

# **Town of Webster, New Hampshire**

## **Capital Improvements Program 2022-2027**

**ADOPTED BY THE WEBSTER PLANNING BOARD**  
January 20, 2022

## 1. Table of Contents

Certificate of Adoption	4
Acknowledgements	5
Chapter 1 Introduction	6
Webster's Capital Improvement Program	6
Rolling 6-Year CIP Report	6
Chapter 2 Projects	7
Overview	7
Projects	7
Emergency Services and Fire Department	7
Police Department	8
Highways and Roads	8
Buildings: Public Safety and Town Hall	8
Town Offices	9
Transfer Station	9
Project Summary	10
Recommended Addition to Capital Reserve Funds	12
Chapter 3 Recommendations, Comments, Questions	14
Chapter 4 Demographics and Housing	16
Demographics	16
Housing	16
Impact Fees	16
Conclusions	17
Chapter 5 Financial Analysis	18
Tax Terminology	18
Bonds and Notes	19
Taxable Inventory	20
How Tax Rates are Set	20
Annual Appropriations and Projections	20
Highways and Roads	23
Town Operating Budget	24
Tax Rate Comparisons	24
Effect of Budget Changes on Your Tax Bill	25
Appendices	26
Appendix A: 2018 Tax Rate Breakdown, NH Dept. of Revenue Administration	31
Appendix B: 2019 Select Board Proposed Draft Budget	35
Appendix C: Proposed Process for Future Capital Improvement Plans	43
Appendix D: Methods of Financing Capital Improvements	44

Appendix E: Relevant State Statutes for Capital Improvements	46
Appendix F: List of Town Departments, Boards and Committees	47

#### List of Tables

Table 1 Emergency Medical Services Projects	7
Table 2 Fire Department Projects	7
Table 3 Police Department Projects	8
Table 4 Highways and Roads Projects	8
Table 5 Public Safety Building Projects	9
Table 6 Town Hall Building Projects	9
Table 7 Town Offices Projects	9
Table 8 Transfer Station Projects	9
Table 9 Requested Projects Summary & Years of Expenditure	10
Table 10 Recommended Additions to Existing CRF and ETF Funds	12
Table 11 Clothespin Bridge Replacement Budget	13
Table 12 Overall Population and Housing Growth Trends, 2000-2030	16
Table 13 New Construction Building Permits, 2015 to 2020	16
Table 14 Existing Bond/Note Payment Schedules, 2019-2024	19
Table 15 Acreage and Value of Taxable Land	20
Table 16 Annual Appropriations, 2012-2018	21
Table 17 NHDOT Road Mileage for Webster	23
Table 18 Highways and Roads Budget , 2016-2019	23
Table 19 Operating Budget and Capital Reserve Appropriations, 2013-2019	24
Table 20 Webster Tax Rates and Trends, 2012-2018	24
Table 21 Abutting Community Tax Rate Comparison, 2015	25

#### List of Figures (Charts)

Figure 1 Taxes Raised for Appropriations (Total Tax Burden)	21
Figure 2 Tax Rates by Year and Trend Line	21
Figure 3 Total Appropriations for Schools, Towns and State	22
Figure 4 Total School Tax Burden with Trend Line	23
Figure 5 Town Operating and Capital Reserve Fund Appropriations, 2011-2017	24

**CERTIFICATE OF ADOPTION**

The Webster Planning Board does hereby adopt and certify this Capital Improvements Program for 2022-2027, dated January 20, 2022.

\_\_\_\_\_  
Craig Fournier, Webster Planning Board Chair

\_\_\_\_\_  
Paul King, Webster Planning Board Member

\_\_\_\_\_  
Marlo Herrick, Webster Planning Board Selectmen's Representative

\_\_\_\_\_  
Susan Youngs, Webster Planning Board Member

\_\_\_\_\_  
Adam Mock, Webster Planning Board Member

\_\_\_\_\_  
Kathy Bacon, Webster Planning Board Alternate

This document was received and recorded by the Webster Town Clerk:

\_\_\_\_\_  
Michele Derby, Town Clerk

\_\_\_\_\_  
Date

**Seal:**

**ACKNOWLEDGEMENTS**

The Planning Board would like to express their gratitude to the following people who assisted the Board with developing this Capital Improvements Program 2022-2027. Time and assistance provided includes completing Department/Board project Applications, Subcommittee meeting attendance by members and Department designees, and volunteer and staff assistance.

**Appointed CIP Subcommittee**

Craig Fournier, CIP Subcommittee Chair and Planning Board Chair  
Paul King, Planning Board Member  
Dana Hadley, Town Administrator  
Russell Tatro, Land Use Coordinator  
Susan Rauth, Webster Citizen  
Roger Becker, Webster Citizen

**Other Contributors**

Steve Adams, Police Chief  
Emmett Bean, Fire Chief and Road Agent  
Russell Tatro, Land Use Coordinator  
Sue Roberts, Webster Resident

## Chapter 1

### Introduction

A Capital Improvement Program (CIP) is a forecasting and planning document. The CIP is a plan that shows the costs to expand or renovate Town services and facilities over a six-year period, to accommodate existing and projected needs of the community. The CIP contributes to the stabilization of the Town's tax rate and budget each year by planning and budgeting for major capital expenditures well in advance. The CIP is an advisory document only and submitted for consideration by the Select Board in the annual budget process. Voters at the annual Town Meeting in March will decide whether to fund the capital projects listed here.

A capital improvement is an expenditure to extend the useful life of an asset. Webster's CIP is a six-year schedule of anticipated Town capital improvement expenditures to meet the Town's obligations. It details the anticipated cost and year to repair, replace, or expand Webster's services and facilities, and is an advisory tool for budget planning. This document should be reviewed and revised annually. The CIP is an extension of the Master Plan (MP). A Master Plan is used to determine long-range community development goals, such as housing, land use, recreation, utilities, and transportation. The development of Webster's MP included a community-wide survey covering local zoning issues, land use patterns, conservation, and economics. This document should be reviewed and updated every year, if practical.

Both the CIP and the Master Plan aid the Town in accommodating growth and stabilizing tax rates.

#### **WEBSTER'S CAPITAL IMPROVEMENT PROGRAM**

In September 2021, the application form was sent to each Town department with a request to submit their anticipated 2022 capital improvement projects. Capital improvement projects are defined as:

- Must have a gross cost of at least \$5,000;
- Must have a useful life of at least 3 years; and
- Is not typically included in the operating budget.

A CIP Subcommittee was formed by the Planning Board in October, comprised of Board members, Town officials and citizens. The Subcommittee reviewed the applications and requests and consulted department heads and the Road Agent for additional information when necessary. The Subcommittee compiled and analyzed the project. The Subcommittee also analyzed tax rates, financial data, population, housing permits and other details. The findings are summarized in this report, with recommendations to the Select Board for the current year and the continued CIP process.

#### **ROLLING 6-YEAR CIP REPORT**

Annually updating the CIP – which we recommend – will provide current population and valuation statistics, cost details, and maintain a prioritized list of all projects. It will provide the detail necessary for potential future-year grant funding, and avoid extraordinary tax increases resulting from unanticipated capital expenses.

## Chapter 2

### Projects

#### OVERVIEW

To prepare the Capital Improvements Program 2022-2027, the CIP Subcommittee surveyed all Town departments/committees. The CIP Subcommittee received requests for purchases from the Fire, Police and Highways and Roads. Requests for funds for the public safety and town hall buildings were also received. Some Town Departments and Committees had no projects to include in the CIP during this timeframe

#### PROJECTS

The following tables summarize all the projects received. If the applications did not propose a funding source the Subcommittee made a recommendation in this chart, whenever possible.

Tables 1-8 present the original requests from each applicant and Table 9 summarizes the total requests made by the applicants. The Table 10 spreadsheet represents the proposed changes to the Capital Reserve Funds and Expendable Trust Funds Budget. These changes reduce or spread the costs of the projects over 2-3 years in order to minimize the impact of the CIP budget on the tax rate. In some instances, if the original funding amount was subsequently changed or moved to another year, those changes are identified in the Table 10. Table 11 shows the Clothespin Bridge Replacement Budget for 2021. Table 14 shows the existing bond/note payment schedules. The recommendations were presented to the Select Board in a memo on January 3, 2022.

