

TOWN OF TUFTONBORO
NEW HAMPSHIRE

CAPITAL IMPROVEMENTS PROGRAM

FOR THE PERIOD

2021 to 2030

Presented
December 1, 2020

**Capital Improvements Program
Tuftonboro, New Hampshire
2021-2030**

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. We also want to thank the Selectmen's Administrative Assistant, Diane Falcey, and Administrative Secretary, Cathy Pounder, for providing support services.

Town of Tuftonboro Capital Improvements Program Committee - 2020

Jill Cromwell	Chair
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Helen Hartshorn	Secretary & Budget Committee Representative
Laureen Hadley	Planning Board Representative
Lloyd Wood	Board of Selectmen Representative
David Carle	CIP Committee Member
Jeff Reisner	CIP Committee Member
Tom Young	CIP Committee Member

Board of Selectmen – 2020

Lloyd Wood, Chair

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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. This projection has now been carried forward to 2030.

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. 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 2020 CIP report, covering the years 2021 -2030, we list projects proposed by Tuftonboro's various departments, committees, commissions, and boards. 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 2015 through 2020 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 2021 – 2026, using the 2020 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

The use of Capital Capacity projections for future years has become an accepted practice in budget planning. 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 "Recommended Capital Projects Schedule", Table 3 on page 24.

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	\$ 906	\$ 852										
Capacity (000s)				\$ 897	\$ 919	\$ 942	\$ 965	\$ 988	\$ 1,010	\$ 1,033	\$ 1,056	\$ 1,079	\$ 1,101
	2030												
Capacity (000s)	\$ 1,124												

Table 1 - Tuftonboro's Capital Expenditures and Capital Capacity 1991-2030

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.

