

Capital Improvements Program (CIP)

2024 to 2033

Town of Temple, New Hampshire

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

Submitted for consideration:
February 2024

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OVERVIEW

The Capital Improvements Program (CIP) Committee was formed at the request of the Temple Town Meeting March 2004 to examine and develop an ongoing plan for capital expenditures by the Town. Creating such a plan enables the Town to anticipate major expenditures through budgetary forecasting, thus resulting in a more stable cost of town government. The CIP, when coupled with the Master Plan, allows the Town to monitor the impact of future development. This plan is a living document, being revised and re-evaluated annually to reflect Temple's needs as they change. With ongoing communication with Town departments, the CIP can continue to develop a fiscally sound and responsible plan for the future of the citizens of Temple.

CIP Committee members are appointed by the Board of Selectmen for 3-year terms. This year's Committee members are: Gail Cromwell (Chair), Gary Scholl, Ivy Bibler, Tim Fiske, Andy Paul; Select Board liaison Ken Caisse (the Select Board liaison has full voting rights).

CIP goals

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 variations. This “leveling process” is achieved by properly planning for, scheduling, and setting aside public funds for projects that are needed and desired, now and in the future.

The spreadsheet and graph on pages 3 and 4 of this narrative illustrate the leveling effect afforded by the use of Capital Reserves and Financing.

For the purposes of this document, a capital improvement is an item or project for public use that costs more than \$10,000, 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

Proposed Capital Improvement Program warrant articles for 2024

This year, the total dollar amount of CIP-recommended warrant articles is \$264,900 comprising:

- \$145,000 to fund Highway Department paving projects in 2024 and ensuing years.
- \$125,000 to be added to the Bridge Capital Reserve fund for future bridge repair/replacement projects. \$74,698 of this amount will come from grant money received from the State of New Hampshire for this purpose, with the remainder coming from tax revenues.
- \$45,000 to be added to the Highway Vehicle Capital Reserve Fund for vehicle replacements.
- \$16,600 for a new police cruiser. This represents Temple's 40% share and is contingent on Greenville passing an article to fund their 60% portion.
- \$8,000 to replace the carpeting in the Library.

See details on these proposed expenditures below under **CIP highlights and recommendations for 2024.**

CIP highlights for 2024

Capital Reserve Funding Target: The Committee has recommended targeting a consistent, yearly tax impact of approximately \$290,000 to cover capital improvements. This value was selected based on past data and future projections to be sustainable for the Town's needs into the foreseeable future. To achieve this goal, the CIP recommends the use of Capital Reserve accounts (to which funds would be added or subtracted to achieve the targeted tax impact) in conjunction with bond or lease financing when appropriate. For 2024, the Committee is recommending staying below this target for capital expenditures in light of state funding received in 2023 for bridge repairs and to counter an exceptional Town budget increase due to inflation and the town-wide reassessment cost.

Combined Vehicle Maintenance and Repair Trust: The Committee recommends combining the existing Vehicle Maintenance and Repair Expendable Trusts for the Highway Department and Fire Department into a single Highway and Fire Equipment Maintenance and Repair Expendable Trust. This will provide greater flexibility to allocate funds as needed to meet equipment repair costs for both departments, which are by nature somewhat unpredictable.

Vehicle Capital Reserve Fund: The Committee recommends adding \$45,000 to the Highway Vehicle and Equipment Capital Reserve Fund for future equipment purchases. Following the purchase last year of a new dump truck and the recent purchase of a wood chipper, this fund needs to be replenished to position the Town for future planned purchases of vehicles and large equipment.

Roadway Paving: Continuing the multi-year Road Paving and Sealing Schedule initiated in 2019, the CIP Committee has worked closely with the Highway Department and Select Board to develop funding plans with the goal of meeting road repair and maintenance needs while leveling the year-to-year tax impact. For 2024, the plan calls for repaving Boutwell Hill, Gambol Brook, Hedman Lane, and Glen Farm Road at an estimated cost of \$115,000. The Committee is recommending adding \$145,000 to the Asphalt and Paving Expendable Fund to be used for projects in 2024 and ensuing years.

Bridge Repairs: Two bridges in town are in need of replacement: the East Road bridge near the intersection of General Miller Highway and the Powers Road bridge over Blood Brook, which is on the state's "Red List" and which was closed to traffic in 2023. The Committee feels that the East Road bridge is a priority, given the number of residences on East Road and its use as an alternate route into and out of the southern end of Temple. The Committee recommends adding \$125,000 to the Bridge Capital Reserve Fund, including \$74,698 received from the State of New Hampshire in bridge aid, to provide funding for replacement of the East Road bridge within the next few years. The Road Agent is currently investigating the cost of this project using either a private contractor or the State, so that the Committee can make a comparative analysis.

The Committee recommends closing the Powers Road bridge. Given the significant cost of bridge construction and the low use this road receives, this seems a prudent step.

Police Cruiser: The 2015 Ford Explorer cruiser is scheduled for replacement in 2024. Temple's portion of the cost is \$16,600, which is 40% of the total cost shared with Greenville.

Library Carpeting: The carpeting in the Mansfield Library is in poor condition and in need of replacement. The Committee recommends appropriating \$8,000 to cover this cost.

