

**Capital  
Improvements  
Program  
(CIP)**

**2009 to 2018**

**Town of Temple, New Hampshire**

Prepared  
for  
The Town of Temple  
by the  
Capital Improvements Program Committee

Submitted for consideration December 2008

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**Overview**

This Committee was formed at the request of the Temple Town Meeting March 2004. Its purpose is to examine and develop an ongoing plan for capital expenditures by the Town. By creating such a plan, it allows the Town to anticipate major expenditures through budgetary forecasting, thus aiding in a more stable cost of town government. The Capital Improvements Program (CIP), when coupled with a Master Plan, allows the Town to monitor the impact of future development. This plan is a living document, being revised and re-evaluated on an annual basis. As the Town's needs change, so will the document.

We as a Committee feel that this plan provides continuous improvement over the 2004 CIP Plan. With ongoing communication between the various departments within Town government, we can continue to develop a fiscally sound and responsible plan for the future of the citizens of Temple. The total amount recommended for funding in 2009 is \$141,382.

**Introduction**

Temple’s Town officials, like their counterparts in other communities in New Hampshire, expend a great deal of effort each year establishing a municipal budget. This budget must realistically balance the ever-increasing needs and costs of delivering services to Town residents with the financial constraints mandated by available revenues.

In an acknowledgment of the precariousness of the annual budgetary process, the General Court authorized the use of a Capital Improvements Program (CIP) to aid town officials in scheduling capital outlays. New Hampshire RSA §674:5-8 provides the legislative authorization, purpose, description, and preparation of the CIP.

Undertaking a CIP can be done only after authorization to do so is granted by the local legislative body. This was done by a vote of the residents of Temple at Town Meeting in March 2004.

Although the local legislative body must authorize formation of a CIP Committee, the Committee’s report is entirely advisory. This document is structured to provide a recommended 10-year program of major capital projects and expenditures. It is intended as a fluid-working document, adaptable to the changing needs and development of the Town.

**Growth in Temple**

Municipal costs in Temple have increased significantly since the early 1980’s. This increase is due to a combination of inflation, the general increase in the cost of providing municipal services, and the Town’s population increase.

Table 1, below, shows the Historical U.S. Census Population for Temple as well as projections of population growth from the New Hampshire Office of Energy and Planning (NHOEP).

*Table 1. Historical and Projected Temple Population.*

Historical U.S. Census Population			NHOEP Population Projections		
Year	Population	% Change	Year	Projected Population	Projected % Change
1970	441		2010	1,570	+9.9%
1980	692	+56.9%	2015	1,660	+5.7%
1990	1,194	+72.5%	2020	1,730	+4.2%
2000	1,297	+8.6%	2025	1,800	+4.0%
2005	1,430	+10.3%			

Sources: U.S. Census for 1900 to 2000; New Hampshire Office of Energy and Planning (NHOEP) population projections, Jan/2005

The schools, police department, fire department, recreation facilities, recycling center, roads, library, Town offices, and meeting space all experience direct increases in demand with population growth.

Each year’s operating costs must be paid as they are incurred. However, capital costs can be controlled through their timing and financing methods. Because capital expenditures have a substantial impact on the property-tax rate, controlling the timing and financing of these expenditures can have a stabilizing effect.

The Town’s master plan identifies the size, locations, and densities of past and projected population growth, and it forms the basis for the assessment of capital needs.

Table 2, below, shows the historical tax rate for the Town of Temple, and how it is broken down, from 1996–2007.

Table 2. Temple Property Tax Rate, 1996–2008.

Date Sent	Local Valuation	Temple Municipal Tax Rate	Conval Education Tax Rate	NH State Education Tax Rate	County Tax Rate	Total Tax Rate	Tax Commitment
11/08		4.78	11.41	2.28	1.11	19.58	
11/07	158,707,385	3.61	10.9	2.16	1.03	17.70	2,804,043
11/09/06	155,661,086	4.79	11.02	2.26	.096	19.03	2,949,816
11/05/05	153,272,535	4.80	11.67	2.61	0.98	20.06	3,061,439
11/24/04	148,279,457	4.87	9.96	2.44	1.07	18.34	2,706,522
11/13/03	79,829,041	9.76	16.74	5.38	1.71	33.59	2,668,686
11/25/02	75,612,947	7.71	13.89	6.33	1.67	29.60	2,225,189
11/02/01	71,475,445	6.35	10.76	6.28	1.93	25.32	1,796,855
11/13/00	68,781,926	7.22	11.44	5.20	1.78	25.64	1,754,984
12/02/99	66,287,676	8.00	10.53	5.40	1.52	25.45	1,678,328
1998	68,610,512	6.09	19.82	0.00	1.68	27.59	
1997	68,233,631	5.95	18.27	0.00	1.64	25.68	
1996	67,966,688	6.37	16.57	0.00	1.71	29.60	

Source: State of New Hampshire Department of Revenue Administration; NH DRA Tax Rate Calculations

*Definitions:*

Local Valuation. Property taxes are based on the local assessed valuation of all taxable property within the town, as of April 1 of each year.

Temple Municipal Tax Rate. The component of the tax rate that represents the net budget voted at Temple Town Meeting.