#### Fire Department and Emergency Medical Services

The Webster Fire Department is all volunteer, consisting of approximately 30 individuals who receive stipends according to rank. These requests were separated into two categories: Emergency Medical Services and Fire Department. No requests were submitted by the EMS area. The Town will seek grants wherever possible to help fund these purchases.

**Table 1 Emergency Medical Services Projects**

Funding Source	Title of Project	Department Priority	Total Estimated Cost	CIP Expenditure Year(s)
CR491511-645	Used Ambulance	Medium	\$50,000	2022

Source: EMS 2020, as modified by the CIP Subcommittee

**Table 2 Fire Department Projects**

Funding Source	Title of Project	Department Priority	Total Estimated Cost	CIP Expenditure Year(s)
CR491502-645	15 Scott Air Packs; 26 Bottles	High	\$20,000	2021-2026
15 Air Packs @ ?? and 26 bottles				
CR491511-645	Tanker Truck 1999	High	\$440,000	2022
Replace older Tanker				
Ambulance			\$330,000	2023

Source: Fire Department 2020, as modified by the CIP Subcommittee

## Police Department

The CIP subcommittee received these requests. The Town will seek grants wherever possible to help fund radios.

**Table 3 Police Department Projects**

Project Number	Title of Project	Department Priority	Total Estimated Cost	CIP Expenditure Year(s)
<b>CR-491509-645</b>	<b>Police Cruiser</b>	<b>Medium</b>	<b>\$42,000</b>	<b>2023</b>
Replace cruiser with high mileage, mechanical and maintenance costs.				

*Source: Police Department 2020, as modified by the CIP Subcommittee*

## Highways and Roads

All road work is contracted, either to the Road Agent or an outside firm through the Road Agent. There are no town employees and very few Town assets associated with this “department.”

**Table 4 Highways and Roads Projects**

Project Number	Title of Project	Department Priority	Total Estimated Cost	CIP Expenditure Year(s)
<b>ETF-491609-910</b>	Road Preservation	<b>High</b>	<b>\$200,000</b>	<b>2021-2026</b>
<b>CR-491522-638</b>	Reconstruct Deer Meadow	<b>High</b>	<b>\$180,000</b>	<b>2027</b>
Road Segment Concord Drive to Cedar Mill Group				
<b>CR-291522-638</b>	Reconstruct Pleasant St.	<b>High</b>	<b>\$125,000</b>	<b>2021-2026</b>
<b>CR-491522-638</b>	Manchester & New London Dr.	<b>High</b>	<b>\$25,000</b>	<b>2023</b>
Water ditches, water permits				
<b>CR-491505-690</b>	Clothespin Bridge	<b>High</b>	<b>\$400,000</b>	<b>2022</b>
State Red Listed. CR and State Aid. Two phases: engineering (\$250,000 in 2018) and construction (\$1,650,000 in 2022)				
<b>CR-491505-690</b>	White Plains Road Culverts	<b>High</b>	<b>\$375,000</b>	<b>2022</b>
State Red Listed				
<b>CR-491505-690</b>	Pond Hill Road Culvert	<b>High</b>	<b>?</b>	<b>2024</b>
<b>CR-491505-690</b>	Lake Rd & Hollings Dr.	<b>Medium</b>	<b>\$25,000</b>	<b>2023</b>
Drainage and wetland permit				
Reconstruct Detour Road		<b>Low</b>	<b>\$250,000</b>	<b>2025-2026</b>

*Source: Highways and Roads 2020, as modified by the CIP Subcommittee*

## Buildings: Public Safety and Town Hall

The Webster Fire Department and Police Department share the Public Safety Building. The requested projects are combined here. The Town Hall building contains the town offices, conference room, the Town Meeting Hall (Grange Hall), kitchen/dining area, and the Webster Free Library.



**Table 5 Public Safety Building Projects**

Funding Source	Title of Project	Department Priority	Total Estimated Cost	CIP Expenditure Year(s)
"	Floors Painting & Stripping	High	\$5,000	2022
"	Replace Heating/AC	High		2022
"	Re-pave parking lot (2022)	High		2022

Sources: Police and Fire Departments 2020 as modified by the CIP Subcommittee

**Table 6 Town Hall Building Projects**

Project Number	Title of Project	Department Priority	Total Estimated Cost	CIP Expenditure Year(s)
CR-491508-632	Painting cupola	High	\$10,000	2022
Replace existing generator, now 19 years old.				

Source: Administrative Assistant 2020, as modified by the CIP Subcommittee

## Town Offices

These projects may include requests from the Select Board, Town Administrator, Financial Administrator, Tax Collector, Land-Use Coordinator, and the Town Clerk.

**Table 7 Town Offices Projects**

Project Number	Title of Project	Department Priority	Total Estimated Cost	CIP Expenditure Year(s)
CR-491501-628	Office equipment	High	\$2,500	2022

Source: Town Administrator 2020, as modified by the CIP Subcommittee

## Transfer Station (Refuse Disposal)

Webster shares the use and expense of the Transfer Station with the Town of Hopkinton. Webster pays 20% of capital costs. NOTE: Due to the statewide recycling crisis, these needs may change in 2022.

**Table 8 Transfer Station Projects**

Project Number	Title of Project	Department Priority	Total Estimated Cost	CIP Expenditure Year(s)
CR-432400-638	Trailer	High	14,000	2022 & 2024
"	Rebuilding recycling bldg.	Medium	25,000	2024

Source: Transfer Station 2020, as modified by the CIP Subcommittee

**TABLE 9 2022 CIP REQUESTED PROJECTS SUMMARY AND YEARS OF EXPENDITURE**

Funding Source	Capital Projects & Purchases	2022	2023	2024	2025	2026	2027	Total
	<b>Emergency Medical Services</b>							
	EMS subtotal	\$0	\$0	\$0	\$0	\$0	\$0	0
	<b>Fire Department</b>							
CR491502-645	15 Scott Air Packs, 26 Bottles	20,000	20,000	20,000	20,000	20,000	20,000	120,000
CR491511-645	Tanker Truck 1999	500,000						500,000
	Used Ambulance	50,000						50,000
	<b>Fire Dept. Subtotal</b>	<b>570,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>\$670,000</b>
	<b>Police Department</b>							
CR491509-645	Cruiser		42,000		42,000		42,000	126,000
	<b>Police Dept. Subtotal</b>		<b>42,000</b>		<b>42,000</b>		<b>42,000</b>	<b>126,000</b>
	<b>Highways and Roads</b>							
ETF491609-910	Road Preservation	100,000	100,000	100,000	100,000	100,000	100,000	600,000
CR491522-638	Reconstruction Deer Meadow Concord Dr. to Cedar Mill Group						180,000	180,000
"	Reconstruction Pleasant Street	250,000						250,000
"	Manchester & New London Drive Water Ditches		25,000					25,000
CR491505-690	Clothespin Bridge		400,000					400,000
	White Plains Road Culverts over Meadow Brook	375,000						375,000
"	Lake Road/Hollings Drive Drainage		25,000					25,000
	Reconstruct Detour Road		125,000					125,000
	<b>Highways and Roads Subtotal</b>	<b>725,000</b>	<b>675,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>280,000</b>	<b>1,980,000</b>
	<b>Public Safety Building</b>							
CR491514-632	Floors Painting & Stripping	5,000						5,000
"	Re-pave parking lot	50,000						
	<b>Public Safety Building Subtotal</b>	<b>55,000</b>					<b>5,000</b>	<b>5,000</b>
	<b>Town Hall Improvements</b>							
CR-491508-632	Town Hall Exterior Painting & Cupola		10,000					10,000
"	Network switch and Firewall						6,500	6,500
	<b>Town Hall Subtotal</b>						<b>6,500</b>	<b>16,500</b>