CIP planning process

In order to achieve the planning goals summarized above, the CIP Committee employs the following process:

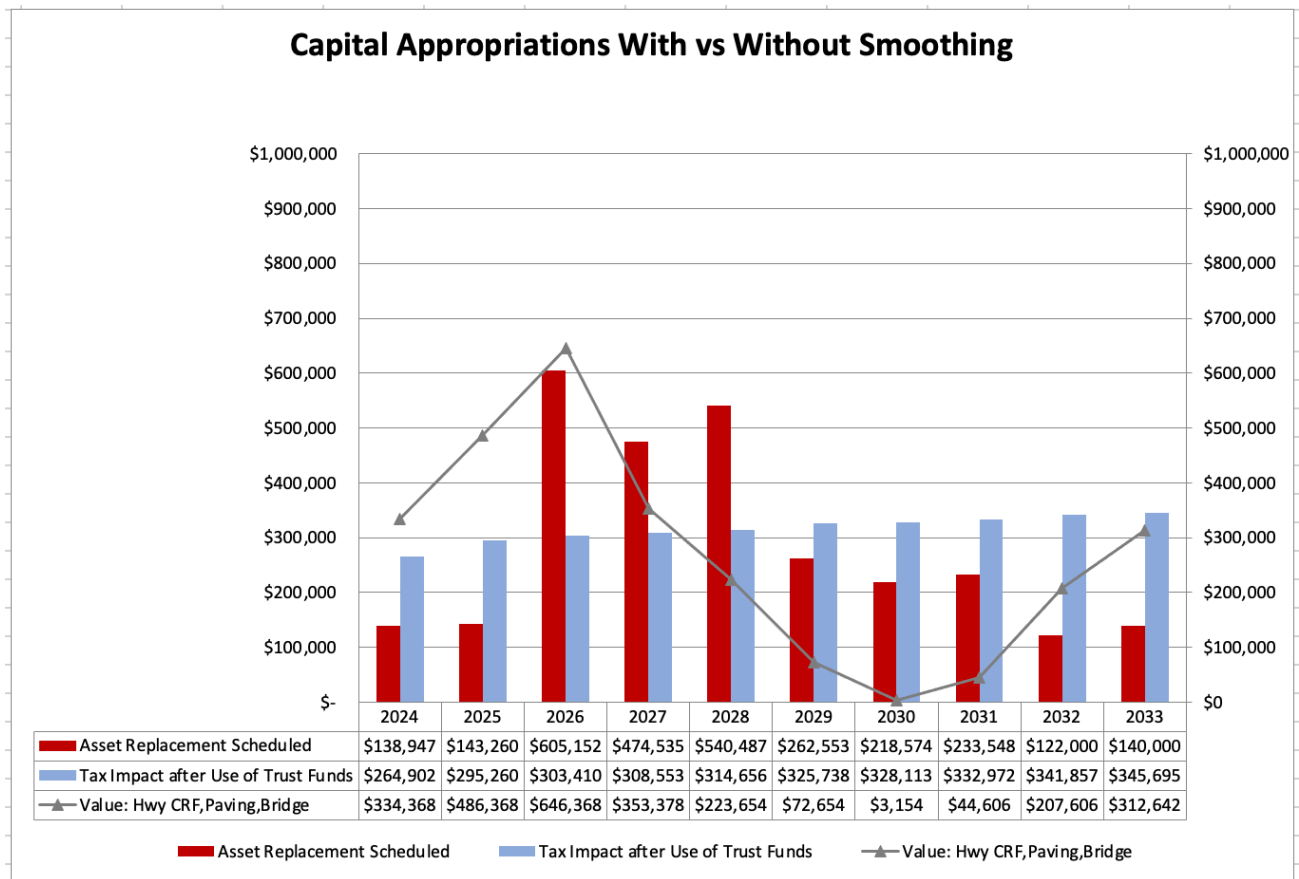
1. Identify and update an inventory of all capital items held by the town and the life expectancy of those items.
2. Get annual updates from departments regarding current replacement costs and any additions and subtractions from the inventory list.
3. Using a moving, 10-year forecast window, compute the total costs for the expected property tax impact and divide by 10 to identify an approximate annual, *level tax impact* “target value.”
4. Compute the difference between the annual capital needs and this target value to identify the necessary transfers into and out of trust funds. Compute the resulting value of the trust funds.
5. When the trust funds value goes negative, additional actions are required. *Time spreading* payments is an approach that can usually be used to alter the cash flow into and out of trust funds.
6. The above approach is generally satisfactory for managing planned expenditures 3 to 10 years out; smoothing of earlier years can be more problematic because of the immediacy of identified needs. (These items could be due to an early failure of the asset or a previously unforeseen need.) Smoothing here requires more creative solutions, including rescheduling replacements (which may incur increased maintenance costs), changing the purchase/finance decisions, etc.

Assumptions impacting CIP recommendations include the following:

- Rate of Interest for new long-term obligations is assumed to be 3% plus bank bonding fees.
- Assumed Inflation Rate is 2.5%. While the current rate of inflation is higher, the committee has held to its previous inflation adjustment rate and will re-evaluate economic conditions for next year’s planning.
- Payments on Bridge Bonds reflect an 80% contribution by the State of New Hampshire.

Spreadsheet and Graph

The Spreadsheet and Graph on the following pages illustrate the smoothing out effect that occurs with a Capital Reserve account in conjunction with bond or other financing. **The graph shows the scheduling of capital expenses, in dark grey. The effect of using financing and Capital Reserves to spread these expenses over time is shown in light grey.**



[illegible]

BACKGROUND ON THE CIP

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 CIP 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.

