any time. In order to repair the machine, the piston and case have to be removed and shipped out. The Baler would then be down for 6-8 weeks while a new piston and

case is built. The cost for a new piston and case is almost as much as a new baler would cost. If done this way you would still have a worn old machine with a very expensive new piston that could break down at any time. Recommend purchasing a new Baler. There is possible grant money available from NHTB, estimated to be \$2,000 to \$3,000.

**CIP Committee Comments:** The Committee believed this was an important piece of equipment for the Transfer Station. It is used to bale cardboard, but would also be used to bale paper if/when paper recycling is reinstated.

**CIP Committee Recommendation:** An article on the warrant for \$15,000 in 2020 for the purchase of a Vertical Baler.

## **2. Compactor #1 Replacement** (Updated)

**Submission:** Compactor life is 12-15 years. Compactor #1 is currently 20 years old. In 2012, the piston was rebuilt at a cost of nearly \$4,500, because that particular piston is no longer available. Compactor #1 replacement should be completed in 2020. It has been serviced every year for upkeep and preventative maintenance. The Total Estimated Cost was revised to \$30,000 this year.

**CIP Committee Comments:** The refuse compactors are critical components in the town's ability to collect solid waste for transfer to a land fill. Compactor #1 was new in 1997 and #2 was new in 2005.

**CIP Committee Recommendation:** An article on the warrant for \$30,000 to replace Compactor #1 in 2020.

## **3. Compactor #2 Replacement** (Updated)

**Submission:** Compactor #2 should be scheduled to be replaced in 2023. Compactor #2 is 15 years old and is currently on the CIP Schedule to be replaced in 2023. The Total Estimated Cost was revised to \$34,000 this year.

**CIP Committee Comments:** The refuse compactors are critical components in the town's ability to collect solid waste for transfer to a land fill.

**CIP Committee Recommendation:** Schedule \$34,000 to replace Compactor #2 in 2023.

## **4. Portable Changeable Message Trailer** (New)

**Submission:** Signage, or lack thereof, has always been an issue with every planned event or even with day to day operations. Purchasing this trailer mounted solar powered changeable sign will help keep the public more aware of current information, for changes, or for advanced awareness of upcoming events. Signage is portable on trailer to be placed in prime locations throughout the town depending on event and desired audience (Household Hazardous Waste collection, Island Day, Med collection days, etc.) This portable sign could also be used by the Police, Road Agent, Fire Department, or the Selectmen for any event they deemed useful. Neighboring towns have used this type of sign and it quadrupled the number of people that utilized HHW collection. Requested \$15,000 in 2020.

**CIP Committee Comments:** Clay Gallagher explained that to include the radar option would be an additional \$2,000. Chief Shagoury explained why he did not think sharing the trailer would work well. While having such a device at the Transfer Station would be helpful for the reasons stated above, the Committee did not think it was a priority and suggested looking for less expensive options such as changeable sandwich boards.

**CIP Committee Recommendation:** Schedule \$15,000 for a message trailer in 2023 pending more study on need and sharing possibilities.

##### **5. Backhoe Replacement** (New)

**Submission:** Current Backhoe useful life is 12-15 years. We purchased this machine used. Our current Backhoe is 13 years old and maintenance issues are growing each year. Additionally, the market value of the machine is dropping more and more each year. This Backhoe and our Bobcat are the "Key and Critical" pieces of equipment at the transfer station that significantly increases productivity and reduces cost in every facet of the operation. A new machine, cared for properly each year, should last for 15-20 years vs 12-15 yrs. for a used machine. Recommend purchasing a new Backhoe with competition from the top 3 dealers in 2022. Up to a 5K Grant should be available from NHTB, as well as a municipal discount. Also, we will have some trade in value to reduce the actual cost to taxpayers.

**CIP Committee Comments:** The committee understands the importance of this piece of equipment to the operation of the Transfer Station. However, Capital requests for 2022 are very high. Therefore, the committee chose to move it out one year to 2023.