Funding Source	Capital Projects & Purchases	2022	2023	2024	2025	2026	2027	Total
	<b>Town Office</b>							
CR-491501-628	Office Equipment							0
	<b>Town Office Subtotal</b>							<b>0</b>
	<b>Transfer Station</b>							
432400-638	Trailer(s)	30,000		15,000				45,000
"	Rebuilding Recycling Building			25,000				25,000
"	<b>Transfer Station Subtotal</b>	<b>\$30,000</b>		<b>40,000</b>				<b>\$70,000</b>
<b>GRAND TOTAL</b>		<b>1,380,000</b>	<b>737,000</b>	<b>160,000</b>	<b>120,000</b>	<b>162,000</b>	<b>353,500</b>	<b>2,912,500</b>

Source: Department Heads, Town Administrator and CIP Subcommittee members

#### Notes:

- 1. Fire Department – recommend the Fire Department prioritizes their funding request for tanker truck versus ambulance. Determine the need for the ambulance. Identify alternatives such as a van size ambulance; financing the vehicle; shared services with other towns.*
- 2. Police Department – Funds from the Governor’s Office for Emergency Relief (GOFFER) are anticipated which may be used to cover the base radio and firewall upgrade.*
- 3. Highways and Roads – Included expenditures of \$50,000 for engineering fees for Clothespin Bridge. Bridge replacement is scheduled in state Fiscal year 2023 The fiscal year begins on July 1, 2022, so there is a possibility that the bridge will be replaced in 2022. Funds could be expended either year (\$400,000).*
- 4. Public Safety Building –Heating system replacement will be postponed until further research by Energy Committee. Parking lot will be repaved as part of the construction and development of the salt shed site in 2021 or 2022. No estimate is available for development and construction of the salt shed project.*
- 5. Town Hall Improvements – recommend repair/painting of cupola needs further research to determine if paint or vinyl is recommended and the extent of the repair. Discuss with Historical Society. Network switch and firewall can be paid by new ETF Technology Fund established in March 2020.*
- 6. Transfer Station -- input from Dan Blanchette, Public Works Director, Town of Hopkinton. Select Board will discuss with Hopkinton the option to spread out over two years the purchases for 2024.*

### **RECOMMENDED ADDITIONS TO CAPITAL RESERVE FUNDS AND EXPENDABLE TRUST FUNDS**

Capital Reserve Funds are Webster’s savings accounts to pay for long-term, big-cost items, such as bridges or vehicles. These funds can be created, changed, or discontinued by a 2/3 majority vote of legal voters present at Town Meeting. All Trust funds are overseen by three elected Trustees of the Trust Funds. Many of the projects listed within this CIP will be fully or partially funded from Capital Reserve Funds. The CIP Subcommittee recommends adding to existing CRFs and ETFs as noted below. These numbers are reviewed and updated every year. The creation of CRFs and ETFs provide more oversight in the approval process and more clarity in invoicing and accounting.

The 2022 Select Board proposed draft budget, is presented in Appendix B. Recommended additions to Capital Reserve Funds for 2022 are included in the Select Board's proposed draft budget. The CIP Subcommittee's Recommended Additions to Existing Capital Reserve and Expendable Trust Funds are shown below in Table 10. The Clothespin Bridge Replacement Budget for 2022 CIP is shown in Table 11.

*Table 10 2022 Select Board Recommended Additions to Existing Capital Reserve and Expendable Trust Funds*

		2022	2023	2024	2025	2026	2027	Totals
<b>EMS</b>								
Defib	491520-645 CR-Medical Equipment	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$30,000
<b>EMS Total</b>		<b>\$6,000</b>	<b>\$6,000</b>	<b>\$6,000</b>	<b>\$6,000</b>	<b>\$6,000</b>	<b>\$6,000</b>	<b>\$30,000</b>
<b>Fire Department</b>								
Air Packs	491502-645 CR-Air Packs	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$100,000
Tanker	491511-645 CR-Emergency Apparatus	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Mobile Comm.	491523-645 CR- Radios	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000
<b>Fire Department Total</b>		<b>\$130,000</b>	<b>\$130,000</b>	<b>\$130,000</b>	<b>\$130,000</b>	<b>\$130,000</b>	<b>\$130,000</b>	<b>\$650,000</b>
<b>*Police Department</b>								
Cruiser	491509-645 CR-Police Cruiser	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,001	\$105,000
<b>Police Department Total</b>		<b>\$21,000</b>	<b>\$21,000</b>	<b>\$21,000</b>	<b>\$21,000</b>	<b>\$21,000</b>	<b>\$21,001</b>	<b>\$105,000</b>
<b>*Highways &amp; Roads</b>								
Maintenance	491609-910 ETF-Road Preservation	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Special road projects	4915220-638 CR-Highways and Roads	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Bridges/Culverts	491505-690 CR-Bridge/Culvert Improve	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
<b>Highways &amp; Roads Total</b>		<b>\$375,000</b>	<b>\$375,000</b>	<b>\$375,000</b>	<b>\$375,000</b>	<b>\$375,000</b>	<b>\$375,000</b>	<b>\$1,875,000</b>
<b>Public Safety Building</b>	<b>491514-632 CR-Public Safety Bldg</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,001</b>	<b>\$25,000</b>
<b>Public Safety Building Total</b>		<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$25,000</b>

*Table 10 2022 Recommended Additions to Existing Capital Reserve and Expendable Trust Funds, cont'd.*

		2022	2023	2024	2025	2026	2027	Totals
<b>Town Hall Building</b>								
General Improvements	491508-632 CR- Town Hall Improvements	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000
<b>Town Hall Total</b>		<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$25,000</b>
<b>Town Offices</b>								
	491501-628 CR - Office Equipment	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$15,000
	491611-910 CR - Technology	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000
<b>Town Offices Total</b>		<b>\$8,000</b>	<b>\$8,000</b>	<b>\$8,000</b>	<b>\$8,000</b>	<b>\$8,000</b>	<b>\$8,000</b>	<b>\$40,000</b>
<b>Transfer Station</b>								
General fund	491516-645 CR-Webster/Hopkinton TS	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$45,000
<b>Transfer Station Total</b>		<b>\$4,000</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$20,000</b>
<b>Grand Total</b>		<b>\$554,000</b>	<b>\$554,000</b>	<b>\$554,000</b>	<b>\$554,000</b>	<b>\$554,000</b>	<b>\$554,001</b>	<b>\$2,770,000</b>

\*Police Dept indicates GOFFER funds may be available for base radio and firewall expenses

\*Highways and Roads budget -- special projects beyond the \$200,000 and \$125,000 needs to be prioritized and submitted as warrant articles

*Table 11 2021 CIP Clothespin Bridge Replacement Budget*

	2021	2022	2023	2024	2025	2026	Totals
<b>Beginning CRF Balance</b>	\$744,633.39	\$819,633.39	\$494,633.39	\$569,633.39	\$644,633.39	\$719,633.39	\$719,633.39
<b>Deposits</b>	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$450,000.00
<b>Withdrawals</b>		\$400,000.00					\$400,000.00
<b>Ending Balance</b>	\$819,633.39	\$494,633.39	\$569,633.39	\$644,633.39	\$718,633.39	\$794,633.39	\$769,364.39

Note #1. This CRF is for bridge and culvert improvements. The Clothespin Bridge project should be completed in 2022 or 2023 with the \$400,000 payment. The balance could be affected by White Plains Road culvert, which was requested for 2021 (estimated \$175,000).

Note #2. After Clothespin Bridge and White Plains Road Bridges completed, then Corn Hill Road Bridge and Pillsbury Lake Clubhouse Bridge will be considered.

## Chapter 3

### Recommendations, Comments, Questions

#### Recommendations, Comments and Questions

1. **Fire Department** – recommend the Fire Department prioritizes their funding request for tanker truck versus ambulance. Determine the need for the ambulance: which one is more important? Identify alternatives such as a van size ambulance; financing the vehicle; shared services with other towns.

