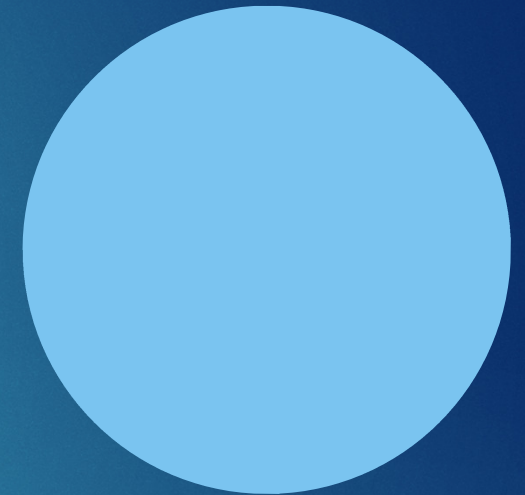


# Fiscal Impact of Rugg Property Acquisition



# How many lots?

- ▶ Project hasn't been submitted to Planning Board
- ▶ Maximum lots projected at 67
- ▶ Not including Exeter portion of the land, Newfield acres = 101
- ▶ Maximum lots without Exeter land would be less than 55 considering roads/infrastructure requirements
- ▶ No evaluation of ledge impacts or wetlands limitations

# Basic Assumptions Used

- ▶ Assume 55 lots as baseline scenario
- ▶ US Census NH demographic data indicates 2.46 persons/household
- ▶ Newfields home value
  - ▶ Average based on residential property tax base = \$678,645
  - ▶ Median Assesment = \$778,200
  - ▶ Current valuation of neighborhoods in Newfields = ~\$1 million
  - ▶ Recent sales in new development = \$1.4 million
- ▶ Current Tax Rate = \$15.89

# Municipal Impacts

- ▶ Police Impact – No material fiscal impact
- ▶ Fire Impact – No material fiscal impact
- ▶ Trash collection – Approx \$300/yr/household
- ▶ Road Maintenance – Approx 1 mile road = \$20,000/year
- ▶ No other departments would have material fiscal impacts
  
- ▶ Assuming 55 households total municipal fiscal impact = \$36,500/year



# Schools Impact

- ▶ With 55 households, demographics project to 25.3 children
- ▶ Across ages 1-18, projects to 1.4 children per age
- ▶ Conservatively assuming 2 children per age would result in 12 additional students in NES, 6 students in CMS, and 8 additional students in EHS
- ▶ Alternatively, currently Newfields has 121 students at NES with 603 households, or 0.20 NES students per household. With 55 new households, projects to 11 new students. (with 67 houses it projects to 13.4 new NES students) Note that 20 years ago this ratio was 0.35 NES students/household – mirroring demographic shifts we are seeing regionally and in the state

# Schools Impact



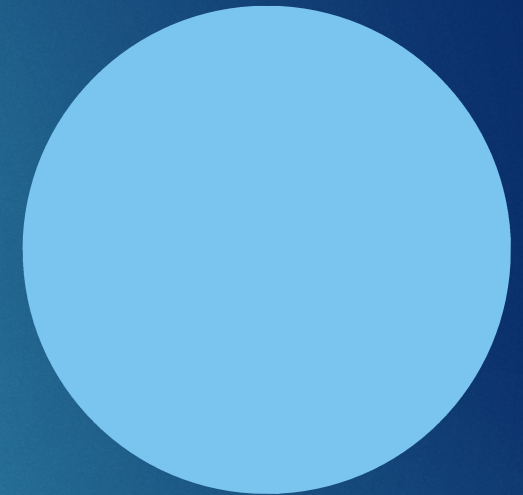
- ▶ Costs per student for Newfields:
    - ▶ NES - \$23,545
    - ▶ CMS - \$22,963
    - ▶ EMS - \$20,122
  - ▶ Total annual educational costs - \$581,294 at current cost per student, incremental costs likely far lower
- 

# Schools Impact

- ▶ Note that these do not account for any private, charter or home school options that some households may utilize and assumes all children attend NES, CMS and EHS
- ▶ As noted above, these numbers are rounded up and may be lower than indicated
- ▶ These numbers also assume immediate construction/occupation when large developments are typically completed over several year period
- ▶ The current \$/student numbers, especially for NES, are high due to lower capacity utilization. Incremental new students typically require much lower incremental expenditures. Actual education costs are very likely to be much lower than what is projected here