**CIP Committee Recommendation:** Schedule \$95,000 for a backhoe in 2023.

##### **6. Maintenance / Storage Facility** (updated)

**Submission:** The new building will be a simple, covered, modestly heated (using mostly waste oil) structure. It will enable the Transfer Station to further increase efficiency. It will provide the ability to segregate and store recyclable materials, ship out full truckloads of recycled material on open days, operate both a consumer swap shop and a contractor swap shop, and provide space to store and maintain equipment during the winter.

Being able to load outgoing shipments in a separate building on open days saves about \$1,000 in labor costs currently being incurred to bring in people on closed days, since intermingling the public presence and the outgoing shipments currently presents an unacceptable safety hazard.

This new storage facility could house a swap shop which will divert material from the outgoing streams. This in turn will reduce disposal costs. Given current experience with the consumer swap shop, it would provide a year-round capability. More research is required to identify the best facility design and construction.

Priority and timing for this project may be moved higher if a possible \$225,000 grant (up to 50% of actual cost) from NH Dept. of Resources and Economic Development and the Lakes Region Planning Commission can be obtained. Timing for completing this new building will be AFTER both the library and police building issues are completed, so as to

not compete for limited tax dollars with them. Recommend starting Capital Reserve in 2023. (revised date from previous submission).

**CIP Committee Comments:** The Committee appreciates Clay Gallagher's willingness to revise planned capital expenditures in light of other pressing needs of the town. Since paper is currently not being recycled and the value of other recyclables has dropped, a completely reworked cost-benefit analysis should be submitted so that the project can be listed with more accurate costs (including interest charges if bonded) and expected savings.

**CIP Committee Recommendation:** Move this project to 2024 at a net cost to the town of \$225,000 after a grant of \$225,000 with a ten-year loan starting in 2024 as a place holder. Re-examine cost and saving projections in 2021 and financing options.

**7. Truck Weight Scales** (resubmitted - no change except for date to 2020)

**Submission:** Construction Debris (c/d) costs and the sheer volume of material brought to the Transfer Station is escalating exponentially. Residents and contractors own large dual axle trailers and dump trucks that are impossible to price accurately for volume and weight. Purchasing and installing truck weight scales will allow us to accurately assess and charge residents and contractors in order to offset the actual costs for disposal of C/D. Weight scales take the conflict of pricing between resident and employee out of the equation. Additionally, a grant for \$5K may also be available from New Hampshire the Beautiful NHTB. In 2022, the Transfer Station will reevaluate fees collected for C/D versus expense for C/D in order to affirm moving forward with this project in 2023.

**CIP Committee Comments:** Allowing the Transfer Station to accurately assess the volume and weight of construction debris and charge accordingly would be helpful to an equitable cost sharing plan for waste disposal. Since a new policy, with a 30% increase in charges, was instituted on 9/1/18 as a test program through the end of 2018 resulted in collection of almost exactly the costs of disposal and the cost of scales and increased operating costs is substantial, the committee voted to delete the scales from the CIP Capital Projects Plan. Other alternatives, such as eliminating commercial dumping entirely, can be researched.

**CIP Committee Recommendation:** Remove the Truck Weight Scales from the schedule.

## **Governor Wentworth Regional School District Capital Projects**

Tuftonboro belongs to the Governor Wentworth Regional School District (GWRSD), which also includes the towns of Brookfield, Effingham, New Durham, Ossipee and Wolfeboro. Each town's share of the school district budget is based 75% on the town's proportion of school age children attending one of the district's schools and 25% on the town's proportion of assessed valuation. Tuftonboro currently is responsible for 15.03% of the GWRSD budget up from the 14.78% last year, but still less than the 15.3% from the previous year.

The Kingswood Complex project was completed in 2011. The project was financed with general obligation bonds totaling \$57.5 million with an effective interest rate of 4.39% and a final maturity of 8/15/2039.

GWRSD does not foresee any unusual changes in Tuftonboro's student census (though it has been dropping), nor does it anticipate any new capital projects of which we should be aware. As a result, we are not projecting any new GWRSD projects with notable financial impact.

## **Carroll County Capital Projects**

The Carroll County government is responsible for County Administration, the County Jail, the Sheriff's Department, the County Farm, and Mountain View Community, the county's nursing home and rehabilitation center. The County Court is a state agency, paid for out of New Hampshire state appropriations.