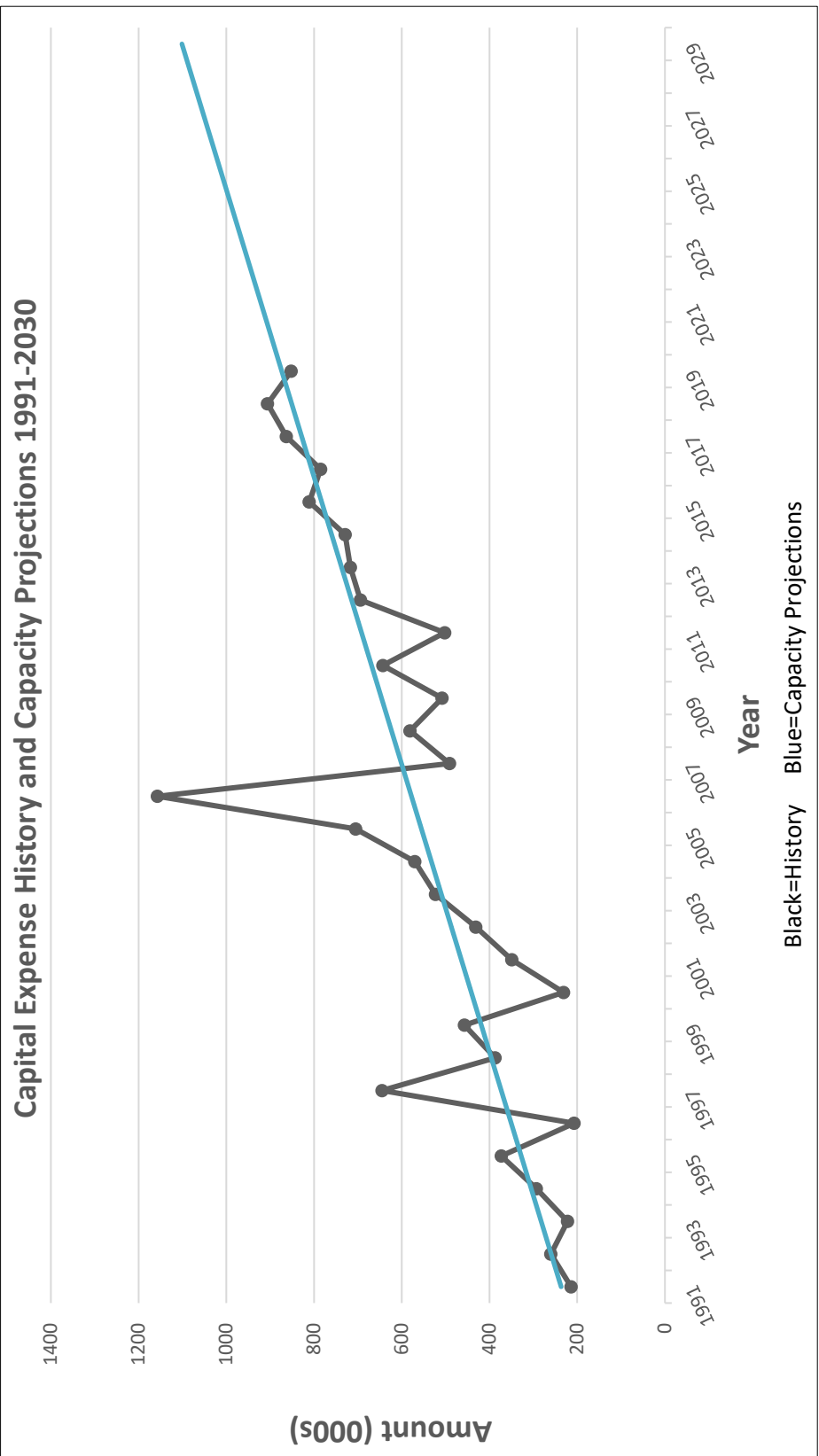


Figure 1

Proposed Capital Projects & Purchases

The CIP Committee contacted the head of each department, committee, and commission in Tuftonboro during the summer of 2020 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. Lake Road Culvert Wall and Dredging (Updated)

Submission: Lake Road Boat Launch was replaced in 2017. The second part of the project is to rebuild the culvert wall and possibly dredge the channel to the lake. This year, it was decided to remove the dredging portion, which will have to be a later more involved project. The estimated cost for the wall work is now \$140,000 and will be scheduled after the Union Wharf project is completed.

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

CIP Committee Recommendation: Schedule \$140,000 for this project in 2024.

2. Union Wharf Bulkhead Reconstruction (Updated)

Submission: 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. In pursuing the wetland permits the Town is 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 are continuing to seek a Grant in Right so repairs can be made. They revised the estimate for the sheet piling repair of the wooden portions to \$245,000 in 2023. More funding may be needed if the concrete repairs can be added.

CIP Committee Comments: This project continues significant maintenance spending on this important town asset.

CIP Committee Recommendation: CIP recommends scheduling the project in 2023 at \$245,000 as requested.

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 a 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. Due to the COVID pandemic in 2020, the first phases of the project have been delayed by 6 months to a year.

CIP Committee Comments: The committee is pleased to see that fundraising for a portion of the trail was undertaken as it recommended. For now, the last phase can still be scheduled for 2024.

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

D. Fire / Rescue Department

This department is responsible for the majority of capital expenses in Tuftonboro. The CIP Committee thanks the department for their excellent planning and detailed descriptions of their capital projects.

1. Engine 1 Capital Reserve (New)

Submission: After discussions on Lease/Purchase agreements versus saving in advance with a Capital Reserve Fund for Engine 4, the Committee and Department realized that if we choose the Capital Reserve Fund method, a fund should be started during this 10-year plan for the replacement of Engine 1 in 2032 at the end of its 20-year life. The Fire Department suggested starting a Capital Reserve Fund for any vehicles and equipment needing to be replaced. The Department believes they spend about \$185,000 a year.

CIP Committee Comments: Even though a Town Meeting vote would be required to spend money from an all-inclusive Fire Department Capital Reserve, the Committee believes it is better to establish a reserve fund for a specific purpose.

CIP Recommendation: We recommend starting a Capital Reserve Fund for Engine 1 Replacement with \$91,000 a year allocated for ten years starting in 2023.

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 fourth installment toward the Engine 2 acquired in 2018.