Conval Education Tax Rate. The component of the tax rate that represents the net budget voted by each school district [and/or?] the amount of the net budget of a regional school district apportioned to the municipalities within that regional school district according to the formulas adopted by the voters in that district.

NH State Education Tax Rate. The state education property tax has been effective since April 1999. It was the solution to the New Hampshire Supreme Court’s decision concerning the use of local property taxes to fund education. This tax is collected by municipalities and is included on the same bill with other property taxes administered at the local level.

County Tax Rate. The component of the tax rate that represents the net county budget apportioned to each municipality within the county based on Equalized Valuation. (The equalization factor, sometimes called a multiplier, is the tool used to bring all property to a uniform level of assessment.)

Total Tax Rate. The total of the components listed above.

## **CIP Assumptions**

- Capital Projects are defined as those costing \$5,000 or more / with a projected lifespan of 5 years or more.
- Rate of Interest for long-term obligations is assumed to be 5%.
- Assumed Inflation Rate is 4%. We used data from InflationData.com to make our determination, and we erred on the conservative side.
- Payments on Bridge Bonds reflect an 80% contribution by the State of New Hampshire.

## **Questions about the Capital Improvements Program**

*Q: Why is a CIP recommended?*

Each town in New Hampshire is encouraged by the state to develop a CIP because the CIP process forces each town to identify and prioritize future needs of the municipality that are likely to have a significant impact on annual budgets. The plan then spreads out the annual costs of significant expenditures in order to minimize or avoid significant tax increases.

*Q: What are the purposes of the Temple CIP?*

The Temple CIP is an advisory document. It is intended to serve a number of purposes, including an attempt to plan all anticipated major Town expenditures for a period of 10 years. In addition, it

- i. Provides the Town of Temple with a guide to be used by the Board of Selectman for their annual budgeting process pursuant to RSA §674:5-8.
- ii. Provides a forward-looking planning tool for the purpose of contributing to the creation of a stable property tax rate.
- iii. Aids the Town's elected officials, appointed Committees, and department heads in the prioritization, coordination, and planning for future Town growth and in sequencing of various municipal expenses.
- iv. Informs residents, potential residents, business owners, potential business owners, and developers of needed and planned improvements.
- v. The CIP is a required document, should the town ever wish to impose impact fees.

One of the main goals of the CIP is to even out the periods of under-expenditure and over-expenditure on capital improvements—and thus protect Temple taxpayers from large swings in their tax rate due to these spending divergences. This is done by properly planning for, scheduling, and setting aside public funds for projects that are needed and desired, now and in the future.

For the purposes of this document, a capital improvement is an item or project for public use that costs more than \$5,000; has a useful life of 5 years or more; is considered to be beyond the scope of normal annual operating or maintenance expenses. Examples of capital improvements include:

- Land acquisition for a public purpose.
- Vehicles.
- Buildings/Construction.

- Equipment and machinery with a useful life of greater than 5 years.
- Major building or facility renovations and repairs.
- Road renovations, bridge renovations or bridge replacement resulting in long-term improvement in road capacity or conditions.
- Special studies, such as resource assessments, facility studies, or master plans.

*Q: What are the benefits of CIP for Temple?*

- i. Providing an inventory of major Town assets.
- ii. Establishing a method for departments to anticipate and communicate future needs.
- iii. Providing a process for identified needs to be discussed and prioritized.
- iv. Encouraging evaluation of timing and financing options.
- v. Stabilizing annual expenditures for capital outlays to minimize tax impact.
- vi. Making preemptive acquisitions (for example, land acquired for Town uses such as municipal space, land preservation and recreation) more feasible and defensible.
- vii. Reducing interest payments (through using capital reserve funds).
- viii. Supporting planned growth.
- ix. Facilitating implementation of the Master Plan through scheduling projects over a period of time and eliminating multiple expenses in any one fiscal year.
- x. Furnishing a total picture of the Town's major needs, discouraging piecemeal expenditures, and coordinating the activities of various departments.
- xi. Establishing priorities for projects on the basis of needs and costs, and permitting anticipation of revenues and expenditures.
- xii. Serving as an information resource for Temple residents by describing the Town's plans for major expenditures.

*Q: Who were the members of the 2008 CIP Committee?*

The Committee encompassed a wide variety of experience and viewpoints. Chairperson was David Martz, and Members were Doug Heck, Sherry Fiske, Paul Martin, Allan Pickman, Connie Kieley and Shawn Smith.

*Q: What process did the Temple CIP Committee use?*

The Committee built on the foundation and processes established in 2004 CIP plan. The Committee met periodically throughout the summer and fall months. The Committee's work was organized as follows:

i. Meetings with Departments

The Committee met with each Town department to review and discuss all potential revisions for the 2009-2017 CIP plan.

ii. Analysis

To facilitate analysis, all of the information was entered into a computer spreadsheet, which allowed the Committee to assess the impact of different acquisition dates and financing approaches for all projects.

iii. Plan Development and Recommendations

During the course of several meetings, the Committee followed up with each department to clarify needs and discuss Town priorities, alternative approaches, and acquisition timing. The Committee then worked through a number of scenarios to develop relatively flat annual expense projections across the entire 10-year period in order to avoid a significant impact on the tax rate in any one year.

## DEPARTMENTS

### Animal Control

1. Four-Season Shelter

*Request:* That the Town build an animal control shelter.