Purposes of the CIP

The Temple CIP is an advisory document that serves a number of purposes. Prime among these is an attempt to plan all anticipated major Town expenditures for a period of 10 years with the goal of leveling the tax impact of capital expenditures from year to year. In addition, it:

- 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.
- Provides a forward-looking planning tool for the purpose of contributing to the creation of a stable property tax rate.
- 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.
- Informs residents, potential residents, business owners, potential business owners, and developers of needed and planned improvements.
- Is a required document, should the Town ever wish to impose impact fees.

Benefits of the CIP

- Provides an inventory of major Town assets.
- Establishes a method for departments to anticipate and communicate future needs.
- Provides a process for identified needs to be discussed and prioritized.
- Encourages evaluation of timing and financing options.
- Stabilizes annual expenditures for capital outlays to minimize tax impact.
- Makes preemptive acquisitions (for example, land acquired for Town uses such as municipal space, land preservation and recreation) more feasible and defensible.
- Reduces interest payments (through using capital reserve funds).
- Supports planned growth.
- Facilitates implementation of the Master Plan through scheduling projects over a period of time and eliminating multiple expenses in any one fiscal year.
- Furnishes a total picture of the Town's major needs, discouraging piecemeal expenditures, and coordinating the activities of various departments.

- Establishes priorities for projects on the basis of needs and costs, and permitting anticipation of revenues and expenditures.
- Serves as an information resource for Temple residents by describing the Town's plans for major expenditures.

Funding Options

A number of different local financing methods may be used to fund capital expenditures. 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 and in 2013 to purchase a police cruiser.

The **capital reserve (savings) method** requires appropriations over multiple years. The capital improvement is not made until total appropriations (from the general fund and/or reserves) 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** or bank loans have 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. To procure a bond the value must exceed \$100,000. When bonding, a fee is also incurred for a bond counsel.

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 bridgework.

Grants: The CIP Committee recommends that the town and its various departments pursue grant opportunities that may be available from federal, state and private sources.

IMPACT OF GROWTH IN TEMPLE

Municipal costs in Temple have grown over the years due to a combination of inflation, the general increase in the cost of providing municipal services, and the Town's population increase. The needs of the schools, police department, fire department, ambulance, recreation facilities, recycling center, roads, library, Town offices, and meeting space are affected by population changes. At this point, however, population trends are changing; Growth in NH has slowed and predictions show the population of those over 65 to be increasing.

Table 1 below shows the historical U.S. Census population for Temple. The rapid growth of the 1970s and 1980s has declined markedly with Temple population increasing only 5.3% from 2000 to 2010. Projecting future growth is very difficult. The State of New Hampshire, NH Office of Energy and Planning Regional Planning Commissions: *New Hampshire population Forecast by Municipality: 2016* projects our population to be 1399 in 2020 and 1424 in 2025.

Table 1. Historical and Projected Temple Population

| Historical U.S. Census Population | | |
|-----------------------------------|------------|----------|
| Year | Population | % Change |
| 1970 | 441 | |
| 1980 | 692 | +56.9% |
| 1990 | 1,194 | +72.5% |
| 2000 | 1,297 | +8.6% |
| 2010 | 1,366 | +5.3% |
| 2015 | 1,380 | +1.1% |
| 2020 | 1,399 | +1.4% |
| 2025 | 1,424 | +1.8% |

Sources: U.S. Census for 1900 to 2010; New Hampshire Office of Energy and Planning (NHOEP) population projections, Fall 2016

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 town expenses from 2004-2021. It is only for our municipal expenses as determined at town meeting and does not include the taxes we pay to Hillsborough County, the State or to the Conval School District.

Table 2. Temple Historical Data, 2004–2023

| | Town Budget | Warrants | Total Town Approp. | *Other Town Revenue (-) | Fund Bal Used (-) | **Other (+) Adjustments | Net Town | TOWN VALUATION | Town Tax Rate |
|---------------|----------------|-----------|-----------------------|----------------------------|----------------------|----------------------------|------------------|-------------------|------------------|
| 2004 | \$1,164,883 | \$45,100 | \$1,209,983 | (\$472,971) | (\$92,000) | \$76,880 | \$721,892 | \$148,304,457 | \$4.87 |
| 2005 | \$1,171,716 | \$757,142 | \$1,928,858 | (\$1,135,969) | (\$120,000) | \$61,971 | \$734,860 | \$153,297,535 | \$4.80 |
| 2006 | \$1,241,522 | \$31,500 | \$1,273,022 | (\$544,138) | \$0 | \$14,876 | \$743,760 | \$155,686,086 | \$4.79 |
| 2007 | \$1,207,665 | \$312,350 | \$1,520,015 | (\$813,246) | (\$150,000) | \$14,952 | \$571,721 | \$158,732,385 | \$3.61 |
| 2008 | \$1,287,066 | \$30,000 | \$1,317,066 | (\$572,547) | (\$80,000) | \$10,630 | \$675,149 | \$159,566,468 | \$4.78 |
| **2009 | \$1,267,161 | \$388,700 | \$1,655,861 | (\$896,131) | (\$115,000) | \$14,476 | \$659,206 | \$151,434,245 | \$5.16 |
| 2010 | \$1,215,771 | \$158,156 | \$1,373,927 | (\$461,184) | (\$140,000) | \$13,434 | \$786,177 | \$151,796,734 | \$5.18 |
| 2011 | \$1,233,926 | \$101,000 | \$1,334,926 | (\$441,577) | (\$135,000) | \$37,900 | \$796,249 | \$153,506,579 | \$5.18 |
| 2012 | \$1,209,194 | \$180,400 | \$1,389,594 | (\$485,718) | (\$200,000) | \$16,261 | \$720,137 | \$152,478,159 | \$4.73 |
| 2013 | \$1,255,851 | \$731,046 | \$1,986,897 | (\$1,041,243) | (\$75,000) | \$17,303 | \$887,957 | \$151,871,489 | \$5.85 |
| **2014 | \$1,265,903 | \$161,020 | \$1,426,923 | (\$516,914) | (\$130,000) | \$16,959 | \$796,968 | \$139,749,959 | \$5.70 |
| 2015 | \$1,311,787 | \$215,727 | \$1,527,514 | (\$638,000) | (\$105,000) | \$17,901 | \$801,525 | \$139,721,688 | \$5.73 |
| 2016 | \$1,330,816 | \$72,000 | \$1,402,816 | (\$471,054) | (\$130,000) | \$11,920 | \$813,682 | \$140,070,067 | \$5.81 |
| 2017 | \$1,325,140 | \$49,800 | \$1,374,940 | (\$463,878) | (\$103,000) | \$8,375 | \$816,437 | \$140,070,067 | \$5.81 |