2. **Police Department** – Funds from the Governor’s Office for Emergency Relief (GOFFER) are anticipated which may be used to cover the base radio and firewall upgrade, in addition to other eligible expenses.

3. **Highways and Roads** –

Clothespin Bridge -- Included expenditures of \$400,000 for engineering fees for Clothespin Bridge. Bridge replacement is scheduled in state Fiscal year 2023 The fiscal year begins on July 1, 2022, so there is a possibility that the bridge will be replaced in 2022.

Highways and Roads budget consists of an ETF for Road Preservation (\$200,000), and the CRF Highways and Roads special projects (\$125,000), totally \$325,000. There are more special projects requested for 2021 than we usually fund.

Balances will remain in both funds at the end of the year, since many special projects were not completed due to the pandemic. We propose the funding amounts be “reversed”: fund the ETF Road Preservation budget at \$125,000 and fund the CRF Highways and Roads budget at \$200,000/ Then the requested special road projects can be prioritized out of the \$200,000.

4. **Public Safety Building** –Heating system replacement will be postponed until further research by Energy Committee.

Parking lot will be repaved as part of the construction and development of the salt shed site in 2022 or 2023. No estimate is available for development and construction of the salt shed project.

5. **Town Hall Improvements** – recommend repair/painting of cupola needs further research to determine if paint or vinyl is recommended and the extent of the repair. Discuss with Historical Society.

Network switch and firewall can be paid by new ETF Technology Fund established in March 2020.

6. **Town Office Equipment** – this CRF could be expanded to include other types of office equipment. In addition, any technology-related purchases have the option of funding from the new ETF technology fund established at the March 2020 town meeting (\$15,000).

7. **Transfer Station** -- input from Dan Blanchette, Public Works Director, Town of Hopkinton. Select Board will discuss with Hopkinton the option to spread out over two years the purchases for 2024.

The CIP Subcommittee offers additional comments, questions and recommendations for the various Departments and the Select Board that are highlighted below:

**Review Procurement Policy**

In order for the town to be eligible for FEMA funding, FEMA requires a competitive bid process for all services valued over \$10,000. It is recommended the Select Board review their procedures for bidding all Town projects and review as appropriate.

**Seek Grant Funding**

It is recommended that the Town seek grant funding for the purchase of Fire Department and Police Department equipment and other equipment that is eligible for grant funding for the Town offices and Public Safety Buildings. This would include, but not be limited to, radios, air packs, generators, etc.

**Public Safety Building**

Several needs were identified but cost estimates and/or time schedules were not provided. There may be possible costs associated with these projects in 2022. The projects are included here for possible inclusion in the 2022-2027 CIP process:

- New egress access;
- Existing handicap area upgrade;
- Replace heating
- Driveway pad
- Parking lot re-pavement.

NOTE: The Town was slated to conduct a comprehensive review of all facilities for compliance with the Americans with Disabilities Act (ADA), to determine needs for upgrade in both buildings.

**Shared Services and Joint Purchases with Surrounding Towns**

- It is recommended the Select Board start a dialog with surrounding towns to seek the opportunity for shared services and/or joint purchases to reduce costs, whenever appropriate. For example, identify other town that may be purchasing a fire tanker which is scheduled for 2022.

**Building Maintenance Plan**

It is recommended the Select Board and Town Administrator develop an annual building maintenance plan for all Town-owned buildings. The process could include facility safety inspection, inventory of maintenance projects, and a schedule for repairs with cost estimates.

## Chapter 4 Demographics and Housing

### DEMOGRAPHICS

Trends in population and housing are important indicators to plan for development growth. Table 11 shows that Webster's population increased by nearly from 2000 to 2010.

**Table 12 Overall Population and Housing Growth Trends, 2000-2030**

Year	Population	Net Change		Housing Units	Net Change	
		#	%		#	%
2000	1,579			581		
2005	1,761	182	11			
2010	1,872	111	6	722	141	24%
2015*	1,872	0	0			
2020*	1,941	69	4			
2025*	2,030	89	5			
2030*	2,101	71	3			

*Sources: Town Master Plan 2018; US Census Decennial Data 2010;  
NH Office of Strategic Initiatives, estimates, Webster Assessment Data*

The Central New Hampshire Regional Planning Commission (CNHRPC) indicates New Hampshire's population is growing older and population growth is slowing.

### HOUSING

According to 2016 Town assessment records, there are 894 structures in Webster: 875 single-family homes; 9 duplexes or multi-family homes; 6 commercial/industrial buildings; and 4 utilities. Table 13 shows a total of 29 building permits issued for new construction between 2015 through 2020. There has been a steady uptick in new building permits issued between 2016 to 2020.

**Table 13 New Construction Building Permits, 2015-2020**

New Construction Type	2015	2016	2017	2018	2019	2020	6-Year Total
Single Family <b>New Home</b>	3	2	4	5	6	9	29
Multi-Family <b>New Home</b>							
Manufactured <b>New Home</b>		1				1	2
Non-Residential <b>New Commercial, Non-Profit, Organization, or Municipal Buildings</b>							
<b>Total Permits Issued</b>	<b>3</b>	<b>2</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>9</b>	<b>29</b>

*Source: Webster Building Permit files.*

In the 2018 Webster Master Plan, the average household size decreased from 2000 to 2010 (2.71 to 2.53 people per household). The growing trend of a declining and an aging population is creating a demand for smaller housing units as families downsize and choose to remain in rural and suburban areas. Current building trends point towards more new construction statewide.

### IMPACT FEES

In 2005, Webster adopted the Impact Fee ordinance (Article XI, Webster Zoning Regulations). Fees are assessed to meet the increased demand on capital facilities owned by Webster that are caused by



development: storm water, drainage and flood control; public roads; municipal office facilities; solid waste facilities; library; public recreation; and other Town obligations. Impact fees are invoiced when a building permit is issued for construction, and fees are collected when the structure is ready for occupancy or its intended use.

Webster may anticipate an increase in impact fees collected due to greater building activity in recent years.

### **CONCLUSIONS**

Regional trends show New Hampshire's population is growing slowly overall, and aging. Webster's data shows a similar slowing of growth.

Webster updated the Accessory Dwelling Units ordinance in 2016 to promote the availability of apartments in existing homes.

The Webster Growth Management Ordinance, enacted during the 1980's population balloon, expired in 2010. This should be removed from the Webster Zoning Ordinance.

Webster building activity began to increase in 2017. In 2020, it was the highest in the six years. There is a growing need for a variety of housing sizes and types to meet the requirements of an aging population and younger, first time buyers.

## Chapter 5

### Financial Analysis

#### TAX TERMINOLOGY

NH **Current Use** Law (RSA 79) is a taxing strategy aimed at making it easier for landowners to keep their open space undeveloped. Instead of being taxed at its real estate market value, land is taxed on its income-producing capability, such as farm land or managed forest land.

**Equalized valuation**, or **equalization**, is an adjustment of the town's local assessed values, either upward or downward, in order to approximate the full value of the town's property. Each year, the NH Department of Revenue Administration (NH DRA) equalizes the property values for every city and town. This process is due to an imbalance caused by varying local assessment levels. Adjusting these values among towns is the only way for statewide consistency. The total value of all property in town is adjusted based upon the comparison of recent property sales with local property assessments. Once property values have been equalized, public taxes and state revenues shared by towns and cities may be fairly apportioned among them. This includes state education property taxes and county taxes.

As generated statistics, **equalization ratios** are used when revaluation companies are planning their work and are used by assessing officials to periodically check the validity of assessments. Ratios are computed using properties that have sold during the period: the prices the properties actually sold for are compared to the values listed on the assessment cards. The median ratio in a listing of properties is selected to represent the equalization ratio in a town because it gives equal weight to all properties regardless of selling price. The ratio can help towns judge when revaluation should occur and how the town compares with other towns or cities.

**Tax Rate Data** is set by the NH Department of Revenue Administration (DRA) in October of each year. (See Appendix A.)

The **full value tax rate** represents the estimated tax rate for a municipality if all the taxable property was assessed at 100% and includes the equalized value of properties for which a payment in lieu of property taxes is made. The full value tax rate can only be used to make a limited comparison of what a property in one municipality would pay for taxes to a property of equal value in another municipality.