3. Engine 2 Capital Reserve (New)

Submission: After discussions on Lease/Purchase agreements versus saving in advance with a Capital Reserve Fund for Engine 4, the Committee and Department realized that if we choose the Capital Reserve Fund method, a fund should be started during this 10-year plan for the replacement of Engine 2 in 2038 at the end of its 20-year life. The Fire Department suggested starting one Capital Reserve Fund for any vehicles and equipment needing to be replaced. They believe they spend about \$185,000 a year.

CIP Committee Comments: Even though a Town Meeting vote would be required to spend money from an overall Fire Department Capital Reserve, the Committee believes it is better to establish a reserve fund for a specific purpose.

CIP Recommendation: We recommend starting a Capital Reserve Fund for Engine 2 Replacement with \$100,000 a year allocated for ten years starting in 2029.

4. 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. The Fire Department initially requested to schedule this as a lease/purchase for 2025 – 2029. In 2018, 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. It was decided to move the start to 2021 at \$124,000 through 2024 with a final payment in 2025 of \$248,000. However, this plan was not sent forward by the Selectmen due to other high priority expenses (e.g. the Library Expansion). We considered submitting our plan again in 2020 for 2021-25, but realized that it may not go forward again, due to the expenses for another priority, the planned new Police Facility.

CIP Committee Recommendation: Schedule purchasing Engine 4 in 2025 with a five-year lease/purchase agreement at \$166,000 per year.

5. 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 in 2018 for 2020, in 2019 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.

6. 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.

7. 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.

8. 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 in 2021. 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. Due to the number of other high priority capital projects, the Committee recommends that this project be pushed out until after the Police Station is funded.

CIP Committee Recommendation: Schedule \$50,000 for 2023.

9. Portable Radio Replacement (Updated)

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. Updated pricing for the radios, accessories and needed equipment should not exceed \$120,000 – down from the previous total project cost of \$155,000. Hopefully the new radios will last 10 to 15 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 \$120,000.

10. SCBA (Self Contained Breathing Apparatus) (Updated)

Submission: Firefighters depend on SCBA 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. SCBA allow them to perform their job as safely as possible. The Fire Rescue Dept. currently has 22 SCBA, 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 SCBA. The department also maintains a spare air bottle for each pack and has a few reserve bottles in the event they are needed or a bottle needs repair. SCBA have a service life of 15 years. The Department's SCBA are due to be replaced no later than 2022. The Department has decided that it is time to move this project forward to 2021, as the Department believes it would be more financially responsible to make this purchase a year early. The SCBA capital reserve fund currently has a balance of \$219,470 as of 7/31/2020. This would only require an additional \$30,000 this year to

complete the Project, in lieu of the scheduled \$27,000 this year and an additional \$27,000 in 2022, creating a \$25,000 savings for taxpayers and freeing up space on the capital capacity. The sales representative we obtained a quote from was able to hold current pricing through March 31st, 2021(between the next two years a 10% increase is expected). The quoted replacement cost is \$248,000. Over the past few years, the maintenance on the SCBA has increased. For example, several of them required new electronics costing approximately \$2,000 each. The new SCBAs come with a lifetime warranty to include electronics, reducing the cost of ownership. The new SCBAs meet or exceed the latest 2018 NFPA standards, keeping our firefighters safer. When this capital project was first presented it was estimated that at the time of replacement approximately 30 packs and 40 spare bottles would be needed. After reevaluating, the department found 25 SCBA will fulfill our current needs. This will allow the vehicles to have the necessary SCBA and have 4 spares for use during off site trainings or in the event that one is out for repair. With the ongoing pandemic federal grants to assist with this type of purchase have essentially been frozen. By moving this project up a year, not only will it provide upfront savings for the taxpayers, it will lower SCBA maintenance cost while providing for firefighter safety.

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. As of 10-31-20 this fund contained \$220,948, and it will continue to earn interest until Town Meeting in March 2021. So, only \$27,052 more is needed. The Committee appreciates the Department's efforts to contain costs while providing for firefighter safety.

CIP Committee Recommendation: An article on the 2021 Town Warrant for \$27,000 to provide the remaining funds to purchase the equipment and authorize expenditure from the Capital Reserve Fund.