*Department justification:* Future need.

*Projected cost:* \$25,306.

*CIP Plan:* The Town of Temple shares the Animal Control Officer with the Town of Greenville. Animals requiring housing for both towns are kept in the existing Greenville space. At this point there is no imminent need for Temple to construct its own shelter; however, the Committee suggests that the request be held open for future consideration.

### Highway Department: Bridges

*Request:* That the 10 major Town bridges be replaced, at the rate one bridge every 3 years, and that a capital reserve fund be established to repair smaller bridges and culverts as required.

*Department justification:* Safety.

*Projected cost:* \$2,500,000± over next 30 years.

*CIP Plan:* The Town has 10 specific bridges and major culverts identified for eventual replacement; three of those are recommended for inclusion in this 10-year plan. All three are eligible for 80% State of New Hampshire funding from the Bridge Aid Construction Funds.

In addition to major bridge and culvert structures, the Town has dozens of smaller conduits for water under its roads. Some of these are literally centuries old, while others are more modern.

Currently the Bridge Aid Construction Fund is underfunded by the State. The Bridge Capital Reserve Fund is sufficiently funded for the engineering of at least one bridge. The probability of state funds being available for more than one bridge in any given year is unlikely therefore the CIP Committee recommends postponing adding to the Bridge Capital Reserve fund. This will be kept open for future consideration.

## Cemetery

*Request:* That the Town continue to slowly add to the new cemetery area.

*Projected cost:* \$100,000.

*Department justification:* Future need.

*CIP Plan:* The Town's Highway Department is currently converting the old gravel pit for cemetery use as fill becomes available. Recognizing that there is not currently a demand for additional burial space, it is recommended that this approach to the conversion continue. It is expected that the new facility will be available in 2017.

The Committee recognizes the severity of the economic situation and recommends that we postpone spending on this project until next year.

## EMS Vehicles

*Request:* The Town of Wilton has requested that Temple pay a pro rata share of 20% for a new ambulance in 2009.

*Projected cost:* \$27,000.

*Department justification:* Need.

*CIP Plan:* The Board of Selectmen voted to continue to retain the services of the Wilton-Temple-Lyndeborough Emergency Medical Service for 2009. Although the title of a new ambulance would be held by the Town of Wilton, the CIP felt the ambulance should be considered a capital expense. It is understood by Temple that a new ambulance will be needed every 5 years and they will be charged accordingly.

## Fire Department

### 1. 1986 Chevy 1-Ton Brush Truck

*Request:* Replace the Brush Truck in 2010.

*Department justification:* For forest-fire fighting capabilities.

*Projected conversion cost:* \$5,061±.

*CIP Plan:* The Committee recommends that the current brush truck be replaced by the retired Highway Department 2002 Ford F550 Dump Truck and that the skid unit on the back of the current brush truck be transferred to the Highway Department Dump Truck.

### 2. 1993 International Fire Pumper

*Request:* The International Fire Pumper purchased in 1993 has an estimated lifespan of 30 years.

*Department justification:* Need.

*Projected cost:* N/A.

*CIP Plan:* The Committee recommends that the 1993 International Fire Pumper be replaced at the end of its estimated lifespan. The Fire Department indicated they plan to apply for a Federal Grant to help with the replacement cost.

3. New Second Fire Pumper

*Request:* To add a second fire pumper in order to institute a two-pumper fire-protection system.

*Department justification:* Vision.

*Projected cost:* \$364,996.

*CIP Plan:* The Engineers feel that the addition of a second fire pumper would enhance the service they provide. The Committee recommends deferring the purchase of major pieces of new equipment until a needs assessment has been completed.

2003 Freightliner Tanker

*Request:* The Freightliner Tanker purchased in 2003 has an estimated lifespan of 30 years.

*Department justification:* Need.

*Projected cost:* Unknown.

*CIP Plan:* The Committee recommends that the 2003 Freightliner Tanker be replaced at the end of its estimated lifespan.

**Highway Department: Equipment**

1. 2002 Ford F550 Dump Truck

*Request:* That the 6-wheel dump truck be replaced at the end of its estimated lifespan.

*Department justification:* End of useful/reliable life for Highway Department use.

*Projected cost:* \$63,266.

*CIP Plan:* The Committee recommends that the 6-wheel dump truck be replaced at the end of its estimated lifespan in 2010.

2. 1996 International 6-Wheel Dump Truck

*Request:* That the Town dump truck be replaced at the end of its estimated lifespan.

*Department justification:* Safety/Need.

*Projected cost:* \$170,797.

*CIP Plan:* The Committee recommends that the 1996 International 6-Wheel Dump Truck be replaced at the end of its estimated lifespan in 2013.

3. 2006 International 6-Wheel Dump Truck

*Request:* That the Town dump trucks be replaced at the end of their estimated lifespan.

*Department justification:* Safety/Need.

*Projected cost:* \$224,758.

*CIP Plan:* The Committee recommends that the 2006 International 6-Wheel Dump Truck be replaced at the end of its estimated lifespan in 2020.

4. 1979 CAT Road Grader

*Request:* That the 1979 grader be replaced at the end of its estimated lifespan.

*Department justification:* End of useful/reliable life.

*Projected cost:* \$280,000, less trade-in.

