

2013 Annual Report of the Budget Advisory Committee

Francestown Budget & Advisory Committee

Report on the 2013 Town Warrant

As required by a vote of the 1978 Town Meeting, the Budget and Advisory Committee shall "publish and post not less than 15 days prior to Town Meeting in two or more conspicuous locations within Town, its findings and recommendations with regard to each item of the budget and all articles proposing capital expenditures as they are approved by the Board of Selectmen."

Article 2 - \$1,547,067 to pay the normal operating costs of the Town such sums to be raised by taxation. The Budget and Advisory Committee unanimously recommends this appropriation.

Overview: A preliminary goal of the Selectmen and Budget Committee was to limit any increase in the amount to be raised from taxation (town portion) from all recommended warrant articles (not including Articles 12 & 13) to no more than 3%. As currently proposed the increase to the operating budget, including the bond, is also 3% over last year's appropriations. The operating budget includes a 2.5% pay increase for part-time hourly personnel, which the Budget Committee supports.

GENERAL GOVERNMENT

Executive: The Budget Committee supports the proposed appropriations.

Election, Reg., & Vital Statistics: The increase in this Department is primarily the result of Town Clerk's fees (\$12,000) being added to 2013 appropriations; they were not included in the 2012 operating budget. Since these fees are offset by revenues, there is no effect on the amount to be raised from taxation.

Financial Administration: The increase in this Department is primarily the result of Tax Collector's fees (\$1,700) being added to 2013 appropriations; they were not included in the 2012 operating budget. Since these fees are offset by revenues, there is no effect on the amount to be raised from taxation.

Revaluation of Property and Legal Expense: The Budget Committee supports the proposed appropriations.

Personnel Administration: Rising medical insurance costs and increases to the Town's required contributions to the State's retirement fund continue to be of concern and require monitoring. Following the recommendations of the Health Insurance Review Advisory Committee, the Selectmen and eligible employees agreed to a new health insurance plan that reduced costs by approximately \$5,500. Employees should be commended for their cooperation in reducing health insurance costs. To be repetitive, the Budget Committee believes with expected changes in the health insurance industry that the Selectmen should continue to diligently review health insurance options.

Planning & Zoning: The Budget Committee supports the proposed appropriations.

General Government Building: Among the increases here were the IT contract and computer purchases. But the major concern will be the on-going repairs needed to the Town's buildings, which will need to be funded from the operating budget and reserves.

Cemeteries, Insurance and Regional Association: The Budget Committee supports the proposed appropriations.

PUBLIC SAFETY

Police: The Budget Committee commends reductions to the Police budget and recommends continued attentiveness to controlling expenses.

Ambulance: The Town's cost comes from the contract with the Town of Peterborough, which has been reduced for this year.

Fire, Building Inspector and Emergency Management: The Budget Committee supports the proposed appropriations.

HIGHWAYS & STREETS

Adjustments have been made to these accounts to combine duplicate line items. Total costs under this category were \$503,525 in 2012 and are proposed at \$499,615 for 2013. This category makes up approximately one-third of the operating budget and it is important that costs continue to be monitored to ensure the Town's needs are addressed as efficiently as possible. 2

SANITATION

The Transfer Station and Bennington Landfill are the budgets lines here. The Budget Committee agrees with the scheduled hazardous waste day, which will add \$4,000 to the budget, but suggests that the hazardous waste day be scheduled every other or every third year.

HEALTH

The Budget Committee supports the proposed appropriations under the category.

WELFARE

Significant increases were brought to everyone's attention at year end and these costs will continue into 2013. The Budget Committee understands the Town's obligations and hopes that these costs can be reduced next year.

CULTURE and RECREATION

The Budget Committee agrees with the proposed budgets for Recreation, Library and Patriotic Purposes.

CONSERVATION

The Budget Committee supports the proposed appropriations under the category.

DEBT SERVICE

Reductions reflect the scheduled reductions in bond costs.

Article 3 - \$369,700 to be added to various Capital Reserve Funds: \$41,850 from Undesignated Fund Surplus and \$327,850 by taxation. The Budget and Advisory Committee unanimously recommend this appropriation.

It is important that the Town continues to fund our reserves for future equipment and other needs. The Budget Committee would also like to encourage future funding for the Town Building Improvement reserve.