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 2021. In November 2018 a Road Surface Management System and Guardrail Inventory Report compiled by Lakes Region Planning Commission was presented to the Selectmen. 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. This useful planning tool has some recommendations with which the Road Agent and Selectmen do not agree, so more study is needed.

1. Paving and Improvements on Town Roads (Update)

Submission: Continued improvements and paving on town roads at \$350,000 per year.

CIP Committee Comments: It is important to continue funding for road work. Last year, one warrant asked for \$290,000 and an additional warrant asked for \$34,000 from Municipal Aid. The 2018 Report recommended a 10% increase in funding each year in order to make headway on improving the quality of our roads. The CIP Committee strongly recommends that all road prep work and paving should be in one warrant and not exceed \$350,000.

CIP Committee Recommendation: A Paving and Road Improvements article on the Town Warrant for \$350,000 in 2021.

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. Schedule in 2021 or 2022.

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 has obtained several quotes and suggestions on the best method to heat this building. It is believed that radiant heat in the floor is best for facilities with large garage doors such as this building, but this may not be an option since the slab is free-flowing. Estimates range from \$19,000 to \$34,000.

CIP Committee Recommendation: Due to the number of other high priority capital projects in the next two years, the Committee recommends that this project be pushed out until after the Police Station is funded. Schedule \$15,000 in 2023.

3. Paving Highway Garage (Resubmitted - updated)

Submission: Submitted at \$25,000 for the lower portion of the pavement only (in front of garage). 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: The project was submitted in 2017 for \$31,000 for completion in 2018 and recommended by the CIP committee. However, it was not recommended by the Selectmen. CIP moved it to 2023 due to other priorities. It is currently uncertain what portions of the pavement may be impacted by a Verizon Cell Tower to be located behind the building that is being negotiated.

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

4. New Town Plow Truck (Resubmitted)

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

CIP Committee Comments: A 10-wheel truck was purchased in 2015. 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. This is the only town-owned plow truck. When smaller trucks are needed for some roads, the Road Agent's own trucks or subcontracted trucks are used.

CIP Committee Recommendation: Schedule \$235,000 in 2022.

5. 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. With the uncertainty of future state funding, one Selectman thought this should be moved out to 2030 and consider adding money due to inflation.

CIP Committee Recommendation: Scheduled replacement of the Tuftonboro Neck Road Bridge for the net impact to the budget of \$184,000 in 2030.

F. Police Department

1. 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 update is that the present radar trailer is no longer supported. The major parts for it are no longer available. The Department has spent around \$250 so far this year and should spend about \$500 if we want to be able to record traffic speeds and counts again. It was requested at \$18,000 for 2022.

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. Sharing it with the Transfer Station was discussed. It could display messages, but not while showing vehicles' speed. It also takes time to move and secure it from location to location with the police vehicle which is capable of towing it. It is usually left in one location for a week or more.

CIP Committee Recommendation: Due to the funds needed for the Police Facility in the next two years, the Committee decided to schedule this project for 2024.

2. Police Vehicles (Updated)

Submission: This project submission is a continuation of the replacement of vehicles as they age. It provides for safety and efficiency of the vehicles with less maintenance costs. Vehicles are currently scheduled to be replaced at eight years with some at nine years due to a vacancy. It would be best if the department stuck to eight as the equipment will be older with parts no longer available. Since it was last submitted the 2020 vehicle was purchased. It has not been upfitted as we are waiting for parts to arrive and we had to go

through bids for the upfitting. The cost has been more than expected. The radio is now \$4,800 and the older ones cannot be repaired. The total cost should be slightly over \$70,000. The department recommends raising the cost to \$75,000 from 2025 and beyond. Some of the increased costs are the radios, light bars, and replacing radar systems. Several of the radars are nearing 20 years and not reliable.