*CIP Plan:* The Town's grader was purchased in 1979 and had its drive train rebuilt in 2002. It is recommended for replacement in 2009.

5. 1995 CAT Loader

*Request:* That the existing 1995 CAT Loader be replaced at the end of its estimated lifespan.

*Department justification:* End of useful/reliable life.

*Projected cost:* \$184,734.

*CIP Plan:* The Committee recommends that the 1995 loader be scheduled for replacement in 2015. The Town currently rents a backhoe on an as needed basis.

6. Garage and Sand Storage Facility

*Request:* That the town garage and sand storage facility be relocated.

*Department justification:* Vision.

*Projected cost:* \$1,150,000±.

*CIP Plan:* The CIP Committee recommends that a Committee be established by the Selectmen to assess possible uses of the recently purchased Skladany land. Such an assessment would include a possible new site for the Town's Highway Department. The current Town's Highway Department facilities occupy approximately two acres immediately behind the library and town hall. While the buildings themselves currently meet the department's needs, it is recommended that the facility be relocated eventually in order to (1) provide the Highway Department with more physical ground space, (2) permit the sand-and-salt mix to be covered (as required by law) and (3) eliminate the congestion and safety hazard created by truck and equipment traffic between Town buildings and (4) Security.

## **Library**

1. Replace section of Library Roof

*Request:* Replacement of the South and East Sides of the roof.

*Department justification:* Need.

*Projected cost:* \$5,500

*CIP Plan:* The current roof on the library has a section which is approximately 30/40 years old and in need of replacement. The Committee recommends that these sections of roof be replaced in 2009. The North and West sides are 10 years old and in good condition.

2. Addition to Library

*Request:* To construct an addition to the town library to facilitate improved storage.

*Department justification:* Need

*Project cost:* To be determined.

*CIP Plan:* The Library Trustees proposed that an addition to the library be constructed to accommodate increased library holdings and to improve storage capacity. They are presently looking into a long-range plan, and are considering increasing the size of last year's proposed addition. The CIP Committee supports a future addition and encouraged this further research.

## **Police Department**

1. Police Station Upgrade

*Request:* Expand and upgrade Town of Temple Police Station.

*Department justification:* Possible future need.

*Projected cost:* \$80,000.

*CIP Plan:* It was reported to the Committee that the Town of Temple and The Town of Greenville Police Departments Co-op was renewed in 2008 and that the Town of Greenville currently has lease/purchase option for a new police station. Therefore the Committee currently sees no present need to expand the Town Police Station. The Committee suggested that the request be held open for future consideration.

2. Cruisers

*Request:* Periodically replace Temple/Greenville police co-op cruisers.

*Department justification:* Need.

*Projected cost:* \$17,550 for 2010 cruiser, \$19,741 for 2013 cruiser, \$21,352 for 2015 cruiser.

*CIP Plan:* The Committee recommends that the Town pay it's share (approximately 38%) of replacing the 4 police co-op cruisers on an 8-year rotating schedule for each vehicle.

3. ATV

*Request:* Consider the eventual replacement of the existing ATV.

*Department justification:* Vision.

*Projected cost:* \$5,922.

*CIP Plan:* The police co-op ATV is not expected to need replacement during the period covered by this plan. The projected cost shown above is the Town share (approximately 38%). The Committee suggested that the request be held open for future consideration.

## **Recreation Department**

1. Tennis and Basketball Courts Resealing, Resurfacing, and Relining

*Request:* That the Town reseal, resurface, and reline the tennis and basketball courts on a 5- or 6-year schedule.

*Department justification:* Needed in order to maintain surface quality.

*Projected cost:* \$8,422 for 2011 resurfacing.

*CIP Plan:* The Committee recommends that the tennis and basketball courts be resealed, resurfaced, and relined in 2011 in order to prevent deterioration.

2. Tennis Courts: Lights

*Request:* To add lights to the two tennis courts.

*Department justification:* Vision.

*Projected cost:* \$5,000±.

*CIP Plan:* After researching the expected costs of adding lights to the two tennis courts, the Committee concluded that the costs were prohibitive and adding lights is not a priority at this time. The Committee suggests that the request be held open for future consideration.

3. Little League Field: Storage Shed & Dugouts

*Request:* To add a storage building and dugouts to the new Little League field

*Department justification:* Vision.

*Projected cost:* \$15,000±.

*CIP Plan:* The Recreation Director informed the Committee that a storage shed is needed at the Little League Field. He is also waiting for plans from the Little League on building dugouts and suggested these two items be combined and held open for future consideration.

4. Ice Skating Rink

*Request:* To install an ice skating rink, most likely on the grounds of the Temple Elementary School

*Department justification:* Vision.

*Projected cost:* \$8,774±.

*CIP Plan:* Given other projected CIP expenditures in 2009, the CIP committee recommends deferring this project until the future.

## **Town Government**

1. Land Acquisition to Preserve Rural Character

*Request:* To preserve rural character and natural areas.

*Department justification:* Land preservation is important for town residents because it preserves rural character, protects drinking water quality, protects working farms, protects wildlife and natural areas for future generations, and helps stabilize the property tax rate - New Hampshire RSA §79-A:1 "... Open space land imposes few if any costs on local government and is therefore an economic benefit to its citizens."

