

**Town of Jaffrey  
Budget Committee  
January 5, 2021**

**Members Present:** Peter Maki, Frank Sterling, Norman Langevin, Sam Greene, Kathy Batchelder, Robert Schaumann

**Members Excused:** Charlie Turcotte

**Staff Present:** Town Manager Frederick, Finance Director FitzGerald, Administrative Assistant Zola

**Others Present:** None

**MEETING OPENED:** 6:03p.m.

**OLD BUSINESS:** None

**MEETING MINUTES APPROVAL:**

On a motion by Batchelder, seconded by Sterling, the 12/3/2020 minutes were approved as amended (5-0). Schaumann abstained- didn't attend meeting.

**NEW BUSINESS:**

TM Frederick explained what materials were found in the 2021 Budget Binders given to the Committee. Budget Highlights and Overview are as follows:

The proposed total operating budget of \$6,486,793 is \$105,089 (-1.59%) less than 2020's adopted budget. The 2021 budget restores capital reserve funding to appropriate levels and creates a capital reserve fund of \$575,000 for road paving. In 2020, due to budgeting for several retirement buyouts, road paving and reconstruction was funded through a bond article and capital reserve funds were cut \$280,000 due to revenue shortfall concerns with COVID-19.

In 2019, the Select Board supported and the Planning Board approved a Capital Improvement Plan that did not include a new town office/police station, placing their focus on our roads system. We have created a 10-year paving plan that achieves a pavement condition index of 80 and puts this town in a position to work on facilities by year seven. The plan allows us to pave \$1M in year one, utilizing remaining loan funds, and \$650K through 2030, utilizing the \$575K CRF. This plan does not incur more debt beyond the road bond approved in 2020.

The town underwent a revaluation in 2020 that increased our valuation from \$411M to \$520M, a 26.6% increase. As valuation increases, tax rates decrease, assuming no increase in tax effort. The town contributed \$200,000 from UFB to offset taxes in 2020, keeping the municipal tax effort relatively level from the previous year. The result was an overall tax rate of \$27.53 and a municipal rate of \$9.54. Our statutory fund balance is \$1,921,918 as determined by NH DRA in

November, a decrease of \$44,842 from 2019. This represents 7.43% of operating expenses and DRA recommends maintaining between 5% and 17%. We anticipate utilizing \$435,000 from UFB in 2021 and a tax increase of 90 cents. The tax impact of the recommended budget is below. Finally, the NH Retirement System increased rates for all employees in 2021 as follows: Police 28.43% to 33.88%; Fire 30.09% to 32.99%; Employees 11.17% to 14.06%.

### **Budget Review**

Executive – TM Frederick reviewed the changes for 2021.

On a motion by Schaumann, seconded by Batchelder, the Executive budget in the amount of \$232,659 was tentatively approved (6-0).

Elections & Registration– Increased due to staff salaries for the Chair and other Supervisors. Salaries have been low for the amount of work required.

On a motion by Maki, seconded by Batchelder, the Election & Registration budget in the amount of \$89,313 was tentatively approved (6-0).

Financial Administration – TM Frederick reviewed the changes for 2021.

On a motion by Batchelder, seconded by Maki, the Financial Administration budget in the amount of \$258,035 was tentatively approved (6-0).

Judicial/Legal – This budget is level. The hope is the WW Cross property will not have issues.

On a motion by Maki, seconded by Batchelder, the Judicial/Legal budget in the amount of \$20,000 was tentatively approved (6-0).

Personnel Administration – TM Frederick reviewed the changes for 2021. He confirmed that the Merit Compensation is solely at the Supervisors discretion.

On a motion by Schaumann, seconded by Batchelder, the Personnel Administration budget in the amount of \$611,865 was tentatively approved (6-0).

General Government Buildings – TM Frederick reviewed the changes for 2021.

On a motion by Greene, seconded by Maki, the General Government Buildings budget in the amount of \$35,980 was tentatively approved (6-0).

Insurance – Increased by 7% overall.

On a motion by Schaumann, seconded by Greene, the Insurance budget in the amount of \$51,918 was tentatively approved (6-0).

Building Inspection – Budget is decreased. Building Code books are on a 3-year replacement cycle and Rob is now current.

On a motion by Greene, seconded by Maki, the Building Inspection budget in the amount of \$82,264 was tentatively approved (6-0).

Health – TM Frederick reviewed the changes for 2021.

On a motion by Batchelder, seconded by Greene, the Health budget in the amount of \$2,162 was tentatively approved (6-0).

Welfare – Direct Assistance is level funded.

On a motion by Schaumann, seconded by Greene, the Welfare budget in the amount of \$117,260 was tentatively approved (6-0).

Patriotic Purposes – There is a cycle of replacing flags now.

On a motion by Greene, seconded by Batchelder, Patriotic Purposes budget in the amount of \$4,000 was tentatively approved (6-0).

Conservation – Level Funded. Funds are used for dues and memberships.

On a motion by Greene, seconded by Maki, Conservation budget in the amount of \$475 was tentatively approved (6-0).

Debt Services – TM Frederick reviewed the changes for 2021. Discussion regarding keeping the road upkeep on track throughout this committee/Select Board terms and beyond was stressed.