The oldest vehicle is the 2012 Charger. It has almost 130,000 miles. The department will have spent over \$2,800 for repairs to this vehicle this year. The next oldest is the 2013 Ram pick-up. It has 65,000 miles. It is showing rust in several places and it appears to be rusting through around the rear wheel opening. As this project is being submitted (09/09/2020), the 2012 Charger did not pass inspection and will need repairs that are included in the cost above. Having the spare vehicle available has been helpful while the department was waiting to get the Charger fixed. Time did not have to be spent shuffling cars around and switching equipment as in the past.

At some point, the department will need to look at adding an officer and another vehicle. There are increased training demands and other items that are taking time. Any vacancy will take close to a year to fill. The recommendations of the Commission for Law Enforcement Accountability, Community Engagement, and Training included training, accreditation, and equipment. The training will reduce officer availability. Equipment such as body worn cameras take time to implement, maintain, and review. There will be time to make sure the policy and law on body worn cameras is being followed. Accreditation will take considerable time to implement. Some places have part-time employees that only work on accreditation. It involves policy changes, meetings, training, self-auditing, and on-site reviews. One accreditation body, CALEA, has no accredited law enforcement agencies with fewer than 6 full-time officers and there are only two of them. The next smallest agency has 10. The State may try to develop an easier and more New Hampshire centered program. As in the past our availability for discretionary patrol was limited. It is not uncommon for it to be under 20% of the officers' time. That is an indication that we should be adding staff. The Police Chief suggests that adding staff wait until the new station is completed since there is a lack of 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.

CIP Committee Comments: The Committee appreciates Chief Shagoury's diligence in providing extensive plans for the replacement of police vehicles and their equipment and including consideration of possible future changes in department size and policing methods that may impact these capital expenses.

CIP Committee Recommendation: Due to the significant funds needed for the new Police Facility in the next two years, the Committee decided to push the entire schedule of vehicle purchases out a year – scheduling new vehicles at \$70,000 in 2022, 2023, and 2024, and at \$75,000 in 2026, 2029, and 2030. Vehicle mileage and conditions should be considered for each request.

G. Public Safety Facilities

1. Fire Station: Continue loan payments of the previously approved new Central Fire Station with \$181,000 scheduled out of the operating budget for 2021.

2. Police Station Capital Reserve (Updated)

Submission: The Selectmen proposed adding \$200,000 to the Capital Reserve Fund for this project.

CIP Committee Comments: It is important to address the needs of the Police Department. The Committee discussed different financing options with the Selectmen's representatives and decided to follow their current recommendation for this CIP plan with the understanding that it may change when more is known about possible grants and the Town's Fund Balance.

CIP Committee Recommendation: A warrant for \$200,000 to be added in 2021 to the Police Station Capital Reserve Fund.

3. Police Department Facility (Updated)

Submission: Estimated Total Cost: \$1.8 million; Estimated Useful Life: 20 years; Estimated Non-Tax Funding (e.g. grants): \$250,000 maybe more; Project Priority: Cannot be Delayed (for health, safety, and ADA compliance); Year that you would prefer the project be scheduled: 2021; Could funding be split over two or more years? If yes, describe.: Yes. It depends on how the Town decides to fund it. The cost is higher than expected. It was estimated to be \$1.8 million if we built in 2021. The current forecast is non-residential construction will go up 4-5% a year. 4% of 1.8 million is \$72,000. Every year we delay costs will increase. This has been presented many times before. The current facility is not ADA compliant. It is not efficient and a risk for public safety. Presently there are four employees working in a very small space with no ability to have appropriate distancing. If one were to catch COVID-19, it is likely all would be in isolation. That is not far-fetched as one agency in the county faced that very situation. They had only one officer available. The proposed facility would spread out the officers' workspaces. It has separate offices for the administrative assistant, chief, and supervisor. It would have an up to date ventilation system to help prevent airborne diseases such as COVID-19 and the flu. It is critical this gets done ASAP. A preliminary draft expense report was attached to the submission.

CIP Committee Comments: It is important to address the needs of the Police Department. The Committee discussed different financing options with the Selectmen's representatives and decided to follow their current recommendation for this CIP plan with the understanding that the funding and year of completion may change when more is known about possible grants and the Town's Fund Balance.