*Projected cost:* Varies from year to year – it is based on new development in Town.

*CIP Plan:* The Committee recommends that 50% of the Land Use Change Tax revenue continue to be deposited in the Town Conservation Fund and 50% continue to be deposited in the Town General Fund and as the split is even and equitable that a cap is unnecessary. The Committee noted that this approach was adopted at the March 2006 Town Meeting.

2. Future Municipal Building

*Request:* To build new municipal facilities and office space.

*Department justification:* Vision

*Projected cost:* \$400,000±

*CIP Plan:* The CIP Committee recommends that a Committee be established by the Selectmen to assess possible uses of the recently purchased Skladany Land. Such an assessment would include a possible new site for the Municipal Building.

The Committee recommends that a new municipal building be built in 2017 in order to meet future Town growth and needs. The Committee recommends that a thorough needs assessment be performed in order to appropriately plan for a future Town Municipal Building.

3. Town Office

*Request:* To replace the photocopier in the Town office.

*Department justification:* Need.

*Projected cost:* \$7,896.

*CIP Plan:* The Committee recommends that the Town's photocopier be replaced in 2011. The estimated lifespan of the photocopier is 6± years.

4. Existing Municipal Building

*Request:* To replace the roof on the Town Municipal Building.

*Department justification:* Need.

*Projected cost:* \$25,200.

*CIP Plan:* The Committee recommends that the roof on the Town Municipal Building be replaced in 2009.

5. Town Hall

Town Hall renovation will be completed spring of 2009. No immediate capital expenditures are anticipated at this time.

6. Generators

*Request:* To purchase 3 emergency generators for the Town Hall, Municipal Building and Temple Elementary School.

*Department Justification:* Future Need

*Projected cost:* \$35,000.00

*CIP Plan:* These generators are part of the Emergency Management Plan for the town. The Board of Selectmen are seeking grant monies to cover this cost. Therefore, the Committee suggests this be held open for future consideration.

7. The CIP Committee recommends that the Selectmen establish a standing committee to advise the town on ongoing maintenance of all town buildings, and to establish schedules for repainting, roof replacement, carpet replacement, and other ongoing maintenance, and also to recommend establishment of capital reserve funds for major maintenance expenditures.

*Q: What is the CIP Priority System?*

In order to assess the relative priority of projects requested by the various departments, the Committee established a priority system. Each proposed project was individually considered by the Committee and assessed a priority rank, as follows:

<b>U</b> = Urgent	Cannot be delayed. Needed for health or safety.
<b>C</b> = Committed	Part of an existing contractual agreement or otherwise legally required.
<b>N</b> = Necessary	Needed to maintain existing level and quality of community services.
<b>D</b> = Desirable	Needed to improve quality or level of services.
<b>F</b> = Deferrable	Can be placed on hold, but supports community development goals.
<b>R</b> = Research	Pending results of ongoing research, planning, and coordination.
<b>I</b> = Inconsistent	Conflicts with an alternative project or solution recommended by the CIP; contrary to land use planning or community development goals.

Table 3, on the next page, lists the capital improvement requests considered by the CIP Committee and represents all the requests submitted. (N/A means Not Available; TBD means To Be Determined)

Table 3. Capital Improvement Project Requests Submitted for 2009-2018.

	Department / Project for Purchase Replacement or Renovation	Inflation (4%) Adjusted Projected Total Cost	Starting Year CIP Recommends	Possible Financing Method	CIP Committee Priority Recommendations							
					U	C	N	D	F	R	I	
<b>i</b>	<b>Animal Control</b>											
a	4-Season Kennel	\$25,306	TBD	Appropriations					F	R		
<b>ii</b>	<b>Highway Department - Bridges</b>											
a	Replace 10 Town Bridges as needed	\$2,500,000±	2012 over 30yrs.			N						
b	Bridge Capital Reserve Fund	\$30,000	2008 over 4yrs.	Appropriations					F			
<b>iii</b>	<b>Cemetery</b>											
a	Expand Cemetery Area	100,000	2009 for 10yrs.	\$10,000 per year					F			
<b>iv</b>	<b>Fire Department</b>											
a	1972 Grumman Rescue Truck	N/A	2026	Bond		N						
b	1986 Chevy 1-Ton Brush Truck	\$5,061	2010	Appropriations		N						
c	1993 International Pumper	N/A	2023	Bond		N						
d	2 <sup>nd</sup> Fire Pumper	\$364,996	TBD	Bond						R		
e	2003 Freightliner Tanker	N/A	2033	Bond		N						
<b>v</b>	<b>Highway Department - Equipment</b>											
a	2002 Ford F-550 Dump Truck	\$63,266	2010			N						
b	1996 International Dump Truck	\$170,797	2015	Bond		N						
c	2002 International Dump Truck	\$224,758	2020	Bond		N						
d	1979 CAT Road Grader	\$280,000	2010	Bond		N						
e	1995 CAT Loader	\$184,734	2013	Bond		N						
f	Build New Garage & Sand Storage	\$1,077,618±	TBD	Bond					F	R		
<b>vi</b>	<b>Library</b>											
a	Replace South and East sides of Library roof	\$5,849±	2009	Appropriations	U	N						
b	Construct 12'x 30' Addition	\$33,692	TBD	Appropriations				D		R		
<b>vii</b>	<b>Police Department</b>											
a	Temple Police Station Upgrade	\$80,000	TBD	Bond					F			
c	T/G Police Co-op Cruiser (38%)	\$17,550	2010	Appropriations		N						
d	T/G Police Co-op Cruiser (38%)	\$19,741	2013	Appropriations		N						
e	T/G Police Co-op Cruiser (38%)	\$21,352	2015	Appropriations		N						
f	T/G Police Co-op ATV (38%)	\$5,922	2018	Appropriations					F			
<b>viii</b>	<b>Recreation Department</b>											
a	Tennis & Basketball Resurfacing	\$8,422	2011	Appropriations		N						
b	Tennis & Basketball Resurfacing	\$10,656	2017	Appropriations		N						
c	Skating Rink	\$8,774	TBD	Appropriations				D	F	R		
d	Basketball & Tennis Courts Lights	\$5,000±	TBD						F			
e	Little League Dugouts	\$15,000	TBD						F			
<b>ix</b>	<b>Town Government</b>											
a	Payments on Skladany Land	\$54,136	2009	Appropriations		C						
b	Land Preservation	50% LUCT	On-going	L.U.C.T.				D				
c	Replace Municipal Building Roof	\$28,077±	2009	Appropriations	U	N						
d	Build New Municipal Building	\$416,268	TBD	Bond				D	F	R		
e	Photocopier	\$7,896	2011	Appropriations		N						