| | | | | | | | | | |
|-------------|--------------------|--------------------|--------------------|----------------------|--------------------|-----------------|--------------------|----------------------|---------------|
| 2018 | <i>\$1,315,165</i> | <i>\$35,857</i> | \$1,351,014 | <i>(\$473,455)</i> | <i>(\$50,000)</i> | <i>\$8,688</i> | \$836,247 | <i>\$141,487,747</i> | <i>\$5.91</i> |
| | | | | | | | | | |
| 2019 | <i>\$1,362,255</i> | <i>\$79,650</i> | \$1,441,906 | <i>(\$504,811)</i> | <i>(\$103,000)</i> | <i>\$14,766</i> | \$848,861 | <i>\$161,407,040</i> | <i>\$5.25</i> |
| | | | | | | | | | |
| 2020 | <i>\$1,195,608</i> | <i>\$262,265</i> | \$1,457,933 | <i>(\$496,955)</i> | <i>(\$147,000)</i> | <i>\$43,302</i> | \$857,280 | <i>\$163,177,452</i> | <i>\$5.25</i> |
| | | | | | | | | | |
| 2021 | <i>\$1,228,165</i> | <i>\$2,189,749</i> | \$3,420,303 | <i>(\$2,404,098)</i> | <i>(\$100,00)</i> | <i>\$8,959</i> | \$922,775 | <i>\$164,261,455</i> | <i>\$5.63</i> |
| | | | | | | | | | |
| 2022 | <i>\$1,297,064</i> | <i>\$264,000</i> | \$1,561,064 | <i>(\$761,886)</i> | <i>(\$130,000)</i> | <i>\$32,489</i> | \$961,667 | <i>\$165,061,172</i> | <i>\$5.83</i> |
| | | | | | | | | | |
| 2023 | <i>\$1,407,336</i> | <i>\$297,000</i> | \$1,659,660 | <i>(\$705,309)</i> | <i>(\$40,000)</i> | <i>\$93,909</i> | \$1,018,260 | <i>\$167,831</i> | <i>\$5.83</i> |

**Other Town Revenue includes Motor Vehicle Registration Fees, Interest & Penalties on Delinquent Taxes, Yield Taxes, Grants and Revenue Sharing from State Government, Sales of Property, Interest Earned, and other miscellaneous sources.*

***Town Revalued 2009, 2014, 2019*

For 2024, our total tax rate for all purposes is \$24.79 per thousand valuation. Of that total, the town share is \$5.83 (about 24% of the total), the county rate is \$1.25 (about 4.5% of the total), the Conval portion is \$15.86 plus State Education at \$1.85 (71.4% of the total for all school-related tax).

Several observations may be made from the table. The Town Budget itself has not changed greatly over the last 10 years. The Warrants do vary substantially from year to year and reflect major purchases or events. These are often accompanied by grants or special sources as shown in Other Town Revenue. For example, the Converse Road Bridge in 2013 was a \$584,000 item with the state contributing 80% of the cost; the net town cost was \$116,800.

CAPITAL ASSET INVENTORY BY DEPARTMENT

Animal Control

Request: No request

EMS

Ambulance

In 2019, all costs for Ambulance service were moved to the annual town budget.

Fire Department

Air Packs, Air Cylinders and Booster

Request: To replace 9 Air Packs, Air Cylinders, and Booster in 2029.

Department justification: Safety/Needed to maintain existing services.

Projected cost: \$72,924.

CIP Plan: 9 Air Packs, Air Cylinders, and Booster were purchased in 2014: The price was \$62,500 but due to a generous anonymous donor contribution of \$5,000 the cost to the town was reduced to \$57,500. This amount was financed for 5 years at 2.29% (interest over 5 years = \$3,410). The 2019 payment of \$11,664 was the final payment. It was reported that the equipment works well and they anticipate it will reach full life expectancy of 15 years, thus replacement would occur in 2029.

Jaws of Life

Request: The Fire Department requests that the Jaws of Life be replaced in 2030.

Department justification: Needed to maintain existing services.

Projected cost: \$31,887.