The **state school tax rate**, or the State Grant/Cost of an Adequate Education, is the town's share of the statewide cost for an adequate education. The equalized value of the town not including utilities (developed by NH DRA) is used instead of the local assessed value of the town (developed by the Town).

The **local school tax rate** is calculated using the local assessment of a town. The local assessment is apportioned based on the number of students from each town (also called the average daily membership) and the equalized valuation of each town.

**BONDS AND NOTES**

Most towns rely on bonds for the funding of large-scale municipal projects. Webster currently has one outstanding municipal bond and one bank note. In addition, Pillsbury Lake District (PLD) has a municipal bond, and though this indebtedness is the responsibility of the district, it is included here for reference.

- (1) Public Safety Building bond (\$805,000) matures in 2022 and, after the 2020 payments are made, has an outstanding balance of \$86,000.
- (2) The Solar Array is financed through a seven-year Bank Note was paid off early in 2020
- (3) Pillsbury Lake Dam bond (\$400,000, for 20 years, at 4.43%) matures in 2028. The Town contributes \$10,000 annually

**Table 14 Existing Bond/Note Payment Schedules, 2021-2026**

Existing Town Bonds/Note	2021	2022	2023	2024	2025	2026	Total
Public Safety Building	\$44,000	\$42,000	\$0	\$0	\$0	\$0	\$86,000
Pillsbury Lake Dam*	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$60,000
Solar Array Note**	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Existing Town Bond Payments</b>	<b>\$54,000</b>	<b>\$52,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$146,000</b>

Source: Town Financial Administrator and PLD Commissioner

\*Subject to town approval of Warrant Article

\*\* Note was paid off in December 2020.

A town's legal bonding capacity is 3% of its valuation. And although Webster's bonding capacity is \$5.649 million ( $188,313,885 \times .03$ ), the town would not be able to bond to this maximum capacity. Factors include how much property is in Current Use, the Town's poverty rate, the average household income, a percentage of affordable housing higher than the regional average, and such.

## TAXABLE INVENTORY

According to the 2020 Annual Report, Webster has 14,843.41 acres of taxable land, with 12,054.79 acres in Current Use (see Table 15 below). This calculates to **81%** of Webster's Current Use land bearing 2% of total assessed valuation, and **19%** of all other taxable land bearing 98% of the assessed valuation.

The 2020 valuation for Webster was \$215,969,882: \$84,434,332 for land and \$132,019,300 for buildings and other taxable items.

**Table 15 Acreage and Value of Taxable Land 2020**

Value of Land Only	Acres	Assessed Valuation	% of Total Valuation	Average Valuation per Acre	% of Average
Current Use	12,054.79	\$1,045,332	1.2%	\$86.71	.7%
Discretionary Preservation Easements	0.08	\$200	0%	\$1,250.00	10.7%
Residential Land	2,678.01	\$81,773,400	97%	\$30,535.13	262.7%
Commercial/Industrial Land	110.53	\$1,615,400	1.9%	\$14,615.04	125.7%
<b>Total Taxable Land</b>	<b>14,843.41</b>	<b>\$84,434,332</b>		<b>\$11,621.72</b>	

Source: Town of Webster, NH 2020 Annual Report/2021 Warrant and Budget, p 50

## HOW TAX RATES ARE SET

Tax rates are set in October. By law, all properties must be re-assessed every five years on a rolling basis. The NHDRA establishes the tax rates based on equalized valuation for the County, State Education, and Local Education. The town and the NHDRA establish the municipal tax rate according to town needs.

According to NHDRA, the 2020 valuation for Webster was \$215,969,882. This Net Valuation was used to calculate a total tax rate of \$22.19 per thousand dollars of assessed valuation. This provided \$6.11 for Webster; \$11.53 for the local school; \$1.91 for state education; and \$2.64 for Merrimack County.

Approximately 28% of taxes raised in 2020 funded Webster operations, with 72% going to the schools and county.

## ANNUAL APPROPRIATIONS AND PROJECTIONS

Because the CIP will have financial impact on the community, it is important to understand financial trends within Webster. Webster relies upon a variety of revenue sources to finance municipal operations, primarily property taxes, and also fees, licenses, capital reserve funds, interest on accounts, and intergovernmental transfers (grants).

The NHDRA provides tax rates to Webster in early October. Table 16 displays the valuations, tax rate (per \$1,000 of valuation), and amount raised for municipal, county, local school, and state school tax categories. Any exemptions are not included here.

**Table 16 Annual Appropriations, 2015-2020**

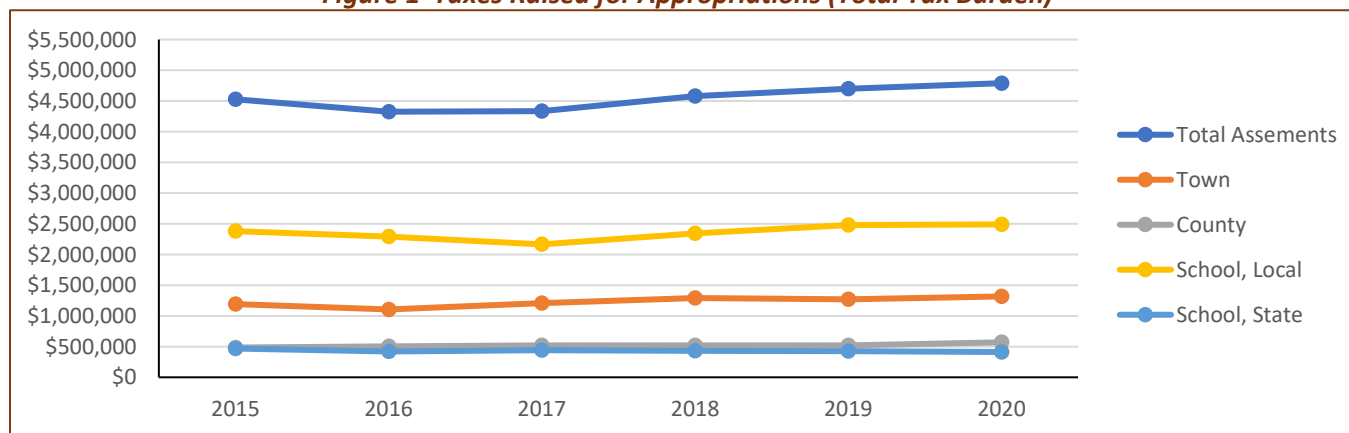
Assessments & Tax Rates	2015	2016	2017	2018	2019	2020
<b>Net Property Valuation</b>	\$188,020,144	\$188,313,885	\$188,751,087	\$212,659,868	\$214,000,806	\$215,969,882
Municipal Rate	\$6.34	\$5.87	\$6.41	\$6.07	\$5.93	\$6.11
<i>amount raised in taxes</i>	\$1,192,048	\$1,105,403	\$1,209,894	\$1,290,845	\$1,269,025	\$1,317,416
County Rate	\$2.58	\$2.69	\$2.76	\$2.44	\$2.44	\$2.64
<i>amount raised in taxes</i>	\$485,092	\$506,564	\$520,953	\$518,890	\$522,162	\$570,160
School Rate (local)	\$12.67	\$12.17	\$11.47	\$11.01	\$11.59	\$11.53
<i>amount raised in taxes</i>	\$2,382,215	\$2,291,780	\$2,164,975	\$2,341,385	\$2,480,269	\$2,490,133
School Rate (state)	\$2.49	\$2.24	\$2.33	\$2.02	\$2.00	\$1.91
<i>amount raised in taxes</i>	\$468,170	\$421,823	\$439,790	\$429,573	\$428,002	\$412,502
<b>Total Tax Rate</b>	<b>\$24.08</b>	<b>\$22.97</b>	<b>\$22.97</b>	<b>\$21.54</b>	<b>\$21.96</b>	<b>\$22.16</b>
<b>Total Assessments</b>	<b>\$4,527,525</b>	<b>\$4,325,570</b>	<b>\$4,335,702</b>	<b>\$4,580,694</b>	<b>\$4,699,458</b>	<b>\$4,790,212</b>

Sources: Webster Town Reports; NH DRA reports, 2015-2020

Overall, the total tax rate per \$1,000 of net valuation in Webster decreased from \$24.08 to \$22.16 between 2015 and 2020. The total tax rate stayed the same in 2017 (\$22.97) and decreased in 2018 (\$21.54).