## Funding Options

*Q: What are Temple's options for financing major capital needs?*

The project summaries in Table 3 refer to a number of different local financing methods. Four of these methods require appropriations, either as part of the Town's annual operating budget or as independent warrant articles for Town Meeting vote.

Following are summaries of the different ways the Town has financed, and could continue to finance, major capital expenses. (More than one approach can be used at one time.)

The *1-year appropriation* is most common. Proposed projects are funded by real estate property tax revenues within a single fiscal year, i.e., expense in one year and pay cash, concentrating the tax impact on that year. Temple used this approach in 2003 to purchase a police cruiser.

The *capital reserve (savings) method* requires appropriations over multiple years. The capital improvement is not made until total appropriations meet the cost of the improvement. The capital reserve approach spreads the tax impact across several fiscal years in advance of the actual expenditure. Temple has used this approach historically for purchasing heavy equipment.

The *lease-to-purchase method* has been used for vehicle purchases.

*Bonds*, issued by the New Hampshire Municipal Bond Bank or Commercial Bank, are generally used only for the most expensive capital projects, such as land purchases, major renovations, additions, or new construction of buildings or infrastructure. Bonds permit major capital requests to be met immediately while spreading out the cost—and the impact on the tax rate—over many years in the future. Towns typically use this approach to purchase land or build a major facility.

*Offsetting revenues* are fiscal resources from outside the community that are applied to help finance a local capital project. A typical example is State of New Hampshire Municipal Bridge Funding, which assists the Town with major bridge work.

*Q: What are the financial projections resulting from Temple's CIP process?*

The details are included in the spreadsheet at the end of this report, which summarizes the anticipated capital expenses for the 2009–2018 period.

*Q: What happens next to the CIP Plan?*

The CIP Committee presented this proposed plan to the Budget Advisory Committee and the Board of Selectmen during December 2008. The Plan will be posted on the Temple Web site (<http://www.templenh.info>) in a PDF format and copies will also be printed for Town residents. Every year, the Committee will review the CIP Plan and modify it based on changing needs and priorities, then present it to the Board of Selectmen for their review prior to budget deliberations. Each annual update will add an additional year to the schedule so that a 10-year program period is maintained. For example, the 2009 CIP Committee will be continue to further assess long-term projects proposed by the various departments. These include, but are not limited to, the following proposed expenditures: new Highway Department facility, new municipal building, and new (second) fire pumper truck. The Committee will also continue to assess the Town's roads and existing buildings.

*Conclusions*

This document has been developed in response to the capital expenditure requests of Town departments. It is the Committee's understanding, that every capital request included in this document, will be considered by the Selectmen for approval at a future Town Meeting.

**For 2009, the following projects are recommended by the Committee: \$5,475 to replace the South & East sections of the Library roof; \$25,550 to replace the Municipal Building roof; \$257,500 to purchase a road grader, \$27,000 for Temple's share of a new ambulance.**

The CIP Plan is intended as a guide for assisting with budgeting and development in Temple. Each resident, and each department, still has the option of ignoring the advice contained in the Plan and presenting their request directly to the voters at Town Meeting.

As noted, in the case of some of the proposed projects, the Committee concluded that more information was needed before a recommendation could be made. The Committee plans to reconsider those proposals as more information becomes available or when more detailed needs assessments are provided.

To more effectively assist Town departments in future budget cycles, the CIP Committee will try to initiate the CIP planning process earlier in the year in order to make information available to individual Town departments before they prepare their preliminary budgets for submission to the Town.

The CIP planning process can provide a forum for encouraging the development of capital asset inventories that account for the value of the assets and track the useful life and depreciation of municipal equipment and infrastructure. As a minimum, the CIP recommends that all Town assets be tracked for life expectancy so that future capital needs can be better anticipated and planned for.