CIP Plan: The CIP Committee recommends that the current Jaws of Life (Cutter and eDraulic Bank Charger, and spreader) be replaced in 2030. In 2015 a warrant article was approved to purchase 1 cutter package, 1 spreader package, and an eDraulic Bank Charger at a cost of \$24,650. The Fire Department then applied for and was approved for a FEMA grant to purchase extrication equipment (Jaws of Life). The grant amount also includes a ram, chargers, extrication gloves, and other equipment. The FEMA portion of the grant was \$33,572 and the town's cost share was 5%, or \$1,678. In 2019 it was reported that the tools are working well and they anticipate it will reach the full life expectancy of 15 years.

Pagers, Radios

Request: Early replacement of the digital radios on a schedule of two units per year until all five units are replaced.

Department justification: Safety

Projected cost: Budget item.

CIP Plan: In 2012, the Fire Department purchased 20 new Pagers and 5 digital radios at a cost of \$10,500. Replacement was recommended in 2027. In 2017, the Fire Department reported that the 5 radios purchased in 2012 for the purpose of communicating with firemen inside a burning building were in frequent need of repair. Three of these radios were replaced in 2017 from budgetary surplus following approval of the BOS. The additional 2 needed units were purchased from the 2018 Fire Department budget. In 2021, the Fire Department replaced all truck radios and 10 portable radios, funded in part through a regional FEMA grant with other area towns. The cost to the Town was \$2,755.

Skid Unit

Request: To replace the Skid Unit that was purchased in 2003 in 2033.

Department justification: Needed to maintain existing services.

Projected cost: \$14,689.

CIP Plan: The CIP Committee recommends that the Skid Unit be replaced at the end of its estimated lifespan.

Turnout Gear

Request: No request for 2022.

Department justification: Needed to maintain existing services.

Projected cost: \$5,000 on an annual budgeted basis.

CIP Plan: The CIP Committee recommends that two sets of Turnout Gear be replaced annually through an expenditure line in the budget. Two sets at \$2,500 each were purchased in 2013, two sets in 2014, two sets in 2015, four sets in 2016. In 2019, the Department requested three sets at a total cost of \$8,250 to accommodate an influx of new department personnel and to replace gear beyond the expiration date and these were included in the CIP recommendations. Six additional sets and a washer-extractor for cleaning the gear were purchased with a federal grant in 2020.

F-550 First Response Vehicle

Request: To reconfigure the Fire Department's existing 2010 Ford F-550 Brush Truck to replace the 1978 Grumman Rescue truck. This was completed in 2023.

Department justification: Needed to maintain existing services.

Projected cost: \$26,000.

CIP Plan: In 2023, the Fire Department reconfigured the existing F-550 Brush Truck to replace the 1978 Grumman Rescue Truck as the Town's First Response/Rescue Vehicle, transporting the cascade system used to fill air packs at fire and emergency scenes.

2006 American LaFrance Fire Pumper (Engine)

CIP Plan: Pursuant to a grant request, the Town received in October of 2019 a 2006 American LaFrance pumper truck from the State of New Hampshire Forest Protection Bureau at no cost to the Town (though the Town is responsible for all maintenance and repair costs). The truck has an estimated 20-year service life from new, indicating replacement in 2026. The CIP Committee will continue to review a planned replacement schedule in light of other priorities.

Department justification: Needed to maintain existing services.

Projected cost: NA

2003 Freightliner Tanker

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

Department justification: Needed to maintain existing services.

Projected cost: TBD.

CIP Plan: The CIP Committee recommends that the 2003 Freightliner Tanker be replaced at the end of its estimated lifespan in 2033.

Air Compressor

The Fire Department's air compressor, used to recharge the cascade unit for refilling air packs onsite, was replaced in 2022 at a cost of \$45,000. Estimated replacement cycle is 15 years.

Highway Department: Equipment

2013 International 6-Wheel Dump Truck

Request: That the Town dump truck be replaced at the end of its expected lifespan in 2028.

Department justification: Needed to maintain existing services.

Projected cost: \$209,724.

CIP Plan: Assuming a 15-year useful life span for the vehicle, the CIP Committee recommends replacing the 2013 International 6-Wheel Dump Truck in 2028.

2023 International 6-Wheel Dump Truck

Request: That the Town dump truck be replaced at the end of its expected lifespan in 2039.

Department justification: Needed to maintain existing services.

Projected cost: TBD.

CIP Plan: Assuming a 16-year useful life span for the vehicle, CIP Committee recommends replacing the 2023 International 6-Wheel Dump Truck in 2039.

2021 Ram 5500 6-Wheel Dump Truck

Request: That the Ram 5500 dump truck be replaced in 2031.

Department justification: Needed to maintain existing services.

Projected cost: \$110,548.

CIP Plan: Following consultation with the Highway Department, the CIP Committee recommends that the 2021 Ram 5500 6-Wheel Dump Truck purchased in 2021 be replaced in 2031.

2009 CAT Road Grader

Request: That the 2009 grader be replaced in 2039.

Department justification: Needed to maintain existing services.

Projected cost: TBD.

CIP Plan: The Town's grader was purchased in 2009. The CIP Committee recommends it be replaced at the end of its estimated life span in 2039.

2015 CAT Loader

Request: That the loader be replaced at the end of its estimated life span in 2035.

Department justification: Needed to maintain existing services.

Projected cost: TBD.

CIP Plan: The CIP Committee recommends that the 2015 Cat loader be replaced in 2035. A new Cat loader was purchased in 2015 at a cost of \$117,500 (net trade in).

