

2017 - 2022 CAPITAL IMPROVEMENT PROGRAM

Lebanon, New Hampshire

PROJECT: LFD ENGINE #4 REPLACEMENT

DEPARTMENT: Fire
PROJECT TITLE: LFD Engine #4 Replacement
PURPOSE OF PROJECT REQUEST FORM: NEW PROJECT: Replacement of Engine #4 -- in service for 22 years.
DEPARTMENT PRIORITY: MANDATORY
LOCATION: Lebanon Fire Department
DESCRIPTION / JUSTIFICATION:

The Lebanon Fire Department, through long-term planning, has developed a comprehensive vehicle replacement program. This program allows all fire department vehicles and apparatus to remain current with industry standards, reduces maintenance costs and maintains reliable emergency vehicles. In addition to fire apparatus the replacement schedule addresses other vehicles, such as staff vehicles, fire alarm bucket truck and ambulances.

Engines are due for replacement at 20 years of in service time per National Fire Protection Association Standards. Replacement schedules are based on: (1) Safety, industry standards change and increase safety requirements of fire apparatus; (2) After 100,000 miles a high level of maintenance costs are experienced in relation to the estimated value of the apparatus; (3) Equipment must be reliable and readily available.

Fire Engines must be ready to run at a moment's notice; they are a vital piece of equipment for emergency response. This vehicle in particular is vital to fire department responses outside of the municipal water system as it carries a minimum of 1,500 gallons of water for "Rural" Firefighting operations.

FINANCIAL PLAN AND PROJECT SCHEDULE:

		<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2017-2022</u>	<u>Total</u>
EXPENDITURES									
Property/Equipment Acquisition		\$620,000	\$0	\$0	\$0	\$0	\$0	\$620,000	\$620,000
	TOTAL	<u>\$620,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$620,000</u>	<u>\$620,000</u>
FUNDING									
Debt Supported By:	Property Taxes	\$620,000	\$0	\$0	\$0	\$0	\$0	\$620,000	\$620,000
	TOTAL	<u>\$620,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$620,000</u>	<u>\$620,000</u>
FUNDING SUMMARY									
Debt		\$620,000	\$0	\$0	\$0	\$0	\$0	\$620,000	\$620,000
	TOTAL	<u>\$620,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$620,000</u>	<u>\$620,000</u>

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RESPONSIBLE FUND:	2017	2018	2019	2020	2021	2022	2017-2022	Total
General	\$620,000	\$0	\$0	\$0	\$0	\$0	\$620,000	\$620,000
TOTAL	<u>\$620,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$620,000</u>	<u>\$620,000</u>

NET EFFECTS ON OPERATING COSTS:

Debt Service (General Fund -- Tax Rate Supported):	2017	2018	2019	2020	2021	2022	Total
	\$71,462	\$68,716	\$67,166	\$65,616	\$64,066	\$62,516	\$399,541
TOTAL	<u>\$71,462</u>	<u>\$68,716</u>	<u>\$67,166</u>	<u>\$65,616</u>	<u>\$64,066</u>	<u>\$62,516</u>	<u>\$399,541</u>

ESTIMATED DEBT SERVICE:

Year	General Fund		Total
	Principal	Interest	
2018	\$51,674	\$19,788	\$71,462
2019	\$51,666	\$17,050	\$68,716
2020	\$51,666	\$15,500	\$67,166
2021	\$51,666	\$13,950	\$65,616
2022	\$51,666	\$12,400	\$64,066
2023	\$51,666	\$10,850	\$62,516
2024	\$51,666	\$9,300	\$60,966
2025	\$51,666	\$7,750	\$59,416
2026	\$51,666	\$6,200	\$57,866
2027	\$51,666	\$4,650	\$56,316
2028	\$51,666	\$3,100	\$54,766
2029	\$51,666	\$1,550	\$53,216
	<u>\$620,000</u>	<u>\$122,087</u>	<u>\$742,087</u>

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ESTIMATED TAX RATE IMPACT:

	<u>Municipal Tax Rate</u>	<u>Annual Property Tax on Property Assessed for \$250,000</u>
2018	\$0.04	\$10.00
2019	\$0.04	\$10.00
2020	\$0.03	\$7.50
2021	\$0.03	\$7.50
2022	\$0.03	\$7.50
2023	\$0.03	\$7.50
2024	\$0.03	\$7.50
2025	\$0.03	\$7.50
2026	\$0.03	\$7.50
2027	\$0.03	\$7.50
2028	\$0.03	\$7.50
2029	\$0.03	\$7.50