Appendix

Exhibit 1

*RSA Section 674:5 through Section 674:8 — Capital Improvements Program*

**TITLE LXIV  
PLANNING AND ZONING  
CHAPTER 674  
LOCAL LAND USE PLANNING AND REGULATORY POWERS  
Capital Improvements Program**

**Section 674:5 Authorization** - In a municipality where the planning board has adopted a master plan, the local legislative body may authorize the planning board to prepare and amend a recommended program of municipal capital improvement projects projected over a period of at least 6 years. As an alternative, the legislative body may authorize the governing body of a municipality to appoint a capital improvement program Committee, which shall include at least one member of the planning board and may include but not be limited to other members of the planning board, the budget Committee, or the town or city governing body, to prepare and amend a recommended program of municipal capital improvement projects projected over a period of at least years. The capital improvements program may encompass major projects being currently undertaken or future projects to be undertaken with federal, state, county and other public funds. The sole purpose and effect of the capital improvements program shall be to aid the mayor or selectmen and the budget Committee in their consideration of the annual budget.

**Source.** 1983, 447:1, eff. Jan. 1, 1984. 2002, 90:1, eff. July 2, 2002.

**Section 674:6 Purpose and Description** - The capital improvements program shall classify projects according to the urgency and need for realization and shall recommend a time sequence for their implementation. The program may also contain the estimated cost of each project and indicate probable operating and maintenance costs and probable revenues, if any, as well as existing sources of funds or the need for additional sources of funds for the implementation and operation of each project. The program shall be based on information submitted by the departments and agencies of the municipality and shall take into account public facility needs indicated by the prospective development shown in the master plan of the municipality or as permitted by other municipal land use controls.

**Source.** 1983, 447:1, eff. Jan. 1, 1984.

**Section 674:7 Preparation –**

I. In preparing the capital improvements program, the planning board or the capital improvement program Committee shall confer, in a manner deemed appropriate by the board or the Committee, with the mayor or the board of selectmen, or the chief fiscal officer, the budget Committee, other municipal officials and agencies, the school board or boards, and shall review the recommendations of the master plan in relation to the proposed capital improvements program.

II. Whenever the planning board or the capital improvement program Committee is authorized and directed to prepare a capital improvements program, every municipal department, authority or agency, and every affected school district board, department or agency, shall, upon request of the planning board or the capital improvement program Committee, transmit to the board or Committee a statement of all capital projects it proposes to undertake during the term of the program. The planning board or the capital improvement program Committee shall study each proposed capital project, and shall advise and make recommendations to the department, authority, agency, or school district board, department or agency, concerning the relation of its project to the capital improvements program being prepared.

**Source.** 1983, 447:1. 1995, 43:1, eff. July 2, 1995. 2002, 90:2, eff. July 2, 2002.

**Section 674:8 - Consideration by Mayor and Budget Committee** - Whenever the planning board or the capital improvement program Committee has prepared a capital improvements program under RSA 674:7, it shall submit its recommendations for the current year to the mayor or selectmen and the budget Committee, if one exists, for consideration as part of the annual budget.

**Source.** 1983, 447:1, eff. Jan. 1, 1984. 2002, 90:3, eff. July 2, 2002.

## Appendix

## Exhibit 2

**Inventory of Existing Equipment**

<b>Department</b>	<b>Equipment Needed</b>	<b>Est. Life Span</b>	<b>Year Made/ Acquired</b>	<b>Replacement Cost (2004 Dollars)</b>	<b>Approx. Year</b>
Highway	Brush Chipper	20 - 30	1986	20,000	2011
Highway	Massey-Ferguson tractor & mower		2007	37,700	2037
Highway	Highway Sand Spreader	12 - 15	2004	10,000	2018
Highway	Street Sweeper	12 - 15	1996	7,500	2010
Highway	CAT Grader		1979	210,000	2009
Highway	CAT Loader		1995	100,000	2015
Highway	International Dump Truck	18 - 20	1996	90,000	2015
Highway	Ford F-550 Dump Truck	10 - 12	2002	50,000	2013
Highway	International Dump Truck	18 - 20	2005	86,000	2024
Recreation	Tennis Court		1975	10,000	
Recreation	Fencing		2003	5,000	
Recreation	Ballfield #1		1950's	6,000	
Recreation	Ballfield #2		2003	6,000	
Recreation	Ice Rink		2002	5,000	2017
Fire Dept.	Skid Unit for Brush Truck		2003	14,000	2033
Fire Dept.	SCBA Air Packs		1993	20,000	2013
Fire Dept.	Holmatro Rescue Tool (Jaws)		1994	10,000	2014
Fire Dept.	Bullard Thermal Imager		2004	13,000	2024
Fire Dept.	Cascade System (Co-owned W/ Greenville, N.I. & Lyndeborough)		1989	10,000	TBD
Fire Dept.	2003 Freightliner Tanker		2003	170,000	2033
Fire Dept.	1993 International Pumper		1993	300,000	2023
Fire Dept.	1986 Chevy 1 ton Brush Truck	5 - 10	2003	35,000	2011
Fire Dept.	1981 International Tanker		1981	170,000	2001
Fire Dept.	1973 Grumman Rescue Truck		1977	75,000	2017
Police	2002 Nissan Pathfinder Cruiser		2002	35,500	2010
Police	2005 Nissan Pathfinder Cruiser		2005	35,500	2013
Police	2003 Kawasaki 360 W/ Tracks & Winch		2003	9,000	2018
Police	2007 Nissan Pathfinder		2007	35,500	2015