The largest change in total tax rate occurred in 2016, when the total tax rate decreased from \$24.08 to \$22.97. This was because Unassigned Funds were used in 2016 to reduce the tax rate by \$1.11. Unassigned funds are monies approved by voters but not spent during a fiscal year. Any unanticipated revenue is also deposited here. This fund is cumulative from year to year, and is reported to NHDRA.

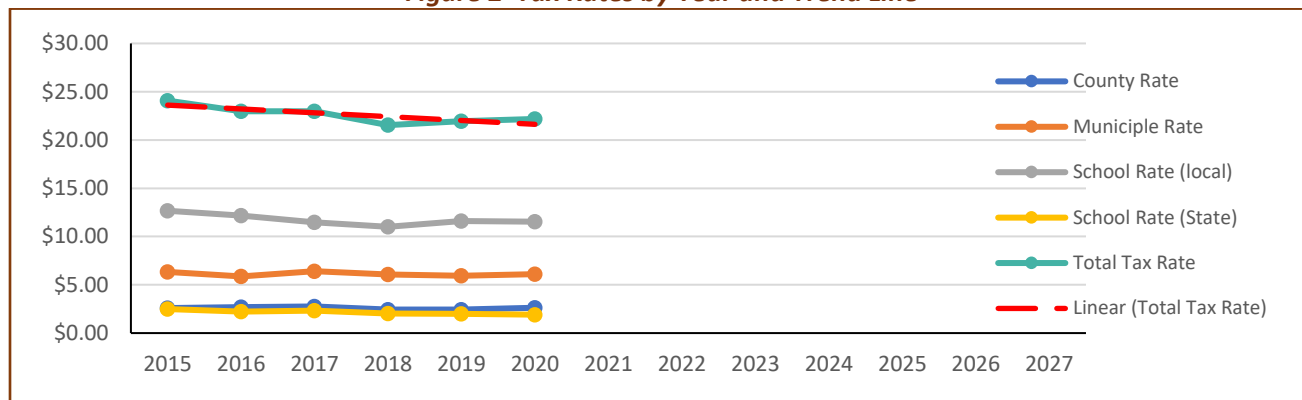
The local school tax rate began to decline in 2015 and continued until 2019 and has remained steady since at around \$11.55. Figure 1 illustrates total appropriations (commonly called Total Tax Burden) shown in Table 16 over this six-year period.

**Figure 1 Taxes Raised for Appropriations (Total Tax Burden)**

Source: Table 16

FIGURE 2 illustrates the trend should the Total Tax Burden has decreased since 2015 and has hovered around \$22.00 since.

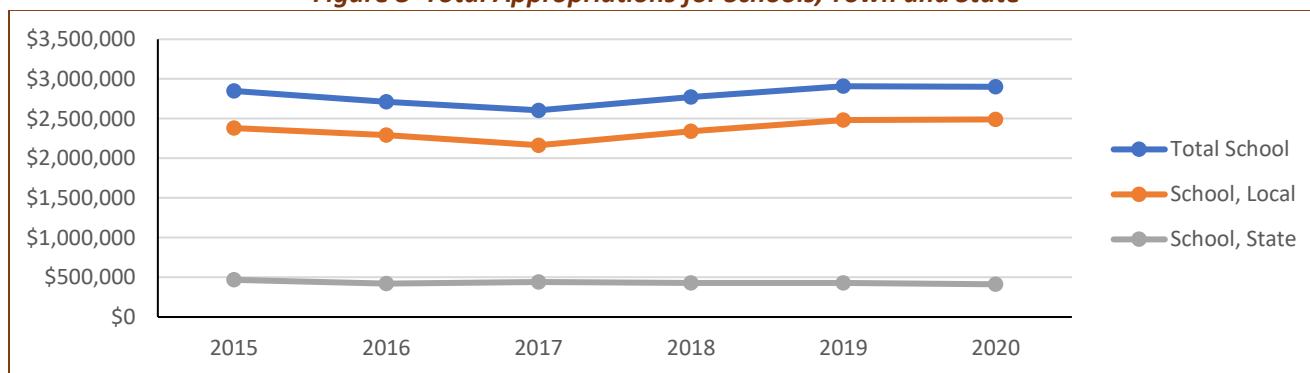
**Figure 2 Tax Rates by Year and Trend Line**



Source: Table 16

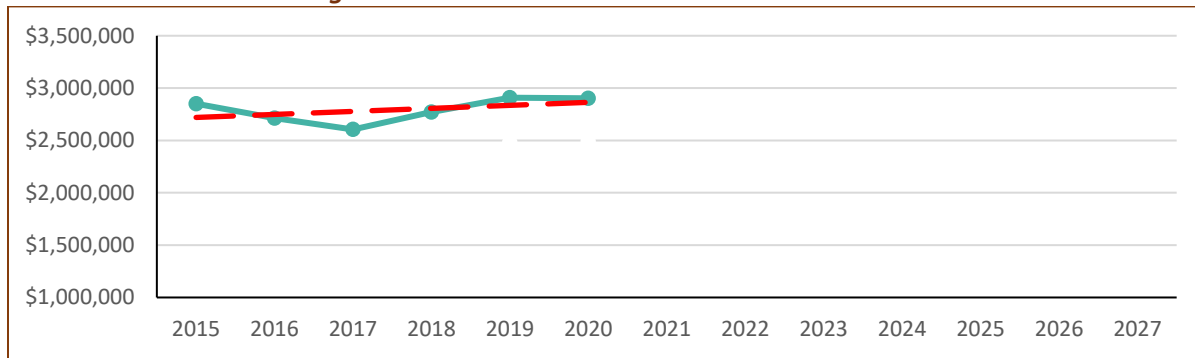
Figure 3 illustrates the portions of the Total Tax Burden is (roughly) \$3 million for local and state schools, \$2.5 million for Webster, and \$.5 million for the state.

**Figure 3 Total Appropriations for Schools, Town and State**



Source: Table 16

Figure 4 illustrates the trend should school taxes continue to rise at the same rate for the next six years. This shows that if the trends continue, school tax burden could exceed \$3 million by 2025. Note: it is difficult to compare annual numbers because MVSD's fiscal year ends in June, and Webster's ends in December. Webster's payments to MVSD typically rise mid-year.

**Figure 4 Total School Tax Burden with Trend Line**

Source: Table 16

## HIGHWAYS AND ROADS

Roads are mission critical for employment, education, emergency response, and overall daily life in every community. Webster does not have a “highway department,” relying instead on contracted services to maintain and repair our roadways. Webster uses the same road classifications as the NH Department of Transportation (NHDOT).

Table 17 shows a total of 66.827 miles of roadway within Webster as calculated by NHDOT. Several roads or sections are owned by the state: Battle (Rt. 127) and Tyler Roads, Long Street, and parts of both White Plains and Little Hill Roads.