CIP Committee Recommendation: Schedule \$548,000 in 2022 for the remaining amount necessary for the \$1,785,000 new Police Department Facility (minus the Capital Reserve funds and grants).

H. Solid Waste Department (Transfer Station)

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

1. Compactor #2 Replacement (No change)

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 is expected to be \$34,000.

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.

2. Portable Changeable Message Trailer (Updated)

Submission: Signage, or lack thereof, has always been an issue with every planned event at the transfer station or even with signage issues in day to day operations. Purchasing this trailer mounted solar powered changeable sign will help keep the public more aware of planned events or changes in operations. Signage is portable on a trailer which can be placed in strategic spots in order to target the desired audience for upcoming events (island day, HHW days, Med collection days, or even kept at TS for informing the public of changes in TS operations, etc.). All neighboring towns currently have this capability and have stated that participation in planned events has quadrupled when this type signage is placed in strategic locations prior to event. Requested at \$15,000 in 2021.

CIP Committee Comments: 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. Due to many higher priority projects, the Committee pushed this project out to a year with more Capital Capacity.

CIP Committee Recommendation: Schedule \$15,000 for a message trailer in 2026.

3. Backhoe Replacement (No change)

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 and decided to place it on the schedule for 2022 as requested. However, Capital requests for 2022 are very high and last year we moved it to 2023. This project may have to be bumped out again next year.

CIP Committee Recommendation: Schedule \$95,000 for a backhoe in 2022.

4. Maintenance / Storage Facility (No change)

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.

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: Schedule this project in 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.

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 14.34% of the GWRSD budget, down from the 15.03% last 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 7.74% up from 7.53% last year. The total County Budget to be raised from taxes in 2020 is \$17,645,223. Table 4, on page 26, 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 asking for funding in 2021 did not include any projects which had not previously been submitted – indicating that the planning is working. Most we agreed should be funded as requested, but we do recommend putting off four submissions into a future year when large capital expenditures for a new Police Facility are not scheduled. The committee recommends continued lease purchase payment on the fire engine 2, replacement of the Fire Department's portable radios, purchase of their SCBA, and the loan payment for the Central Fire Station. We also recommend the submitted Paving and Improvements of Town Roads, and adding to the Police Facility Capital Reserve Fund. This equals six projects for 2021 totaling \$1,003,000.

The recommended capital expense schedule includes 3 types of funding: direct payment of total project cost in 2021, "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 23 and 24 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.

We recommend that more town departments conduct planning exercises and submit capital projects scheduled for five to ten years out. As Table 3 shows, there is a dearth of projects listed for that time period. We also researched increasing the threshold for a project to be considered a Capital Project for our purposes, but found that most towns of similar size also use \$10,000. Therefore, no change is recommended at this time.

As Table 2 on page 22 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 2020 Compared to 2020 Town Meeting Decisions				
Project	CIP Committee Proposal	Selectmen Proposal	Budget Committee Proposal	Town Meeting Approval
19 Mile Bay Beach Improvement; Phase 2	\$31,297	\$34,000 (Recommended 3-0)	\$34,000 (Recommended 7-0)	Passed
Roadway Drainage Improvements	Not submitted to CIP	\$34,000 (Recommended 3-0)	\$34,000 (Recommended 7-0)	Passed
Fifth Installment Payment on lease/purchase of Rescue No. 1 & Ambulance	\$89,318	\$89,318 (Recommended 3-0)	\$89,318 (Recommended 7-0)	Passed
Third Installment Payment on lease/purchase of Engine No. 2	\$124,625	\$124,625 (Recommended 3-0)	\$124,625 (Recommended 7-0)	Passed
Fire/Rescue SCBA Capital Reserve	\$27,000	\$27,000 (Recommended 2-1)	\$27,000 (Recommended 6-0)	Passed
Annual Loan Payment for Central Fire Station	\$184,000	None	None	Included in Operating Budget
Paving and Improvements on Town Roads	\$285,000	\$290,000 (Recommended 3-0)	\$290,000 (Recommended 7-0)	Passed
Town Sanders	\$15,000	\$14,000 (Recommended 3-0)	\$14,000 (Recommended 6-1)	Passed
Cruiser Computers	\$21,000	\$21,000	\$21,000	Passed
New Police Vehicle	\$60,000	\$60,000	\$60,000	Passed
Police Station Architectural Plans	\$60,000	\$54,000 Recommended (3-0)	\$54,000 Recommended (6-1)	Passed
Police Facility Capital Reserve Fund	Not Recommended by CIP	\$150,000 (Recommended 3-0)	\$150,000 (Recommended 6-1)	Passed
Replace Old Vertical Baler	\$15,000	\$11,750 (Recommended 3-0)	\$11,750 (Recommended 7-0)	Passed
Compactor #1 Replacement	\$30,000	\$24,000 (Recommended 3-0)	\$24,000 (Recommended 7-0)	Passed
Milfoil Expendable Trust Fund	Not submitted to CIP		\$20,000 (Recommended 7-0)	Public Fund created by Warrant Article
Conservation Easement Mirror Lake	Not submitted to CIP	\$12,000 (Recommended 3-0)	\$12,000 (Recommended 5-2)	Passed
19 Mile Brook Trust Fund	Not submitted to CIP	\$20,000 (Recommended 3-0)	\$20,000 (Recommended 7-0)	Passed

