

BUDGET NOTES

Common information:

When talking about the budget, we are talking about the whole budget i.e. all warrant articles pertaining to appropriations; the operating budget is just one of the warrant articles on the Town Warrant that appropriates money. There is often discussion as to whether to include certain items in the operating budget or as line items. In recent years, items like the Lake Host program, landfill closure monitoring and most recently membership of the SWRPC, have been moved into the operating budget following feedback from the Legislative body.

2019 Expenditures and Revenues are listed to the best of our knowledge and not expected to change. However, the 2019 Audit only took place a couple of weeks ago, and schedules and reports issued are in draft and have not been finalized yet.

Salaries are showing a 1.6% increase in Cost of Living Adjustment (COLA)

The current IRS mileage rates are used (currently 0.575, down from 0.58 in 2019) when calculating mileage line items.

AGRICULTURE – We have been unable to find enough volunteers to take it much further; however, there is a lot of information and resources that come through the Town Office that would be ideal for the commission to pursue. The \$1 keeps the commission open to ensure that it can be funded in the future if it can get established. In 2019 the commission welcomed Edie Allyn-Page as a new member. Edie has already expressed some ideas on where she thinks the commission can help the community, and we look forward to seeing these being pursued in the coming years.

BUILDING INSPECTION – This includes an annual stipend and a \$75 annual membership of the New Hampshire Building Officials Association. This budget is offset by building permit fees, which totaled \$478 last year, and the current Building Inspector forwent his stipend last year.

CEMETERY BUDGET – Care and Maintenance is based on 7 mowing's at the Village and West Yard Cemetery and two at the Old Settlers Cemetery, with an offset of \$1,555 from the Common Trust Fund and \$750 for monument cleaning, offset by \$200 from the Common Trust Fund. Office and Operating expenses include the New Hampshire Cemetery Association Membership (NHCA), NHCA meetings, the elementary school spring clean-up and office supplies.

CONSERVATION - \$1500 is sent to the Sand Pond Association for the Lake Host Program. This fee can be cut by \$500 if necessary. \$225 goes to the Ashuelot River Local Advisory Committee (ARLAC) for water testing and membership, while membership to the New Hampshire Association of Conservation Commission costs a further \$225.

ELECTION, REGISTRATION AND VITAL STATISTICS – Made up of motor vehicle fees; dog tag fees based on 125 tags; NH Animal Control licenses; salaries for the Town Clerk and Deputy Town Clerk; election salaries and meals based on four elections this year; marriage and vital records search fees; UCC filing; postage and office supplies; NH City and Town Clerk dues; and computer services, including annual blue book and software. Costs are offset by licenses, permits and fees, which totaled \$141,920 in 2019.

EMERGENCY MANAGEMENT – The Town’s Local Emergency Operations Plan was updated in 2019 with an Emergency Management Program Grant (EMPD), which along with a 50% match in kind, resulted in a wash. \$450 is budgeted for shelter costs, should we have to open a shelter during an evacuation, and for any training costs. A question was asked at the budget hearing regarding the generator at the school and plans to replace it when the time comes. The town got the generator through a grant, given that the school is the first option for an emergency shelter for the town. When it comes time to replace the generator, we plan to apply for another grant, which we have since been able to confirm would occur in approximately 10 years’ time.

EXECUTIVE – Made up of computer services, which includes file management services and the town website. Last year we had to build a new website; this year we just need to pay the annual maintenance fee, hence the decrease. Our annual hosting fee is now \$1,500 a year. Also included is the Internet connection and our annual membership of the New Hampshire Municipal Association. Printing is done in house. The largest printing job is the Town Report and probably makes up about \$2,750 of this line item. At the end of last year, we moved to a copier lease at what should be a much lower monthly cost. We anticipate savings, but it is too early into the lease to estimate what they will be. Public notices include required postings and job vacancies. Salaries include those of the three Selectmen, the Executive Administrator and Administrative Assistant (15 hours per week on average) and any temporary workers. Telephones (we have internet and VOIP in one package as well as dedicated lines for the alarm system), mileage and training are also included. Revenue in copies and faxes last year amounted to \$88. Nearly all stationary is purchased from Staples through their business reward plan, resulting in savings, rewards and money back from ink recycling.