Highway Garage and Sand Storage Facility

Request: The CIP Committee previously recommended that a committee be established to assess the Town Garage and sand storage location, considering parking congestion around the Town Hall and to minimize salt leaching. The Town Land Use Committee was established at the 2020 town meeting and is recommending a relocation of the Highway Department to a site on Route 45 across from the Municipal Building for those purposes. A Highway Garage Study Committee was formed following the 2023 Town Meeting and will report their findings and recommendations in the near future.

Projected cost: TBD

CIP Plan: If accepted by a future Town Meeting, cost estimates will be added to the CIP plan.

Brush Chipper (bought used)

Request: No request

Department justification: Needed to maintain existing services.

Projected Cost: TBD.

CIP Plan: The Highway Department acquired a good used chipper in 2023 to replace the 1986 unit that was failing. The new/used chipper has an estimated useful lifespan of 30 years.

Massey-Ferguson Tractor and Mower

Request: That the Massey-Ferguson Tractor purchased in 2007 be replaced at the end of its lifespan estimated to be in 2037. The Mower attachment was replaced in 2020. Other attachments—Sweeper, Drill/Post-hole Digger, and Log Splitter—were deemed still serviceable.

Department justification: Needed to maintain existing services.

CIP Plan: The CIP Committee recommends replacing the Tractor at the end of its lifespan, estimated to be in 2037.

Backhoe/Loader

Request: No request.

Department justification: Maintain highway maintenance services.

CIP Plan: The Town paid its final lease/purchase installment in 2021 for the backhoe/loader acquired in 2019. No replacement date has been established.

Highway Department: Asphalt & Paving

Request: That the Town raise and appropriate \$145,000 to fund paving projects in 2024 and future years.

Department justification: In October 2019, by unanimous vote of the CIP Committee and the Budget Advisory Committee, with consent of the Select Board, expenditures for asphalt and paving were moved from the Town's operational budget to the CIP plan, as these projects are capital improvements. The Highway Department has updated its multi-year highway repair plan, prioritizing projects over the next several years. For 2024, the plan calls for repaving Boutwell Hill, Gambol Brook, Hedman Lane, and Glen Farm Road at an estimated cost of \$115,000. The Committee is recommending adding \$145,000 to the Asphalt and Paving Expendable Fund to be used for projects in 2024 and ensuing years.

Projected Cost: \$115,000

CIP Plan: The CIP Committee recommends adding \$145,000 to the Paving fund to be used for projects in 2024 and ensuing years. This will augment the Paving fund's current balance of approximately \$131,000 available to help fund annual paving projects, with the intention of leveling the total tax impact of capital expenditures year to year.

Highway Department: Bridges & Culverts

An updated inventory of town bridges appears in Addendum #2. The Putnam Road Bridge was closed by vote of the 2012 Town Meeting. Several bridges remain that need work. There are two options: apply for state help to replace these bridges, projected at 80% of the replacement cost, or consider having the Temple Highway Department repair these bridges. Applying for state aid is a lengthy and uncertain process, often costing more in the end than using repairs. Replacement costs are shown in the Addendum #2.

The Converse Road #1 bridge was completed in 2015 utilizing state aid. The total cost was \$584,000 with Temple's share amounting to \$116,800.

The Converse Road #2 bridge had restoration completed in 2014. The Highway Department spent \$12,500 in 2012 repairing one side of abutments and spent \$15,500 to repair the other side in 2014.

The Hadley Highway #1 bridge was repaired for \$20,000 and the Highway Department completed this work in 2016.

The Thomas Maynard Drive Culvert was repaired in 2017 for \$13,000.

The North Road Bridge guard rails were repaired in 2018.

Request: East Road Bridge - Needs replacement in 2025.

Department justification: Safety.

Projected cost: \$603,000.

CIP Plan: The CIP recommends that the Road Agent investigate the estimated cost of replacing the East Road Bridge, whether using State resources and bridge aid or engaging our own contractor without state bridge aid.

Request: Powers Road Bridge closure.

Department justification: Safety.

Projected cost: none

CIP Plan: The Powers Road Bridge cannot be repaired and replacement would not be feasible considering the low usage of the road. The CIP recommends the closure of the bridge for safety reasons and to prioritize repairing the East Road Bridge.

Highway Department: Cemetery

Request: That the Town continues to slowly expand the cemetery area.

Department justification: Future need.

Projected cost: TBD

CIP Plan: The Highway Department is currently converting the old gravel pit for cemetery use as fill becomes available. With the increased number of cremations and the lack of population growth and subsequent deaths in Temple, the need for cemetery expansion has slowed. A small expansion costing \$3,000 was completed in 2014.

Town Mower

Request: That the lawn mower purchased in 2015 be replaced at the end of its lifespan estimated to be in 2026.

Department justification: Needed to maintain existing services.

Project Cost: \$11,557.

CIP Plan: The CIP Committee recommends replacing the mower at the end of its lifespan estimated to be in 2026.

Library

Replace section of Library Roof

Request: That the North and West side of the Library roof be replaced in 2025 and the East and South sides be replaced in 2035.

Department justification: Need/Maintenance.

Projected cost: TBD.

CIP Plan: Maintenance: The East and South sections of the roof were replaced in 2009. The North and West sides were replaced when the addition was built in 2000. The CIP Committee supports a maintenance program. In late 2023/early 2024 Library Trustees obtained quotes for the roofing work and the CIP Committee will review these as it begins its planning for 2025.