Table 2 –CIP Recommendations v. Town Decisions

**Schedule of Articles Recommended to the Board of Selectmen
for the 2021 Town Warrant**

1. An Article to raise and appropriate \$124,625 for fourth lease/purchase installment for the fire truck acquired in 2018.
2. An Article to raise and appropriate \$120,000 for the purchase of portable radio replacements for the Fire Department.
3. An Article to raise and appropriate \$27,000 for the purchase of SCBA (Self Contained Breathing Apparatus) Equipment and for the expenditure of the funds in the previously established Fire /Rescue Department SCBA (Self Contained Breathing Apparatus) Equipment Capital Reserve Fund.
4. An Article to raise and appropriate \$350,000 for the paving and improvements on town roads.
5. An Article to raise and appropriate \$200,000 to be added to the previously established Police Facility Capital Reserve Fund.

In addition, the loan payment for the Fire Station for the approximate amount of \$181,000 should be added to the operating budget.

CAPITAL PROJECTS AND EXPENSES RECOMMENDED TO THE CAPITAL IMPROVEMENT PROGRAM COMMITTEE														
Department/Projects*	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Addl.	Total	Comments	Financing Comments
Board of Selectmen														
Lake Road Culvert Wall and Dredging				140								140		
Union Wharf Bulkhead Reconstruction			245									245		
Code Officer														
Code Enforcement Vehicle						35						35	Existing vehicle 8 years old in 2026	
Conservation Commission														
Great Meadow Trail				12								12		
Fire/Rescue														
Engine 1 Capital Reserve			91	91	91	91	91	91	91	91	182	910	Existing vehicle 20 years old in 2032	Start Cap Reserve ten years out.
Engine 2 (Lease Purchase)	125	125										250	Approved 2018	Lease Purchase
Engine 2 Capital Reserve									100	100	800	1,000	Existing vehicle 20 years old in 2038	Start Cap Reserve ten years out.
Engine 4 (Lease Purchase)					166	166	166	166				830	Existing vehicle 20 years old in 2025	\$800K est. cost plus interest.
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	120											120	Obtained in 2006 w/grant.	
SCBA	27											27	End of equipment service life is 2022	Cap Reserve currently has \$220,948**
Highway Department														
Paving and Improvements on Town Roads	350	350	350	350	350	350	350	350	350	350		3,500	Projects to be defined by Selectmen	
Highway Garage Heating System Upgrade			15									15		
Highway Garage Paving			25									25		
New 10-wheel Dump/Plow Truck		235										235	To replace 2015 dump/plow truck	
Tuflonboro Neck Bridge Replacement										184		184	Net impact of \$935K project	80% reimbursed from state bridge fund***
Police Department														
Message Board & Radar Trailer				18								18		
Vehicles		70	70	70		75			75	75		435	Replace every 9 years, with 1 vehicle as spare	
Public Safety Facilities														
Fire Station	181	177	173	169	165	161	156					1,182	Approved in 2012 (\$2,553,073)	15 year loan, matures in 2027
Police Facility Capital Reserve	200													Cap Reserve currently has \$662,247**
Police Department Facility		548											\$1,785M for new facility	Cap Reserve currently has \$662,247**
Solid Waste Department (Transfer Station)														
Compactor #2 Replacement			34									34	12 - 15 year service life	
Portable Changeable Message Trailer						15						15		
Backhoe Replacement		95										95		\$5K in grant funds may be available
Maintenance / Storage Facility				18	17	17	16	16	16	16	125	225	Net of \$450K project	Assumes \$225K to be financed + 225K grant
TOTAL PROJECT EXPENSE	1003	1600	1153	868	979	910	779	623	798	800	1107			Total Project Expenses (Tax Burden)
CAPITAL CAPACITY														
	919	942	965	968	1010	1033	1056	1079	1101	1124			25+ year history trended and projected forward, using actual expense data	Town's Normal Capacity for Capital Expenses
CAPITAL CAPACITY MINUS TOTAL PROJECT EXPENSE	-84	-658	-188	100	31	123	277	456	303	324				
Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Addl.	Total		
as of 10/31/20 * State bridge funding was cut from State Budget for 2019 & 2020														