Mountain View Community, continues to be fully occupied. The Mountain View project was financed with general obligation bonds totaling \$23.5 million with an effective interest rate of 3.38% and a final maturity of 12/31/2030.

Tuftonboro's share of the County's tax burden is 7.53% this year, down from 7.91% last year. The combined operating budget and financing costs of existing capital projects (other than the nursing home project) is \$16.7 million in 2019, down from the \$17.7 million in 2018. Table 4, on page 28, shows the portion of a Tuftonboro property owner's tax bill dedicated in support of the County. The Mountain View bond debt service is broken out for clarity. Apportioned shares of the County tax burden are adjusted annually based upon the total valuation of the 19 localities in the County. Tuftonboro's share has been as high as 8.5% (2008).

## Conclusions and Recommendations

Tuftonboro has demonstrated an ability to move forward to address major capital needs. A review of the Capital Capacity graph on page 7 shows that Tuftonboro's capital expenditures from 1991 through 2006 varied widely from one year to the next. However, expenditures since 2006 show much less variability and have been somewhat below our projected normal level. This suggests that the capital planning process is working, providing a more predictable effect on the budget and taxes.

This year's project submissions asked for funding in 2020 for five new projects, which had never been submitted before. They came up without being planned for in advance due to unforeseen issues – such as the unfinished beach improvement project from 2019, lack of support for Police cruiser computers, poor condition of the town sanders and the vertical baler. Most we agreed should be funded as requested, but one not related to an urgent issue we recommend putting off into a future year where we have fewer capital expenditures. The committee recommends continued lease purchase payments on the fire apparatus, an addition to the existing SCBA capital reserve fund, and the loan payment for the Central Fire Station. We recommend the planned Paving and Improvements item, the new Police Vehicle, Compactor #1 replacement, and the Police Station Architectural Plans. This totals twelve projects for 2020 totaling \$942,000.

The recommended capital expense schedule includes 3 types of funding: direct payment of total project cost in 2020, "saving" for future major projects by accumulating funds in capital reserve accounts, and "borrowing" to complete projects through lease/purchase agreements or long-term loans. Tuftonboro currently has 15-year financing for the new fire station. The GWRSD and Carroll County both have their long-term financing in place and neither anticipates significant increases in capital spending.

Our schedule of recommended projects and accompanying Table 3, found on pages 25 and 26 respectively, are the product of several months of work. At the bottom of the table, we show the total of all recommended Capital Project expenses by year and also the Capital Capacity value for each year. The difference between the two numbers indicates whether our recommendations exceed or fall below our model for a spending level with which voters can reasonably be expected to be comfortable.

As Table 2 on page 24 shows, there will never be perfect alignment between CIP recommended actions and the final list of Warrant Articles presented to the voters at Town Meeting and other capital expenditures included in the Town Budget. The path of a department's Capital Project proposal begins in late summer with the CIP Committee. The form of the project after it leaves our committee is quite likely to change as the Selectmen and the Budget Committee and public input all have their effects along the way. The end result should be a Capital Project that clearly benefits the Town and therefore has the best chance of being accepted by Town Meeting.

We thank the Selectmen and the voters of Tuftonboro for their continuing support and for this opportunity to serve.