FINANCIAL – Made up of postage and office supplies for the Tax Collector and Treasurer’s office; salaries for the Treasurer and Tax Collector and their deputies; membership of NH Tax Collector’s Association; trainings; and a contract with a title research company to do registry research on impending liens, recording fees, an annual audit (\$13,650) and mapping (\$2,400). Also covered is the annual maintenance cost for taxation and assessing software. In 2018 we budgeted more to cover the additional audit required for the changeover of a tax collector.

FIRE/EMS – The budget is made up of equipment, repairs and maintenance, telephone, internet, training, uniforms, fuel, forest fire and ambulance salaries, stipends, mileage when attending trainings, supplies, post box rental and annual dues, external ambulance services and food during lengthy emergencies. Under ‘Other’ physicals along with computer management and backup are included. Fifty percent of forest fire expenditure is reimbursed by the state. The town uses a billing company for ambulance runs and received \$7,316.26 in ambulance billing during 2019. Also proposed was a separate warrant article to place \$20,000 into the Fire Truck and Ambulance Capital Reserve Fund and \$5,000 into the Fire Uniform and Protective Equipment Expendable Trust Fund. The Fire Department are currently considering purchasing a second hand fire truck that would replace both the tanker and pumper, combining both capabilities into one vehicle and improving the department’s ability to effectively respond. The money for this purchase will come from the Fire Truck and Ambulance Capital Reserve Fund.

GENERAL GOVERNMENT BUILDINGS – This is made up of electric and heat for all government buildings. For this year we negotiated a rate of \$2.35 per gallon, down from last year’s rate of \$2.479 for fuel. The cost of drinking water is also included. Equipment costs have gone up because we have to spend \$5,544

to upgrade our computers to Window 10. Unfortunately, the computers are too old to just do a software upgrade. The lease for the copier is included under repairs and maintenance. While we had money in the Government Building Capital Reserve Fund, overall, we were under budget in 2019, so we were able to absorb it within the operating budget. Given this, there is no proposed warrant article to increase the Government Building Capital Reserve Fund this year. Repairs and Maintenance also includes septic, furnace cleaning, postage meter rental costs, computer back up and maintenance, a salary for the office cleaner, cleaning supply costs, and the purchase of equipment and maintenance of security systems.

HEALTH – is made up of an annual appropriation of \$747 to Home Healthcare, Hospice and Community Services for home care services in Marlow, a \$70 membership of the NH Health Officers Association and any training costs and mileage for the health officer and her deputy.

HIGHWAY – Covers maintenance of all highway equipment, roads and their treatment, salaries for three full-time highway personnel, uniforms, supplies, tools and telephone. Offset by a Highway Block Grant from the state, which last year amounted to \$60,391. Also proposed is a warrant article for \$25,000 for the Road Improvement Expendable Trust Fund and another for \$15,000 for the Heavy Highway Equipment Fund.

INSURANCE – Property and Liability insurance for the whole town with a \$1,000 deductible. Insurance has increased by \$500, and we need to find coverage by 7/1/20120 for the fire truck and ambulance because our current insurance carrier has informed us that if the vehicles are over 20 years old, as of 7/1/2020 they can only be insured for actual rather than replacement value.

INTEREST TAX ANTICIPATION NOTE – Based on interest from borrowing \$300,000 over 6 months. In the second half of last year, when the larger monthly school payments were being paid, we were prepared for the possibility that we may need to take out a Tax Anticipation Note before the end of the year. With a combination of departments holding back on expenditure, you will note we came in with an underspend. Unfortunately, we were not able to offset the tax rate like in previous years (in 2018 we offset it by \$70,000). Thanks to unanticipated State revenue in the form of Municipal aid (just over \$9,000), as well as the SAU29 working with us to tweak the payment schedule and the prompt issuance by the Tax Collector of tax bills, we were able to get through 2019 without any borrowing. As of 2/11 a total of \$ is delinquent), another large increase in Local Education taxes is projected; therefore, it is only financially prudent to budget for having to borrow in 2020.

JOINT LOSS MANAGEMENT – Otherwise known as a Health and Safety Committee, members attend trainings and the town subscribes for mandatory posters.

LEGAL – The town does not have an attorney on retainer, but when in need of an attorney chooses one that specializes in the appropriate area. Also included is the renewal of notary publics and contracted updates to the RSAs.

LIBRARY – Includes salaries for the Librarian, two Assistant Librarians, a Children’s Librarian and custodian. The budget also covers books, phone, internet, technology, postage and supplies, programs and petty cash. A small amount of revenue was returned for use of the photocopier. Last year there was a lot of upheaval in the library due to the Jones Hall Rehabilitation Project.