**Table 17 NHDOT Road Mileage for Webster**

Road Class	Calculated Length in Feet	System Miles
Class I (State Primary)	0.000	0.000
Class II (State Secondary)	70,076.160	13.272
Class V (Town Maintained)	169,963.200	32.190
Class VI (Town Unmaintained)	27,894.240	5.283
Private	84,912.960	16.082
<b>TOTAL</b>	<b>352,846.560</b>	<b>66.827</b>

Source: NH DOT &lt;ftp://nhftp.admin.state.nh.us/Quarterly\_Data\_Snapshots/&gt;

## TOWN OPERATING BUDGET

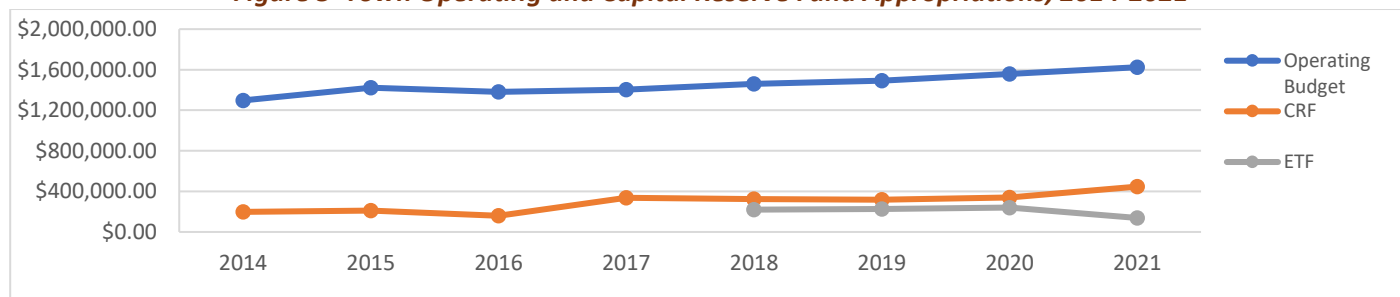
The Town’s operating budget is a significant component of the annual budget. The Operating Budget pays for all Department operations and permits the Town to provide services to residents. Table 18 displays the annual appropriations for the Operating Budgets and Capital Reserve Funds between 2014 and 2021. Note ETF appropriations are included starting in 2018.

**Table 18 Operating Budget and Capital Reserve Appropriations, 2014-2021**

Budgets	2014	2015	2016	2017	2018	2019	2020	2021 Proposed
Town Operating Budget Appropriations	\$1,297,188	\$1,421,278	\$1,381,745	\$1,402,304	\$1,458,786	\$1,493,376	\$1,559,654	<b>\$1,624,580</b>
Capital Reserve Fund Appropriations	199,000	\$209,000	\$159,500	\$336,500	\$324,500	\$318,500	\$340,500	<b>\$447,000</b>
Expendable Trust Fund Appropriations				\$0	\$219,500	\$227,500	\$240,500	<b>\$138,000</b>
	<b>\$1,496,188</b>	<b>1,630,278</b>	<b>1,541,245</b>	<b>1,738,804</b>	<b>\$2,077,786</b>	<b>\$2,151,376</b>	<b>\$2,140,654</b>	<b>\$2,209,580</b>

Source: Town Reports and Budgets 2013-2020

Figure 5 shows the Operating Budget and CRFs over the seven-year period of 2014-2021. Deposits to CRFs are typically between 11% to 15% of total budget, with a significant increase in percentage of CRFs to total budget (24%) in 2017 when voters added \$252,000 to the Bridge/Culvert Improvements CRF for the Clothespin Bridge replacement. In 2017 an ETF was created for the categories of routine maintenance and preventative maintenance on gravel and dirt roads. This ETF is the “Road Preservation” category of the Highways and Roads budget.

**Figure 5 Town Operating and Capital Reserve Fund Appropriations, 2014-2021**

Source: Table 17

## TAX RATE COMPARISONS

The full value tax rates in the table below are from NHDRA. These are developed as a means to compare tax rates among New Hampshire communities.

To determine the full value tax rate, the NHDRA compares each municipality's tax rate with its net valuation. (Ratios cannot be derived from the numbers given.)

**Table 19 Webster Tax Rates and Trends, 2013-2019**

Webster Taxes	2013	2014	2015	2016	2017	2018	2019
Local Tax Rate	\$21.73	\$22.69	\$24.08	\$22.97	\$22.97	\$21.54	\$22.97
Full Value Tax Rate	\$22.78	\$24.99	\$23.31	\$23.31	\$22.31	\$21.54	\$20.27
Equalization Ratio	99.0	104.4	97.1	95.7	91.5	100	93.9

Sources: NH DRA Equalization Survey Including Utilities Reports



Ideally, the Equalization Ratio would be 100. A ratio less than 100 means the local tax rate is too low; more than 100 means the rate is too high. The Full Value Tax Rate, also called the Equalized Tax Rate, is used to calculate county taxes and the state portion of the school taxes. Because the assessed valuation of any community changes annually, the full value tax rates sometimes vary significantly from the local tax rate if a town has not been reassessed that year. The closer the equalization ratio is to 100, the closer the match will be between the local tax rate and the full value tax rate.

Table 20 shows that Webster's tax rate of \$22.19 was the lowest of the surrounding communities. Hopkinton was the highest at \$29.25. The local area's full value tax rate averaged \$26.32 per \$1,000 of valuation.

**Table 20 Abutting Community Tax Rate Comparison, 2020**

Town	2010 US Census	2019 Estimates	Valuation	Town	County	Local School	State School	TOTAL TAX	Per Capita Tax
Webster	1872	1902	\$215,969,882	\$6.11	\$2.64	\$11.53	\$1.91	\$22.19	\$2519
Boscawen	3965	4049	\$282,616,655	\$8.25	\$2.55	\$14.11	\$1.89	\$26.76	\$1868
Concord	42695	42982	\$4,397,071,859	\$9.32	\$2.44	\$13.13	\$1.87	\$26.76	\$2738
Hopkinton	5589	5712	\$749,331,291	\$6.25	\$2.57	\$18.59	\$1.84	\$29.25	\$3838
Salisbury	1382	1424	\$137,779,973	\$4.77	\$2.85	\$14.93	\$2.05	\$24.60	\$2381
Warner	2833	2919	\$312,648,602	\$9.67	\$2.44	\$14.24	\$2.05	\$28.40	\$3042

Sources: US Census, NH OEP; NH DRA Municipal Services for Tax Rates, Ratios, Full Value

It is difficult to compare town tax rates for many reasons. None of these communities had equalization ratios at 100. Local school rates are partly based on the number of students in a cooperative school district, but Concord and Hopkinton both have their own school districts.

### EFFECT OF BUDGET CHANGES ON YOUR TAX BILL

To determine the tax effect of a proposed budget change, first find the current Net Valuation. (This value appears in the Town Report and changes a bit every year.) For example, using the above values:

- Proposed budget addition: \$100,000
- Webster Net Valuation: \$215,969,882
- Total tax rate: \$22.19 per \$1,000
- Sample property value: \$200,000
- Sample current property tax bill: \$4,438. ( $\$200,000 / \$1,000 * 22.19 = 4,438$ )

Calculate the new tax rate as follows:

1. Divide the Net Valuation by 1,000 ( $215,969,882 / 1,000 = 215,969.88$ );
2. Divide the proposed addition by that number ( $100,000 / 215,969.88 = .464$ );
3. The rate increase is \$0.46, and the new rate is \$22.65 ( $\$22.19 + .46$ ).

Calculate how much this would increase the Sample property tax bill:

1. Divide the property's assessed valuation by 1,000 ( $200,000 / 1,000 = 200$ );
2. Multiply this value times the new tax rate ( $200 * 22.65 = 4,530$ ).

The next Sample tax bill would be \$4,530.

The tax increase for the Sample property is \$106. ( $4,530 - 4,438 = 92$ .)

Another way to view this: for every \$100,000 of assessed value, the property tax would increase \$46.

---

## Appendices

**Appendix A: 2021 Webster Tax Rate Breakdown, NH Department of Revenue Administration**

**Appendix B: Select Board Town Budget for 2022**

**Appendix C: Proposed Process for Future Capital Improvement Program Plans**

**Appendix D: Methods of Financing Capital Improvements**

**Appendix E: Relevant State Statutes for Capital Improvements**

**Appendix F: List of Town Departments, Boards and Committees**

**APPENDIX C: PROPOSED PROCESS FOR FUTURE CAPITAL IMPROVEMENT PLANS****Annual Project Plan****1. September:**

- Planning Board appoints CIP Subcommittee
- The CIP Subcommittee members review and make any edits to the application forms. A memo requesting anticipated capital expenditures is prepared and sent to each department, to be returned by September 30<sup>th</sup>.
- Select Board reminds all departments to return the applications by the end of the month.