CIP RECOMMENDATIONS FOR 2019 COMPARED TO 2019 TOWN MEETING DECISIONS					
Project	CIP Committee Proposal	Selectmen Proposal	Budget Committee Proposal	Town Meeting Approval	Comments
Town Offices Main Entrance Interior Doors	Move to 2022	Include in Operating Budget	None		Accomplished via 2019 Operating Budget
Town Tax Maps and GIS Mapping	\$17,000	\$16,660 (Recommended 3-0)	\$16,660 (Recommended 6-0)	Passed	
Updated 19-Mile Brook Baseline Report	\$41,000	\$45,870 (Recommended 3-0)	\$45,870 (Recommended 6-0)	Passed	
Second Installment Payment on Lease/Purchase of Engine #2	\$116,000	\$124,626 (Recommended 3-0)	\$124,626 (Recommended 6-0)	Passed	Second Installment of Article Approved by Voters at 2018 Meeting.
Fourth Installment Payment on Lease/Purchase of Rescue #1 & Ambulance	\$89,000	\$89,318 (Recommended 3-0)	\$89,318 (Recommended 6/7-0)	Passed	Fourth Installment of Article approved by Voters at 2016 Meeting.
Paving and Improvements on Town Roads	\$285,000	\$285,000 (Recommended 3-0)	\$285,000 (Recommended 6-0)	Passed	
Expansion and Renovation of Tufonboro Public Library	\$1,997,320 project w/first yr bond & interest pmt \$38,000	\$1,862,000 (Recommended 3-0)	\$1,862,000 (Recommended 5-0-1)	Passed	Financing to be: \$355,500 from Library Cap Res Fund \$1,173,500 from Lib Don & Pldg Fnd \$333,000 to be Raised from Taxation.
New Police Vehicle	\$55,000	None	None		
Addition to New Police Facility Capital Reserve Fund	\$50,000	None	None		Capital reserve continues with \$481,752.
Annual Payment for Financing of Fire Station	\$188,000	None	None		Included in Operating Budget.
Fire/Rescue SCBA Capital Reserve	\$42,000	None	None		Capital reserve created in 2014. Balance adjusted for 2018 appropriation should approximate \$182,000.
Sawyer Road Paving	Move to 2022	\$15,000 (Recommended 3-0)	\$15,000 (Recommended 5-1)	Passed	
19 Mile Bay Beach Improvement Project	Move to 2020	\$40,551 (Recommended 3-0)	\$40,551 (Recommended 5-1)	Passed	

**Table 2 –CIP Recommendations v. Town Decisions**



## **Schedule of Articles Recommended to the Board of Selectmen for the 2020 Town Warrant**

1. An Article to raise and appropriate \$31,299 to complete 19 Mile Bay Beach Improvements Project – Phase 2.
2. An Article to raise and appropriate \$89,318 for fifth and final lease/purchase installment for the ambulance and rescue truck acquired in 2016
3. An Article to raise and appropriate \$124,625 for third lease/purchase installment for the fire truck acquired in 2018.
4. An Article to raise and appropriate \$27,000 to be added to the previously established Fire /Rescue Department SCBA (Self Contained Breathing Apparatus) Equipment Capital Reserve Fund.
5. An Article to raise and appropriate \$285,000 for the paving and improvements on town roads.
6. An Article to raise and appropriate \$15,000 for the purchase of two town sanders.
7. An Article to raise and appropriate \$21,000 for new police cruiser computers and printers.
8. An Article to raise and appropriate \$60,000 for a new police vehicle.
9. An Article to raise and appropriate \$60,000 to develop architectural plans and costs for a new Police Facility.
10. An Article to raise and appropriate \$15,000 for a vertical baler.
11. An Article to raise and appropriate \$30,000 for a new trash compactor.

In addition, the loan payment for the Fire Station for the approximate amount of \$184,000 should be added to the operating budget.