Addition to Library

Request: A small addition to the town library to improve storage was completed in 2017.

Department justification:

Project cost: \$12,300 (Quote of 12,500 was reduced by \$1,315.00 for excavation work completed by the Highway Department plus 10% contingency.)

CIP Plan: There are no plans for any further future addition.

Library Furnace

The Library Trustees raised the question of whether to replace the Library furnace, installed in 2001 as an oil-fired unit and converted to propane in 2010. In late 2020, the Committee recommended that a qualified heating contractor be engaged to inspect the unit and provide an opinion on its condition. Card Heating of Milford serviced the unit and deemed it in good condition. Replacement is scheduled in 2024 at an estimated cost of \$12,505; however, the Committee will continue to monitor the issue in collaboration with the Library Trustees to determine the optimal year for replacement.

Police Department

Cruisers

Request: Purchase new Temple/Greenville police co-op cruiser to replace the 2015 Ford Explorer.

Department justification: Needed to maintain existing services.

Projected cost: \$16,600 (Temple's portion (40%) for replacement vehicle).

CIP Plan: The general replacement schedule is to replace a cruiser every three years, rotating the oldest vehicle into detail work. The result is that a cruiser should have a 10- to 11-year serviceable life for the department. The CIP Committee recommends this replacement plan. In 2018, the Police Department replaced the 2010 Ford Explorer with a Toyota Tundra pickup truck; Temple's portion of the \$52,000 cost was \$15,582 (\$15,600 was approved at Town Meeting). The 2015 Ford Explorer is scheduled for replacement in 2024 and the CIP plan includes \$16,600 for Temple's portion of this planned purchase.

Recreation Department

Tennis and Basketball Courts Resealing, Resurfacing, Relining & Repair Fence

Request: That the Town maintains the tennis and basketball courts on a 5- or 6-year schedule.

Department justification: Needed in order to maintain surface quality.

Projected cost: \$4,000.

CIP Plan: The CIP Committee recommends that a further study of community recreational needs should be completed for this facility. The courts were last resealed in 2016 through the Town budget.

It should be noted that in 2015 the CIP met with the Recreation Department and several interested residents to discuss ongoing maintenance cost and usage of this facility. Questions regarding whether or not the deed required the Town to continue using the land for Tennis Courts was discussed. Recreation Department member Amy Cabana researched all deeds for this land and presented a copy of the deed which states:

*" TENNIS COURTS: conveyed to the town in 1973 by deed of Mildred B. Hildebrand and recorded as 2300/466. Clause within reads: "This conveyance is made as a gift to the Town of Temple with the provision that the tennis courts to be built on this premises will be known as the Hildebrand Tennis Courts. If the premises at any time ceases to be used for recreation purposes by the Town of Temple, the property hereby conveyed will revert back to the Grantor, her heirs or assigns of the remainder of her property known as "The General Miller Homestead". (currently owned by Lisa Beaudoin) If the Homestead should be subdivided sometime in the future**, this*

property would revert to the owner of the site where the present General Miller house now stands."

Town Government

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 CIP 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. As the split is even and equitable a cap is unnecessary. The CIP Committee noted that this approach was adopted at the March 2006 Town Meeting.

Town Offices Equipment

Record Preservation

Request: That the Town preserve town historical documents in accordance with RSA 33-A and seek a way to protect them from loss and damage.

Department justification: State law requires the preservation of certain historical records of the town. Our Town Clerk has identified 5 ledger type books of town meeting records going back to 1855, 4 books on Marriages, Births, and Deaths beginning in 1850, and 11 booklets of invoices and taxes beginning in 1777. Many of these documents are very fragile. They must also be accessible to the public and at present, any such handling risks endangering the records further. A company has been located that will de-acidify all of the pages and put them into Mylar protective sheets, microfilm and scan to provide backup copies. The preliminary estimate is \$22,500. We know there are additional tax records that will also eventually need preservation, and a new fireproof storage unit will be needed as the volume grows. After some initial research it appears there may be further state requirements dealing with records prior to 1825. It has also been determined there are grants available to help offset costs. The CIP understands the importance and necessity of this project but recommended in 2016 that a committee be appointed to research State requirements as well as the availability of grants.

Projected cost: \$22,500.

CIP Plan: In 2016 the CIP Committee did not receive the recommended research into State requirements. The issue has not been brought to the CIP Committee since.

Photocopier

Request: The photocopier in the Town office was replaced in 2013 with an original life expectancy of 5 years. The Board of Selectmen completed research in 2017 and determined that this model and parts are still available and its life expectancy should be extended.

Department justification: Needed to maintain existing services.

Projected cost: \$7,688.

CIP Plan: The CIP Committee recommends replacement of the photocopier in 2025.

Computers

Request: That the Town replace the computers in the Town office in 2029. The life expectancy is expected to be approximately 5 years. Purchase in 2015 included 4 Dell computers, 1 Dell server, 6 licenses for Window server, 6 UPS Dell APC, 1 Norton Software (6 seats), 1 Microsoft tablet with keyboard, plus labor and installation. The cost in 2015 was \$12,502 (inclusive of labor for installation set up).

Department justification: Needed to maintain existing services.

Projected cost: \$13,577 (includes labor for installation set up).

CIP Plan: The CIP Committee recommends this purchase in 2029.