On a motion by Schaumann, seconded by Batchelder, Debt Services budget in the amount of \$530,479 was tentatively approved (6-0)

## **Revenues**

TM Frederick reviewed the revenue changes for 2021. Interest on investments went down due to low CD rates.

On a motion by Sterling, seconded by Batchelder, Revenues budget in the amount of \$157,269 was tentatively approved (6-0)

## **Warrant Articles**

Nutting Road Bridge is scheduled to be replaced in 2021 at an estimated cost of \$1.1M. The project is funded 80% with NH DOT bridge funds and 20% from the Town's Bridge Capital Reserve fund. No direct impact on the tax rate.

Road Paving CRF is a new request to establish a paving capital reserve fund to maintain a 10-year paving schedule that will bring the town's road system to an 80% pavement condition index. Coupled with the remaining loan funds from 2020, we would be able to pave at \$650,000 per year utilizing this CRF and expired debt payments. The funding plan will bring our road system to a "B" level at a steady pace

Highway Equipment CRF was established in 1997 for the purchase of new, or refurbishing existing, highway equipment. \$80,000 was appropriated to the CRF in 2020, reduced due to COVID-19. The Capital Improvement Plan calls for funding at \$200,000 to maintain sustainable funding levels. Requesting \$200,000 in 2021. Current balance is \$306,059.

Highway Equipment is being requested in the amount of \$245,000 to purchase a new dump truck, sander and wing plow unit and a new compressor. All funding would come from the Highway Equipment CRF.

Create Town Offices CRF was established in 2017 for the purpose of acquiring land, completing design and engineer and constructing a Town Office building. \$50,000 was appropriated to the CRF in 2017-2019, no funding in 2020. Current balance is \$155,166.

Fire Dept. Capital Reserve was created in 1996 for purchasing new or refurbishing existing firefighting and/or rescue equipment. \$60,000 was appropriated to the CRF in 2020. Account balance is \$377,135.

Downtown TIF District CRF was created in 2017 for the purpose of funding infrastructure enhancements to the Downtown area. \$40,000 was appropriated from the Downtown TIF District to the CRF in 2020. The Economic Development Council requested at increase to \$60,000 in 2021. Current balance is \$164,364. No impact on the tax rate.

Land Acquisition Capital Reserve was created in 2009 for the purpose of acquiring or assisting in the acquiring of land and conservation easements to conserve strategic open space for the Town of Jaffrey in order to stabilize tax base and help maintain scenic views, wildlife habitat and water quality. \$5,000 was appropriated to the CRF in 2020. Account balance is \$57,363.

Cemetery Trees Trust Fund was created in 2007 for the care, maintenance, and removal of trees within and around the town's cemeteries. \$3,000 was appropriated in 2020. 2021 request is a \$2,000 increase. Account balance is \$2,760.

Gravestone Restoration Trust Fund was created in 2000 for restoration and replacement of gravestones throughout the town's cemeteries. \$1,000 was appropriated in 2020. Account balance is \$8,608.

Meetinghouse Trust Fund was created in 1991 for funding long-term maintenance needs of the Jaffrey Meetinghouse. \$3,000 was appropriated in 2020. Account balance is \$11,761. Rob Stephenson has been working hard to obtain grant funding for repairs from LCHIP and Mooseplate Grants.

Municipal Building Maintenance Capital Reserve Fund was created in 2010 for performing major maintenance on existing town buildings. \$50,000 was appropriated in 2020. Current balance is \$279,101. Capital Improvements Plan calls for \$150,000.

Bridge Rehabilitation Capital Reserve was created in 2017 for the purpose of design, engineer and rehabilitate bridges throughout Jaffrey. \$120,000 was appropriated to the CRF in 2020. Current balance is \$242,767. The Bridges Capital Improvement Plan requires a \$120,000 investment to maintain the bridge maintenance plan.

Police Cruiser Capital Reserve was created in 2019 for the purpose of funding police cruiser replacement on a sustainable schedule. \$50,000 was appropriated to the CRF in 2020. There is no cruiser slated for replacement for 2021. Account balance is \$52,447.

Jaffrey 250<sup>th</sup> Capital Reserve funds the efforts to celebrate Jaffrey's 250<sup>th</sup> anniversary in 2023. \$7,500 was appropriated in 2020. Fund balance is \$6,528.

Recreation Equipment Capital Reserve is a new request to fund the replacement of the Recreation Department van that will be not pass inspection in September. Request is for \$25,000 to fund the first half of an anticipated purchase in 2022.

Retirement Buyout Expendable Trust is a new request to fund retirement buyouts without negatively impacting the operating budget. The request is for \$10,000 to start funding for anticipated retirements over the next five years.

CBA DPW and CBA Police fund the salaries and benefits negotiated for the 2021 contracts. The deadline to approve contracts is 2/1/21/2021, if not approved, they will revert to last year's contract

**OTHER BUSINESS: None**

**MEETING ADJOURNED:** On a motion from Batchelder, seconded by Greene, the meeting was adjourned at 7:23pm.

The next Budget Committee Meeting – Thursday, January 7<sup>th</sup> @ 6pm at the Jaffrey Fire Station.

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