**2. October:**

- CIP Subcommittee meets and reviews requests.
- The CIP Subcommittee meets with applicants as necessary to fully understand their requests.
- CIP Subcommittee pulls and reviews all prior CIP requests from previous years that have not been fulfilled, and compares older requests to current requests.
- Once all the funding requests are received, the CIP Subcommittee prioritizes the projects across the entire budget
- CIP Subcommittee determines which projects are recommended and added to the new CIP document
- Planning Board approves and presents the recommendations for additions to the CRFs and ETFs to the Select Board for use in budget planning by October 31st.

**3. November**

- The CIP Subcommittee, with assistance from the Town personnel, updates the report, using a copy of the previous year's report as a template, changing all dates, graphs, tables, as necessary, and adding the newly approved projects. (The report from the previous year is not changed; both paper and electronic copies are retained by Town Office personnel.)

**4. December to January**

- After the draft Operating Budget is available, the CIP Subcommittee members update and utilize the Financial Analysis Spreadsheet to analyze the impact of the CIP requests on the Town's tax rate.
- The Subcommittee presents the report to the Planning Board for approval.
- The Planning Board submits the final report to the Select Board.

**5. February**

- The Subcommittee presents the findings of the CIP report at the Budget Hearing as appropriate.

**6. March**

- The Subcommittee presents the findings of the CIP report at the annual Town Hall meeting, as appropriate.
- Members review the prior year's CIP and update the information in the report, including the final budget approved at Town meeting.
- Members update financial analysis with prior year's data.

The CIP Committee should refer to the Master Plan when updating the CIP Report to include any pertinent information and use it as a guide for overall direction and expenditures as it is updated.

**APPENDIX D: METHODS OF FINANCING CAPITAL IMPROVEMENTS**

Many sources of project funding, other than the property tax dollars, can be considered over the long term. Of this list of 17 possible funding sources, Webster currently takes advantage of many of them.

1. Current Revenue (Property Tax): The most commonly used method of financing capital projects is through the use of current revenues.
2. Capital Reserve Funds (CRF): A popular method to set money aside for expansion, alteration or improvement to municipal buildings and facilities, RSA 35V mandates that such accounts must be created by a warrant article at town meeting. The same warrant article should also stipulate how much money will be appropriated to open the fund as well as identify what Town entity will be the agent to expend the funds.
3. Municipal Indebtedness: General obligation bonds and short-term borrowing can be used to finance major capital projects.
4. State Highway Block Grants: Annually, the State NH Department of Transportation apportions funds to all cities and towns for only the construction, reconstruction and maintenance of municipal Class IV and V roadways. Block grant payment schedules are as follows: 30% in July, 30% in October, 20% in January, and 20% in April. Any unused funds may be carried over to the next fiscal year.
5. Impact Fees: Authorized by RSA 674:21, communities can adopt impact fee programs to offset the costs of expanding services and facilities communities must absorb when a new home or commercial unit is constructed in town.
6. License and Permit Fees: Fees, such as building permits, zoning applications, and planning board subdivision and site plan fees are all examples of permit fees. Such fees are highly equitable and are successful for minimizing the burden on taxpayers for specific programs such as building code enforcement.
7. Miscellaneous Grants: Grants from State Departments and federal sources could be available to help offset the costs of capital improvement projects. Depending on when the application process begins and the length of the grant round, it could be a while before the community learns whether their grant application has been accepted for funding. The actual funding might differ from what was requested.
8. Special Revenue Sources: Special revenue sources include user fees, payments in lieu of taxes, gifts/donations, trusts, development impact fees, and intergovernmental transfers (i.e. grants) such as NH Shared Revenues and Highway Aid grants.
9. Land Use Change Tax: When a property that has been paying the lower Current Use Tax rate is removed from that program, the land use change tax penalty is paid to the Town that the property is located in. The penalty is 10% of the full market value of the land when it leaves the current use program. Many Towns put all of this money directly into the Conservation Fund (see below).
10. Sale or Use of Excess Property: Another possible method to finance or expand town facilities opportunities could include sale of surplus town-owned property. Surplus property is often property acquired from private citizens for failure to pay taxes.
11. State Bridge Aid: This program helps to supplement the cost to communities of bridge construction on Class II and V roads in the State. Funds are allocated by NHDOT in the order in which applications for assistance are received. The amount of aid a community may receive is based upon equalized assessed valuation and varies from two-thirds to seven-eighths of the total cost of the project.
12. Town Bridge Aid: Like the State Bridge Aid program, this program also helps communities construct or reconstruct bridges on Class V roads. The amount of aid is also based upon equalized assessed

valuation and ranges from one-half to seven-eighths of the total cost of the project. All bridges constructed with these funds must be designed to support a load of at least 15 tons.

13. NHDES Clean Water State Revolving Loan Fund: The Safe Drinking Water Act (SDWA) Amendments of 1996 provide for federal funding of a Drinking Water State Revolving Fund (DWSRF) to provide assistance to public water systems to finance the cost of drinking water infrastructure. (Pillsbury Lake District has a public water system for some residents.)
14. Community Development Block Grants: Depending on the location, social value, and functional use of a municipal facility, Community Development Block Grants (CDBG) can sometimes be a good source of financing. CDBG funds are allocated from the US Department of Housing and Urban Development. Each year, communities are invited to submit grant applications for funding of projects.
15. Private Foundations/Trusts: For years, communities have been the beneficiaries of trusts and donations created by private citizens and foundations. The Town should actively solicit such resources for assistance regarding the development or expansion of recreational facilities and programs.
16. User Fees: During the 1980s, the concept of user fees for funding of numerous public facilities and services were widely adopted throughout the nation. To help finance community facilities and programs, several communities in New Hampshire have adopted user fees. Examples of user fees in New Hampshire communities include water district charges and transfer station fees.
17. Conservation Fund: This fund is much like a Capital Reserve Fund, where Town Meeting approval needs to be sought to expend the accumulated funds. The primary purpose of the Fund (RSA 36-A:5) is to acquire real estate for conservation purposes.

---

**APPENDIX E: RELEVANT STATE STATUTES FOR CAPITAL IMPROVEMENTS**

Full text for these RSAs may be found at the Town Offices or online at this URL:

<http://www.gencourt.state.nh.us/rsa/html/indexes/search.html>

**Municipal Budget Law**

Section 32:6 Appropriations

**Municipal Finance Act**

Section 33:1 Definitions

Section 33:4-a Debt Limit, Municipalities.

Section 33:5-a Water Works

Section 33:6-e Exclusion From Debt Limit; Solid Waste Management Districts

**Cooperative School Districts**

Section 195:6 Powers and Duties of Cooperative School Districts.

Section 197:1 Annual Meeting

Section 197:3 Raising Money at Special Meeting

**Capital Improvements Program**

Section 674:5 Authorization

Section 674:6 Purpose and Description

Section 674:7 Preparation

Section 674:8 Consideration by mayor and Budget Committee

**Zoning**

Section 674:21 Innovative Land Use Control

Section 674:22 Growth management

**APPENDIX F: LIST OF TOWN DEPARTMENTS, BOARDS, AND COMMITTEES**

List of departments and committees invited to submit requests to be the CIP Subcommittee.

<b>Board, Department or Committee</b>	<b>Contact</b>
Building Inspector/Life Safety Code Enforcement	T. Baye
Cemetery Trustee	B. Silver
Conservation Commission	C. Schadler
Emergency Management	G. French
Energy Committee	M. Bender
Fire & Rescue Department	E. Bean
Health Officer	R. Fanjoy
Highways and Roads	E. Bean
Historical Society	
Library Trustee	N. French
Parks Committee	B. Silver
Police Department	S. Adams
Refuse Disposal Committee	C. Schadler
School Board	
Select Board	D. Hemenway
Tax Collector	K. King
Town Administrator	D. Hadley
Land Use Coordinator	R. Tatro
Town Clerk	M. Derby

End of Document