CAPITAL PROJECTS AND EXPENSES RECOMMENDED TO THE CAPITAL IMPROVEMENT PROGRAM COMMITTEE														
Department/Projects**	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Addl.	Total	Comments	Financing Comments
Board of Selectmen														
19 Mile Bay Beach Improvements Project - Phase 2	31											31		
Lake Road Culvert Wall and Dredging				160								160		
Union Wharf Bulkhead Reconstruction		50	100									150		
Code Officer														
Code Enforcement Vehicle							35					35	Existing vehicle 8 years old in 2026	
Conservation Commission														
Great Meadow Trail					12							12		
Fire/Rescue														
Rescue 1 & Ambulance (Lease Purchase)	89											89	Approved 2016	Lease Purchase
Engine 2 (Lease Purchase)	125	125	125									375	Approved 2018	Lease Purchase
Engine 4 Capital Reserve		124	124	124	124	248						744	Existing vehicle 20 years old in 2025	Cap Reserve plus 3% interest would = \$800K est. cost
Car 1						90						90	Existing vehicle 15 years old in 2025	
Utility/Forestry 1				100								100	Existing vehicle 15 years old in 2023	
Boat 2/Air Boat						100						100	Existing craft 20 years old in 2025	
ATV / Trailer, Rescue Sled		50										50	Existing equipment 20 years old in 2021	
Portable Radio Replacement		155										155	Obtained in 2006 w/grant.	
SCBA Capital Reserve	27	27	27									81	End of equipment service life is 2022	Cap Reserve currently has \$182,575*
Highway Department														
Paving and Improvements on Town Roads	285	285	285	285	285	285	285	285	285			2,565	Projects to be defined by Selectmen	
Heating System Upgrade at Town Garage		15										15		
Town Sanders	15											15		
New 10-wheel Dump/Plow Truck			235									235	To replace 2002 dump/plow truck	
Paving of Highway Garage				20								20		
Sodom Road Bridge Replacement					105							105	Net impact of \$525K project	80% reimbursed from state bridge fund
Tuftonboro Neck Bridge Replacement							181					181	Net impact of \$905K project	80% reimbursed from state bridge fund
Police Department														
Cruiser computers	21											21		
Message Board & Radar Trailer					19							19		
Vehicles	60		60		60		60		65			305	replacement cycle every other year	Direct from taxes
Public Safety Facilities														
Fire Station	184	181	177	173	169	165	161	156				1,366	Approved in 2012 (\$2,553,073)	15 year loan, matures in 2027
Police Station Architectural Plans	60											60		
Police Department Facility		62	62	62	62	62	62	62	62	62	685	1,243	\$1.3M for new facility	Assumes net \$819K to be financed -20 year loan
Solid Waste Department (Transfer Station)														
Replace Old Verticle Baler	15											15		
Compactor Replacements (2)	30			34								64	15 year service life	Direct from taxes
Portable Changeable Message Trailer				15								15		
Backhoe Replacement				95								95		
Maintenance / Storage Facility					18	17	17	16	16	16	125	225	Net of \$450K project	Assumes \$225K to be financed + 225K grant
TOTAL PROJECT EXPENSE	942	1074	1195	1068	854	967	801	519	428		810			Total Project Expenses (Tax Burden)
CAPITAL CAPACITY		871	893	914	936	957	979	1000	1022	1043	1065		20+ year history trended and projected forward, using actual expense data	Town's Normal Capacity for Capital Expenses
CAPITAL CAPACITY MINUS TOTAL PROJECT EXPENSE		-71	-181	-281	103	12	199	503	615					
Year	2020	2021	2022	2023	2024	2025	2026	2027	2028		Addl.	Total		
*all project numbers are \$,000s														
**calculated as 2017 market value plus 2018 appropriation.														

Table 3 - Recommended Capital Project Schedule

## Projected Tax Rates for 2020 to 2025

Each year, the CIP Committee receives information and projections about contributions to our overall tax rate from the County, the School District, and the State. Believing this information to be very useful and of interest to the taxpayers, the CIP Committee makes it available in these reports. With this information, the Selectmen can plan expenditures in the context of our total tax rate, not just the Town portion, and the voters can consider Town expenditures in this same, wider context. After all, it is this total tax rate that we pay, not just the Town taxes.

Please note that in 2014, a reassessment of property values was completed. This reassessment reduced the total Town valuation from \$1.025 billion to \$967 million. For 2015, total Town valuation increased slightly to \$970 million. For 2016 the Town valuation increased to \$973 million, to \$982 million in 2017 and to \$986 million in 2018. In 2019 the Town valuation increased again to \$1,202,369,108. An additional expenditure of \$10,000 results in an increase of about 1.2 cents in the tax rate, which would increase taxes on a property with an assessed value of \$200,000 by about \$2.40.

The data presented in Table 4 (on the next page) are from a variety of sources. All the data for 2014 through 2018 are from the “Tax Rate Calculation” page in Tuftonboro’s Town reports and are certified by the New Hampshire Department of Revenue Administration (DRA). The data for 2019 are similarly certified and will appear in the upcoming Town Report. The data for 2020 through 2025 are estimates from sources discussed below.