Town Buildings**Town Hall**

Request: The Temple Town Hall Advisory Committee (TTHAC) recommended that beginning in 2014, the Town Hall be placed on a four-year, one side per year, program for exterior painting. The TTHAC recommends the work be funded through a combination of the Town's annual operating budget and the Town Building and Maintenance Repair capital reserve fund. The TTHAC will monitor the condition of the exterior. Painting is not scheduled for 2021.

Department Justification: Need Maintenance

Projected cost: TBD – Town Budget item

CIP Plan: The CIP recommends continued monitoring.

Municipal Building

The life of the existing building has been extended because of work completed with the RGGI Grant (2010/2011) as well as the renovations to the interior, approved at Town Meeting, and also completed in 2011. The Interior renovations included expansion of the office space by removing the meeting room and reconfiguring the existing space.

The CIP Committee recommends that a Future Municipal Building be removed from the spreadsheet until a request from the Board of Selectmen is received to add it back in.

CONCLUSIONS

The CIP planning process provides a neutral forum for our town departments to identify and organize their capital expenditure needs. We encourage 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 the town will be able to anticipate and plan for future capital needs. Every capital request included in this document will be presented to the Selectmen for their consideration but in the case of some of the proposed projects, the CIP Committee concluded that more information was needed before a recommendation could be made. If a project is not recommended, or is recommended in a different amount, departments and residents always have the option of presenting their request by petition directly to the voters at Town Meeting.

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 CIP 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 CIP 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 CIP 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

In preparing the capital improvements program, the planning board or the capital improvement program CIP Committee shall confer, in a manner deemed appropriate by the board or the CIP Committee, with the mayor or the board of selectmen, or the chief fiscal officer, the budget CIP 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.

Whenever the planning board or the capital improvement program CIP 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 CIP Committee, transmit to the board or CIP 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 CIP 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 CIP Committee

Whenever the planning board or the capital improvement program CIP 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 CIP 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.

Addendum #1**History of Requested Items Removed from Narrative**

| <u>Department</u> | <u>Request</u> | <u>Date requested</u> | <u>Date Removed</u> | <u>Reason Withdrawn</u> |
|-----------------------|---|-----------------------|---------------------|--|
| Animal Control | Vehicle | 2006 | 2008 | Insurance |
| Recreation Department | Pool | 2005 | 2008 | Cost Prohibitive |
| Recreation Department | Tennis Court Lights | 2005 | 2009 | Request from Recreation Department |
| Recreation Department | Ice Skating Rink | 2005 | 2009 | Request from Recreation Department |
| Fire Department | 2 nd Pumper | 2005 | 2009 | Request from Fire Department |
| Police Department | Police Station Upgrade | | 2010 | Request from Police Department |
| Town Government | Future Municipal Building | | 2013 | No present need Removed by vote of the CIP |
| Police Department | ATV | 2014 | 2014 | This item has been removed from the Police Department's CIP |
| Fire Department | 1981 International Tanker | 2014 | 2014 | This vehicle was sold in 2013 and will not be replaced |
| Recreation Department | Little League Field: Storage Shed | 2014 | 2014 | Removed by vote of CIP |
| Recreation Department | Temple Memorial Field: Back Stop | 2014 | 2016 | Replaced in 2019 by the Bragg Trust Fund |
| Recreation Department | Temple Memorial Field: Dugouts | 2014 | 2016 | Removed by vote of CIP |
| Recreation Department | Little League Field (Near Elementary School): | | 2016 | Removed by vote of CIP: Following much discussion and research by the Select Board regarding both Town baseball fields the Select Board found that the Elementary School Field continues to be very wet and would only be serviceable if it were re-graded. The Board of Selectmen will continue to mow, but at this point, due to lack of need, feels further investment is not warranted. |

Addendum # 2

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**CIP BRIDGE INVENTORY**

Developed by Tim Fiske, Road Agent Emeritus

*Revised – February 2024***SUMMARY SHEET**

| Road Name         | Traffic Volume<br>Cars/Day | Year<br>Built                                 | Expected<br>Life Span | Weight<br>Rating | Predicted<br>Replacement Cost |
|-------------------|----------------------------|-----------------------------------------------|-----------------------|------------------|-------------------------------|
| Converse Road #1  | 50                         | 2014                                          | 75-100 years          | none             | N/A                           |
| Converse Road #2  | 20-30                      | deck 1980<br><i>Abutments 2013 &amp; 2014</i> | 75-100 years          | E2               | N/A                           |
| East Road         | 200                        | 1981                                          | 5 years E2            |                  | \$800,000+                    |
| Hadley Highway #1 | 1,000                      | 1984<br><i>Cement bottom Installed 2016</i>   | 30-40 years           | E2               | \$800,000                     |
| Hadley Highway #2 | 500                        | 1997                                          | 75 years              | none             | N/A                           |
| Memorial Highway  | 100                        | 2007                                          | 75 years              | 6 ton            | N/A                           |
| North Road        | 100                        | 1940                                          | 30-50 years           | 15 ton           | \$800,000                     |
| Powers Road       | 30-50                      | 1930's                                        | Closed.               | 3 ton            | \$1.2 million                 |
| Putnam Road       | Closed                     | 1930's                                        | Closed                | -----            | \$1.2 million                 |
| Webster Road      | 300                        | 1999                                          | 75 years              | none             | N/A                           |
| West Road         | 1,300                      | 2006                                          | 75 years              | none             | N/A                           |