Article 4 - \$180,000 for the continued reconstruction of Pleasant Pond Road such sums to be withdrawn from the Capital Reserve account entitled "Future Town Road Improvements". The Budget and Advisory Committee unanimously recommend this appropriation.

It is important that this project continues, especially the final overlay on previously completed reconstruction.

Article 5 - \$25,300 to complete basement support modifications in Town Hall such sums to be raised by the acceptance of a grant (\$11,800) and withdrawal from the Undesignated Fund Surplus (\$13,500). The Budget and Advisory Committee unanimously recommend this appropriation.

This will complete the first phase of work on Town Hall, which included work on the roof trusses and supports for the first and second floors. The grant is the remainder of the LCHP grant received by the Heritage Commission, who should be commended for their efforts.

Article 6 - \$280,000 to purchase a motor grader such sums to be withdrawn from the Capital Reserve account entitled "Future Replacement of Highway Equipment". The Budget and Advisory Committee unanimously recommend this appropriation.

Purchase of the grader has been a long planned-for expense and the Budget Committee supports this Article.

Article 7 - \$1,400,000 for replacement of Town Bridges such sums to be raised from acceptance of grant funds and withdrawal of up to \$280,000 from the Capital Reserve account entitled "Future Repair and Replacement of Bridges". The Budget and Advisory Committee unanimously recommends this appropriation.

This article is for repairs to additional bridges, other than 2nd NH Turnpike. Given the current status of bridges in Frankestown, the Budget Committee believes it is vital to continue the planned program of funding. 3

Article 8 - \$24,400 to purchase a defibrillator for use by the Fire Department such sums to be withdrawn from the Capital Reserve account entitled "Future Replacement of Fire Equipment" (\$12,200) and acceptance of a donation (\$12,200) from the Mt. Crotched Firefighters Association. The Budget and Advisory Committee unanimously recommend this appropriation.

The Budget Committee supports this Article.

Article 9 - \$18,575 for the treatment of Milfoil in Scoby Pond such sums to be raised from acceptance of a grant (\$7,430) and by taxation (\$11,145). The Budget and Advisory Committee unanimously recommend this appropriation.

The Budget Committee believes it is important to continue this treatment program to protect one of the Town's important natural resources.

Article 10 - \$2,500 to fund Milfoil prevention efforts at Pleasant Pond such sums to be raised by taxation. The Budget and Advisory Committee unanimously recommend this appropriation.

These funds will supplement individual donations and State grants. Like efforts to contain milfoil in Scoby Pond, it is important to prevent milfoil in Pleasant Pond

Article 11 - \$4,700 to be withdrawn from Undesignated Fund Surplus and deposited into the General Cemetery Maintenance Trust Fund. The Budget and Advisory Committee unanimously recommend this appropriation.

Article 12 - \$30,000 to be added to the capital reserve "Future Town Building Improvements" to be raised by withdrawal of \$7,000 from Undesignated Fund Surplus and \$23,000 from taxation. A majority of the Budget and Advisory Committee does not recommend this appropriation.

A majority of the Budget Committee does not support this article since it will increase the amount to be raised from taxation beyond the goal of 3%. Approval of this article will raise the proposed increase to the Town's tax rate by an additional 1.7% and add approximately \$.11 per \$1,000 of assessed value. A minority of the Budget Committee believes that, given current and future building repair issues, it is important to fund this reserve.

Article 13 - \$45,000 to perform the necessary work to remove the temporary posts in the first floor of Town Hall to be raised by \$22,500 from taxation and \$22,500 from acceptance of grants and donations. A majority of the Budget and Advisory Committee does not recommend this appropriation.

A majority of the Budget Committee does not support this article since, as with article 12, it will increase the amount to be raised from taxation beyond the goal of 3%, and there are more pressing priorities. Approval of this article will raise the proposed increase to the Town's tax rate by an additional 1.7% and add approximately \$.11 per \$1,000 of assessed value. A minority of the Budget Committee believes that is important to remove the posts and return the first floor of Town Hall to its former status, and encourage matching grants and donations.

Respectfully Submitted,
Frankestown Budget & Advisory Committee
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Bill McAuley Nick Wilder
March 1, 2013