MUTUAL AID – An annual payment to SWNH Mutual Aid.

PARKS AND RECREATION – Parks and Recreation held several events that generated revenue, of which \$2,806 was used to offset the Jones Hall LCHIP grant match. There is also a balance of \$557 in the Recreation Revolving Fund. We need to appropriate for expenses but expect these to be far exceeded by revenue.

PATRIOTIC – Covers the band and refreshments for Memorial Day, flags and veteran grave markers.

PERSONNEL ADMINISTRATION – Made up of payroll taxes, unemployment compensation, workers compensation, drug and alcohol testing and membership with the New Hampshire Motor Transportation Association (NHMTA) to be able to join in their random testing pool. Also included are employer contributions to the New Hampshire Retirement System, which are mandatory. The employer contribution for the coming year is 11.17%, health insurance with a 4.6% increase for medical and 3.9% for dental, life and standard disability insurance. – we have four full-time employees, and for many years only two took advantage of the offered health insurance and three the dental insurance. It was confirmed at the hearing that employees are covered 100% and family members 70%. For a while we were also down one employee, hence last year's underspend. This year all employees are taking advantage of the offered health insurance. Unemployment Compensation is showing a 2019 spend of \$32.43 due to a premium holiday. We also got a premium holiday in 2019 for Workers Compensation.

PLANNING AND ZONING – Made up of public notices for planning board hearings, postage and office supplies, publications, and trainings, including mileage and recording fees. Applicants reimburse the town for the full cost. At the public hearing it was discussed whether a proposed warrant article for membership of the Southwest Regional Planning Commission should be included in this budget, and it was decided it should, increasing the department's budget by \$823.

POLICE – Includes animal control. Equipment was charged to the operating budget, preserving the money in the Police Equipment Expendable Trust Fund and eliminating the need to put any appropriation into this fund this year. This year the ETF will be used for purchases of equipment, thus reducing the operating budget. The police budget also includes computer and radio repairs. The police station has one phone line to receive faxes and one cellphone for the Police Chief. Salaries include the Police Chief and Administrative Assistant. Cruiser expenses and training (free training is utilized wherever possible) are also included. 'Other' covers membership of the 2020 Regional Prosecutor program, which charges \$727.95 a quarter, remote computer back up, Crimestar, and the purchase of law books as they get updated. Also proposed is a warrant article for \$2,500.00 to the Police Cruiser Capital Reserve Fund. The police cruiser is due for replacement, but the Police Chief thinks that with some equipment upgrades to the current cruiser it should be able to last a couple more years.

REVALUATION – Refers to general assessing work, separate from cyclical revaluation, for which a warrant article for \$13,000 has been added to complete the fifth and final year of the current cyclical revaluation for the town.

STREET LIGHTING – We have 21 street lights: 18 with Eversource and three with NH Electric Co-op (NHEC).

TRANSFER STATION – Made up of disposal costs, monitoring of the old landfill, which is mandatory, telephone, training and certification. We budget for four attendants. Also included are the Porta Potty

and Hazardous Waste Collection, anticipated to cost \$1003 but typically offset by a grant. A revenue of \$930 is shown, which is from a NH the Beautiful Grant to offset the container purchased for glass recycling purchased in 2018. The Transfer Station brought in revenues of \$9,272 during 2019 - \$3,600 came from the Town of Washington for use of the Transfer Station.

WELFARE – Made up of a \$1,000 donation to the Fall Mountain food shelf, \$709 to Southwestern Community Services, \$250 to The Community Kitchen, \$928 to Monadnock Family Services, \$250 to MCVP, \$315 to the Child Advocacy Center and \$260.64 to Hundred Nights. Also included is membership to the NH Local Welfare Association. The remainder is for public assistance. We also got requests from CASA and the Keene Senior Center. It was confirmed at the hearing that we had received written requests for all those mentioned.

Other revenues received in 2019 include:

Yield taxes: \$14,250

Payment in Lieu of Taxes: \$3,712

Meals and Rooms Tax: \$37,942

State and Federal Forest Land Reimbursement: \$474

Also included in the proposed warrant were three articles that cover current grants coming to the town; the Hazard Mitigation Grant for the Baine Road Culvert Replacement Project, the Assistance to Firefighters Grant for a new Defibrillator, SCBA's and a fill station and EMS in Warm Zone Grant. The last one requires no match, the first and second a 25 % and 5% match respectively, which will be covered through funds in the reserve accounts and will not have to be raised through taxation.