The top section of Table 4 is for Town data with the expenditures given in terms of their impact on the tax rate. The operating expense contribution to the Town tax rate is given at the top of the table and is assumed to increase at 3% per year from 2020 through 2025. The next line is for the Capital Project expense contributions. The future projections are taken from Table 3, the schedule of projects, found on page 26. The third line, in larger numbers, summarizes these two elements of the Town tax rate.

The lower part of the table shows the tax rate components from the County’s operating budget (assumed to increase at 3% annually beyond 2019), the cost of the Nursing Home project, the School District’s operating budget (also assumed to increase at 3% annually beyond 2019) and the School District’s Capital Projects.

The last line in the table summarizes all these components to provide a projected overall tax rate. Projections are made using the 2019 net assessed property valuation.

We hope that this table, subject to its assumptions, will provide an additional tool for the Selectmen, the Budget Committee, and the voters of Tuftonboro to consider projected Town expenditures within their larger context and to gain insight about the future growth of our taxes.

# PROJECTED TAX RATES FOR 2020 - 2025

YEAR	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Town Net Operating Expenses Tax Rate (\$/ \$,000)	1.94	2.05	2.07	1.85	2.06	2.25	2.32	2.39	2.46	2.53	2.61	2.69
Town Net Capital Project Expense Tax Rate (\$/ \$,000)	0.76	0.84	0.84	0.88	0.89	0.94	1.06	1.15	1.00	1.11	0.93	0.93
<b>Total "Town Only" Tax Rate (\$/ \$,000)</b>	<b>2.70</b>	<b>2.89</b>	<b>2.91</b>	<b>2.73</b>	<b>2.95</b>	<b>3.19</b>	<b>3.38</b>	<b>3.54</b>	<b>3.46</b>	<b>3.64</b>	<b>3.54</b>	<b>3.62</b>
County Net Operating Expense Tax Rate - (\$/ \$,000) - +3%pa.	1.08	1.38	1.33	1.24	1.19	0.94	0.97	1.00	1.03	1.06	1.09	1.12
New Nursing Home Cost Tax Rate (\$/ \$,000)	0.14	0.14	0.14	0.14	0.14	0.11	0.11	0.11	0.11	0.11	0.11	0.11
<b>Total "County Only" Tax Rate (\$/ \$,000)</b>	<b>1.22</b>	<b>1.52</b>	<b>1.47</b>	<b>1.38</b>	<b>1.33</b>	<b>1.05</b>	<b>1.08</b>	<b>1.11</b>	<b>1.14</b>	<b>1.17</b>	<b>1.20</b>	<b>1.23</b>
School Operating Expense Tax Rate - (\$/ \$,000) - +3%pa.	5.78	5.69	5.75	6.35	6.59	5.62	5.79	5.96	6.14	6.33	6.52	6.71
New School Building Cost Tax Rate (\$/ \$,000)	0.29	0.29	0.30	0.31	0.31	0.25	0.25	0.25	0.25	0.25	0.25	0.25
<b>Total "School Only" Tax Rate (\$/ \$,000)</b>	<b>6.07</b>	<b>5.98</b>	<b>6.05</b>	<b>6.66</b>	<b>6.90</b>	<b>5.87</b>	<b>6.04</b>	<b>6.21</b>	<b>6.39</b>	<b>6.58</b>	<b>6.77</b>	<b>6.96</b>
<b>Total Tax Rate - (\$/ \$,000) -</b>	<b>9.99</b>	<b>10.39</b>	<b>10.43</b>	<b>10.77</b>	<b>11.18</b>	<b>10.11</b>	<b>10.49</b>	<b>10.86</b>	<b>10.99</b>	<b>11.39</b>	<b>11.50</b>	<b>11.81</b>

NOTES Assumes a constant valuation of \$1,202 billion (2019 - 2025)

Numbers for 2014 to 2018 are actual from Town reports

Numbers for 2019 are actual from DRA calculation

For all later years, assumes:

- a) 3% annual increase in Town Operating Expenses
  - b) 3% annual growth rate in County Operating Expenses
  - c) 3% annual growth rate in School District Operating Expenses
- Capital Project Expenses are calculated from projections  
These 3% growth assumptions are arbitrary and may be too low.

Table 4 - Projected Tax Rates