# Schools Impact

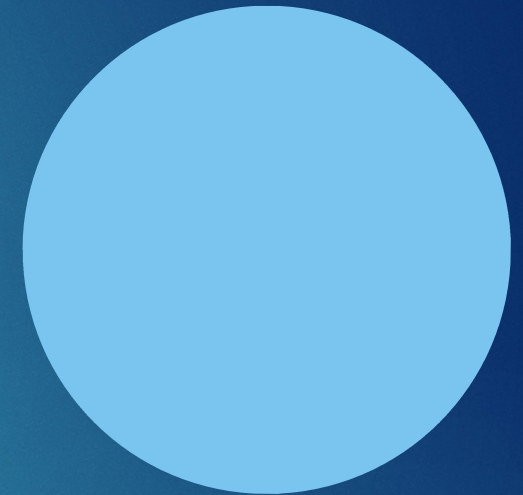
- ▶ Current enrollment at NES per State NH Dept of Education
  - ▶ Kindergarten 21
  - ▶ First Grade 14
  - ▶ Second Grade 26
  - ▶ Third Grade 20
  - ▶ Fourth Grade 22
  - ▶ Fifth Grade 18
- ▶ Adding an additional two students per grade would take enrollment to 133 which is well below the student population from several years ago. From 2000-2010 there were 160-182 students in the school every year
- ▶ Incremental students from Newfields to CMS and EHS should be easily absorbed





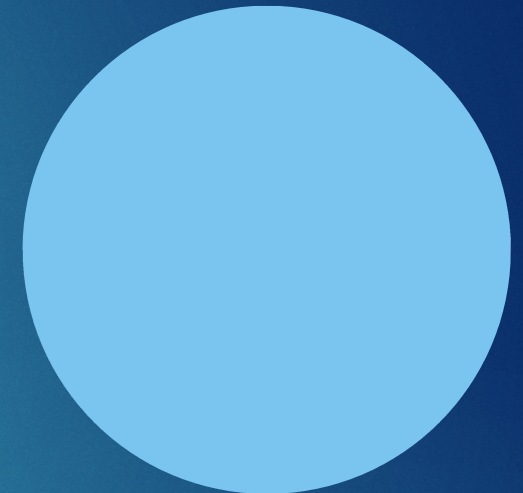
# Tax Collection

- ▶ Tax Rate - \$15.89
- ▶ Average Home Value - \$1,000,000
- ▶ Projected Property Tax per New House - \$15,890
- ▶ Other revenues per household - \$909
  
- ▶ Total collection across 55 houses - \$923,950



# Net Fiscal Impact of Development

- ▶ Total Municipal Cost           \$36,500
- ▶ Total Education Cost           \$581,294
- ▶ Total Cost                       \$617,794
  
- ▶ Total Revenue Collection   \$ 923,950
  
- ▶ Net Benefit to Newfields    + \$306,156 per year



# Net Fiscal Impact of Development



- ▶ Assuming the maximum 67 households
- ▶ Number of new students in NES may increase from 12 to 14 (actual projections are 10.3) for an enrollment of 135
- ▶ New CMS students increase to 7 and new EHS students increase to 10
- ▶ Net fiscal impact to the town would be +\$393,848 per year
- ▶ Without conservative assumptions/rounding up number of students, calculated net benefit increases to +\$587,787

# Bond Fiscal Impacts

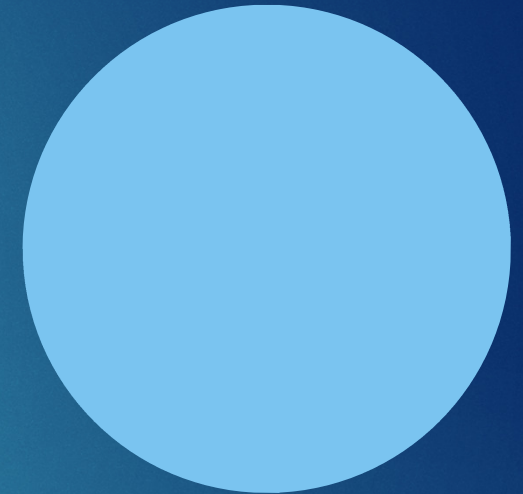


- ▶ Current amount to raise for Newfields portion of the property is \$3.7 million
- ▶ Current rates (per Clean Water SRF website) for 10 year is 2.0% and for 20 year is 2.8%
- ▶ Applications for grants/loans are pending, but for evaluation assuming \$1.2 million is raised requiring \$2.5 million to be borrowed

# Bond Fiscal Impacts



- ▶ \$2.5 million scenario
  - ▶ 10 Year @ 2.0% would require \$278,316 annual payment
  - ▶ 20 Year @ 2.8% would require \$164,947 annual payment



# Bond Fiscal Impacts



- ▶ We are in the final years of the Greenway bond payments which cost the Town of Newfields approximately \$65,000 per year with the final payment in 2026
- ▶ Current bond payments represent 3.2% of the municipal operating budget
- ▶ The projected bond payments for the Rugg Property would represent an increase of 8.0% to 13.3% over the current operating budget