



Town of
Wolfeboro

BOARD OF SELECTMEN
David Senecal, Chair
Brad Harriman, Vice
Brian Deshaies
Luke Freudenberg
Linda Murray

James S. Pineo, Town Manager

WARRANT ARTICLE 11 PUBLIC SAFETY BUILDING RENOVATION/EXPANSION

On February 7, 2023, prior to the Deliberative Session the Town Manager in conjunction with CCI and Banwell Architects reviewed the most current version of the Preliminary Guaranteed Maximum Price Budget for construction cost. At this time the budget was estimated at \$11,735,979 for construction cost. As a result of this meeting cuts of approximately \$220,000 were made from the budget and placed as “Alternate Items” as outlined on pages 6 & 7 of the Preliminary Budget for a new **Preliminary Guaranteed Maximum Price Budget** for Construction costs of \$11,534,386 or \$335.40 per square foot, as highlighted in Orange on page 5 of the Preliminary Budget.

CONTINGENCY

We’ve had numerous conversations about a contingency budget where recommendations have varied from 5% and 8% of construction costs; a contingency of 6.5% of the estimated construction costs was agreed upon amounting to \$749,735.

ARCHITECTURAL/ENGINEERING

Our contract with Banwell Architects calls for a fee equal to 10% of construction costs. Should Article 11 pass with 3/5th majority the estimated cost for Architectural/Engineering would be \$1,153,438.

CAPITAL RESERVE FUNDING

In 2022 voters authorized \$300,000 for Architectural/Engineering for this project. Should Article 11 fail these funds would be used to refine and attempt to reduce the scope of the proposed project.

TOTAL BUDGET (INCLUDING CAPITAL RESERVE FUNDING)

The budget initially proposed for Article 11 was \$12,800,000 however the most recent construction budget increases call for \$13,437,559 which is an increase of \$637,559 or 5.1%.

ARTICLE 11 FUNDING

The below spreadsheet outlines our proposed budget for the Public Safety Building including the increase requested at the 2023 Deliberative Session of \$640,000.

PSB Budget	
Construction Costs	\$ 11,534,386.00
Contingency 6.5%	\$ 749,735.09
Architecture/Engineering Not to Exceed Contract	\$ 1,153,438.60
Sub-Total	\$ 13,437,559.69
CRF Funds	\$ (300,000)
Total to Bond	\$ 13,137,559.69
Current W/A amount	\$ 12,500,000.00
Variance W/A to Current Budget	\$ 637,559.69
Requested increase to W/A 11	\$ 640,000.00

TAX RATE IMPACT

Based on a current town wide property valuation of \$2,420,748,144 a 20-year bond with an estimated interest rate of 5.50% the estimated tax rate impact for 2024 and 2025 would be \$0.51 per \$1,000 of assessed valuation and would reduce annually until the bond reaches maturity in 2043. The below spreadsheet outlines estimated tax rate impact based on property value. It should be noted that in January 2023, 20 Year bonds were issued at 3.44%.

Tax Rate Impact		
Assessed Value	Impact Per \$1,000	Total Impact
\$ 100,000.00	0.51	\$ 51.00
\$ 175,000.00	0.51	\$ 89.25
\$ 250,000.00	0.51	\$ 127.50
\$ 300,000.00	0.51	\$ 153.00
\$ 400,000.00	0.51	\$ 204.00
\$ 1,000,000.00	0.51	\$ 510.00

DEBT SCHEDULE

New Hampshire law allows our town to finance up to 3% of our assessed valuation. Therefore, the Town of Wolfeboro has a debt carrying capacity of \$72,622,444 based on our current valuation. Should Article 11 pass our indebtedness would increase by \$13,140,000 increasing the towns total principal indebtedness to \$33,581,335 or 46% of our legal debt capacity. (Note: this does not include other bonds under consideration for 2023)

Town of Wolfeboro											
Existing Debt Schedule (for a 10 year period)											
	Total Balance Outstanding 12/31/23	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
		Payment									
General Fund											
Principal	10,826,359	1,057,157	1,043,019	1,016,977	921,911	904,254	830,266	751,726	741,726	731,726	666,726
Interest	2,999,715	488,571	428,608	384,366	344,775	304,150	268,236	234,248	201,741	170,057	139,401
Current Total	13,826,074	1,545,728	1,471,628	1,401,342	1,266,686	1,208,405	1,098,503	985,974	943,467	901,783	806,127
PSB Bond											
Principal	13,140,000		600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Interest Estimated	6,900,000		630,000	627,000	594,000	561,000	560,000	528,000	495,000	462,000	429,000
Total	20,040,000	0	1,230,000	1,227,000	1,194,000	1,161,000	1,160,000	1,128,000	1,095,000	1,062,000	1,029,000
Debt Schedule PMNT W/ PSB Bond	23,966,359		2,701,628	2,628,342	2,460,686	2,369,405	2,258,503	2,113,974	2,038,467	1,963,783	1,835,127
Water Fund											
Principal	2,240,053	479,765	481,071	446,031	339,031	271,210	135,110	104,400	104,400	104,400	104,400
Interest	320,284	92,443	74,000	57,404	53,583	35,388	28,122	22,582	17,543	12,503	8,929
Total	2,560,337	572,208	555,070	503,435	392,614	306,598	163,232	126,982	121,943	116,903	113,329
Sewer Fund											
Principal	2,662,054	436,361	431,361	430,621	430,621	431,361	401,361	350,621	59,603	59,603	30,000
Interest	321,890	100,978	86,060	71,549	58,743	43,198	30,091	17,762	6,102	4,178	2,254
Total	2,983,944	537,340	517,422	502,171	489,365	474,560	431,452	368,383	65,705	63,781	32,254
Pop Whalen Fund											
Principal	697,868	48,384	48,384	47,674	47,674	48,384	48,384	32,674	32,674	32,674	32,674
Interest	293,911	37,389	32,238	29,925	27,623	25,301	23,495	21,693	20,026	18,360	16,694
Total	991,779	85,773	80,622	77,599	75,297	73,685	71,879	54,367	52,700	51,034	49,368
Electric Utility Fund											
Principal	4,015,000	585,000	320,000	320,000	315,000	315,000	315,000	315,000	315,000	315,000	165,000
Interest	1,004,248	183,549	161,576	145,256	128,936	112,871	96,806	80,741	64,676	49,436	35,021
Total	5,019,248	768,549	481,576	465,256	443,936	427,871	411,806	395,741	379,676	364,436	200,021
Total Debt Service											
Principal	33,581,335	2,606,667	2,923,835	2,861,303	2,654,237	2,570,210	2,330,122	2,154,421	1,853,403	1,843,403	1,598,800
Interest	11,840,048	902,930	1,412,482	1,315,500	1,207,661	1,081,909	1,006,750	905,026	805,088	716,534	631,299
Total Debt Service	45,421,382	3,509,597	4,336,318	4,176,803	3,861,898	3,652,118	3,336,872	3,059,447	2,658,491	2,559,937	2,230,099
Total Principle Debt	33,581,335										
Assessed Valuation	72,622,444										
Debt/Valuation	46%										

The following document is estimated budget for construction costs provided to the Town of Wolfeboro on February 7, 2023. More documents available at:

<https://www.wolfeboronh.us/home/public-safety-building-committee>

Respectfully,

James Scott Pineo
Town Manger

