

**Town of New Castle, New Hampshire**  
**Capital Improvement Planning (“CIP”) Committee**  
**Meeting Minutes**

**Date:** January 21, 2016

**Location:** New Castle Town Hall Meeting Room

**Present:**

Committee Members: Jeffrey Hughes (Chair), Tom Smith, Richard White

Department Heads & Guests: David McGuckin (Selectman), Ken McDonald, Steve Tabbutt (public works)

Members of the Public: None

The Meeting was called to order by Jeffrey Hughes, Chairman, at 4:30 pm.

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**Welcome**

Mr. Hughes welcomed committee members and guests to the meeting.

**Approval of Minutes**

The Committee reviewed and unanimously approved the Minutes of the previous meeting

**V&E Fund**

The Committee members continued discussions regarding the annual update and review of the V&E Fund.

Mr. McDonald presented updated V&E Fund spread sheets for the Committee members’ consideration. He explained that the spreadsheet incorporates the changes agreed to at the December meeting, and that 2 different spreadsheets were presented, one with a 2% inflation assumption and one with a 3% inflation assumption. In addition, he presented an additional sensitivity analysis, at the suggestion of Mr. Smith, representing a 2017 funding level equal to 2016 funding in the amount of \$132K – a more conservative funding approach than the current model which adds an annual increase of \$5,500.

The basis for eliminating the automatic annual funding increase of \$5,500 was:

- The change from a “ladder truck” to an “engine” and subsequent reduction in estimated cost, reduces the need to accelerate funding
- The change in this funding level maintains adequate funding and adequate cash reserves through the next decade

**FINAL**

- This level funding presents a more conservative funding recommendation to the Town, which may be viewed as more favorably by the Town and Select Board in light of the Committee’s other recommendation to the Select Board to establish a new long-term Road Maintenance reserve fund.

The Committee members reviewed the spreadsheets and discussed assumptions, and funding levels for the FY2017 budget cycle. The Committee members agreed to the following:

- Mr. Tabbutt will confirm current estimated prices for public works vehicles and equipment, estimated useful life, and expected date of next purchase
- The inflation rate assumption for the model will be 3%
- There was consensus to recommend FY2017 funding at \$132K (level funding from FY2016) – but deferred final decision until the public works assumptions (listed above) have been confirmed/updated.

**Other Business**

There was no other business to come before the Committee.

**Public Comments**

There were no public comments.

**Next Meeting**

The next meeting of the CIP Committee will be February 11th at 4:30 pm.

**Adjournment**

The meeting adjourned at approximately 5:30 pm.

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Respectfully submitted by

Jeffrey Hughes  
CIP Chair