Appendix

Exhibit 3

**2008**

**History of Requested Items Removed from Narrative**

Department	Request	Date requested	Date Removed	Reason Withdrawn
Animal Control	Vehicle	2006	2008	Insurance
Recreation Department	Pool	2005	2008	Cost Prohibitive

## Town of Temple Capital Improvements Program Worksheet

Dept.	Item Description	Year Needed/ Purchased	Estimated Cost (2004\$)	Estimated cost adjusted for inflation	CRF %	Approp. %	State/Fed Aid	Bond %	Bond Yrs	Bond rate	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
Bridges	Bridge Capital Reserve Fund										-	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	
EMS	Ambulance (20%) *	2009	22,192	27,000	0%	100%	0%	0%	5	5.0%	27,000	-	-	-	-	-	-	-	-	-	
EMS	Ambulance (20%) *	2014	22,192	32,850	0%	100%	0%	0%	5	5.0%	-	-	-	-	-	32,850	-	-	-	-	
Cemeteries	Cemetery Expansion	2017	80,000	80,000	100%	0%	0%	0%	0	5.0%	-	10,000	10,000	10,000	10,000	10,000	10,000	10,000	-	-	
Fire Dept.	Replace Pumper	2023	300,000	632,055	0%	0%	0%	100%	5	5.0%	-	-	-	-	-	-	-	-	-	-	
Fire Dept.	Replace Brush Truck	2010	4,000	5,061	0%	100%	0%	0%	5	5.0%	-	5,061	-	-	-	-	-	-	-	-	
Town Gov.	Składany Land	2005	399,000	399,000	0%	0%	0%	100%	10	4.5%	52,357	50,577	48,798	47,018	45,239	43,459	41,680	-	-	-	
Highway	Road Grader **	2009	211,646	257,500	0%	12%	0%	88%	4	6.8%	31,000	66,433	66,433	66,433	66,433	-	-	-	-	-	
Highway	Loader	2015	120,000	184,734	0%	0%	0%	100%	10	5.0%	-	-	-	-	-	-	-	27,710	26,787	25,863	
Highway	Dump Truck (6 wheel)	2013	120,000	170,797	0%	0%	0%	100%	4	5.0%	-	-	-	-	-	51,239	49,104	46,969	44,834	-	
Highway	Small Dumptruck (6 wheel)	2010	50,000	63,266	0%	0%	0%	100%	3	5.0%	-	-	24,252	23,198	22,143	-	-	-	-	-	
Highway	Highway Garage & Salt Shed (W/O Land)	2017	700,000	1,165,551	0%	0%	0%	100%	20	5.0%	-	-	-	-	-	-	-	-	-	116,555	
Highway	Dump Truck (6 wheel)	2020	120,000	224,758	0%	0%	0%	100%	20	5.0%	-	-	-	-	-	-	-	-	-	-	
Library	Library Roof Work	2009	4,500	5,475	0%	100%	0%	0%	0	5.0%	5,475	-	-	-	-	-	-	-	-	-	
Police	Police Cruiser (38%)	2010	13,870	17,550	0%	100%	0%	0%	0	5.0%	-	17,550	-	-	-	-	-	-	-	-	
Police	Police Cruiser (38%)	2013	13,870	19,741	0%	100%	0%	0%	0	5.0%	-	-	-	-	19,741	-	-	-	-	-	
Police	Police ATV (38%)	2018	3,420	5,922	0%	100%	0%	0%	0	5.0%	-	-	-	-	-	-	-	-	-	5,922	
Police	Police Cruiser (38%)	2015	13,870	21,352	0%	100%	0%	0%	0	5.0%	-	-	-	-	-	-	21,352	-	-	-	
Recreation	Resurface Tennis & B-Ball Courts	2011	6,400	8,422	0%	100%	0%	0%	0	5.0%	-	-	8,422	-	-	-	-	-	-	-	
Recreation	Resurface Tennis & B-Ball Courts	2017	6,400	10,656	0%	100%	0%	0%	0	5.0%	-	-	-	-	-	-	-	-	10,656	-	
Town Gov.	Photocopier	2012	6,000	8,211	0%	100%	0%	0%	0	5.0%	-	-	-	8,211	-	-	-	-	-	-	
Town Gov.	Muni Bldg Roof Work	2009	21,000	25,550	0%	100%	0%	0%	0	5.0%	25,550	-	-	-	-	-	-	-	-	-	
Town Gov.	Municipal Office Space	2017	250,000	416,268	0%	0%	0%	100%	10	5.0%	-	-	-	-	-	-	-	-	-	62,440	
TOTAL											141,382	174,622	182,905	179,860	188,556	162,548	147,136	109,679	107,277	235,781	
											166,244	10 YEAR AVERAGE									
											171,645	6 YEAR AVERAGE									

\* The ambulances will be owned by the Town of Wilton under proposed agreement, the cost shown reflects the amount Temple will be assessed for it's 20% share of the new ambulance needed in 2009, (\$135,000 total)

\*\* It is expected that the trade in on the old grader will cover all of the first year's cost.