Table 3 – Recommended Capital Project Schedule

Projected Tax Rates for 2021 to 2026

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 and in 2020 it increased to \$1,210,573,108. An additional expenditure of \$10,000 results in an increase of about .8 cents in the tax rate, which would increase taxes on a property with an assessed value of \$200,000 by about \$1.60.

The data presented in Table 4 (on the next page) are from a variety of sources. All the data for 2015 through 2019 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 2020 are similarly certified and will appear in the upcoming Town Report. The data for 2021 through 2026 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 2021 through 2026. 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 24. 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 2020), the cost of the Nursing Home project, the School District’s operating budget (also assumed to increase at 3% annually beyond 2020) 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 2020 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 2021 - 2026

YEAR	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Town Net Operating Expenses Tax Rate (\$/ \$,000)	2.07	1.85	2.06	2.25	2.25	2.32	2.39	2.46	2.53	2.61	2.69
Town Net Capital Project Expense Tax Rate (\$/ \$,000)	0.84	0.88	0.89	0.94	0.97	0.82	1.32	0.95	0.71	0.81	0.75
Total Town Only Tax Rate (\$/ \$,000)	2.91	2.73	2.95	3.19	3.22	3.14	3.71	3.41	3.24	3.42	3.44
County Net Operating Expense Tax Rate (\$/ \$,000)	1.33	1.24	1.19	0.94	1.02	1.05	1.08	1.11	1.15	1.18	1.22
New Nursing Home Cost Tax Rate (\$/ \$,000)	0.14	0.14	0.14	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11
Total County Only Tax Rate (\$/ \$,000)	1.47	1.38	1.33	1.05	1.13	1.16	1.19	1.22	1.26	1.29	1.33
School Operating Expense Tax Rate (\$/ \$,000)	5.75	6.35	6.59	5.62	4.96	5.11	5.26	5.42	5.58	5.75	5.92
New School Building Cost Tax Rate (\$/ \$,000)	0.30	0.31	0.31	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Total School Only Tax Rate (\$/ \$,000)	6.05	6.66	6.90	5.87	5.21	5.36	5.51	5.67	5.83	6.00	6.17
Total Tax Rate - (\$/ \$,000) -	10.43	10.77	11.18	10.11	9.56	9.66	10.41	10.30	10.33	10.71	10.94

NOTES:

Assumes a constant valuation of \$1.211 billion (2020 - 2026)

Numbers for 2016 to 2019 are actual from Town reports

Numbers for 2020 are actual from DRA calculation

All later years assumes a 3% annual increase in Town, County, and School Operating Expenses

These growth assumptions are arbitrary.

Town Capital Project Expenses are projected from the Table 3

Table 4 - Projected Tax Rates