

2023 Voters Guide with comments from the Select Board

Article 6 Shall the Town raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$ \$4,850,365 (Four million, eight hundred fifty thousand three hundred sixty-five dollars). Should this article be defeated, the default budget shall be \$4,541,263 (Four million five hundred forty-one thousand, two hundred and sixty-three dollars) which is the same as last year, with certain adjustments required by previous action of the Town or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only. The estimated tax impact is \$3.08 per \$1,000 of property valuation.

The Board of Selectmen recommended this article (5-0)

The Budget Committee recommended this article. (7-0-2)

This is the amount the voters at the deliberative session voted to move forward for a ballot vote in order to continue delivering services at the same level as 2022. The budget met the tax cap of no more than a 4% increase in the tax rate. There are few new or expanded programs within the operating budget. This year the budget process was challenging because of an inflation rate of over 7%. The cost of electricity, fuel, heating oil have all far exceeded the 4% cap number. The low unemployment rate has resulted in greater-than-normal increases in salaries to retain and attract employees. Other towns and employers have been offering higher wages and hiring away our employees. This budget is designed to keep wages competitive to reduce turnover. Turnover not only results in a reduction of services as new employees learn on the job, it is expensive. For example, it is estimated the cost to replace one certified police officer with a new employee is over \$50,000.

Article 7 To see if the Town will vote to raise and appropriate the sum of \$90,000 (Ninety thousand dollars) to be added to the previously established Town Building Maintenance and Repair Expendable Trust fund. The sum is to come from unassigned fund balance. This expendable trust is used for maintenance and repair of heating, plumbing or other major systems in town buildings or facilities. The estimated tax impact is \$0.00 per \$1,000 of property valuation. Majority vote required.

The Select Board recommends this appropriation (5-0).

The Budget Committee recommends this appropriation (9-0).

Some of the town buildings are showing their age and need a lot of maintenance. The town established a fund for building maintenance in 2014. This is a way to have money available for those repairs without a tax rate impact. It is taking money from our general savings account and placing it in a dedicated fund that can only be used for repair of these buildings. Examples

of the use of this fund include a new furnace for the library, replacement of components needed to the Town Office/Community Center (TO-CC) System water system, and overhead doors at the Fire Station. Expected improvements for the upcoming year include replacement of the wastewater drain lines under the floor at the Town Hall, removal of the underground oil tank at the TO-CC with installation of above ground oil tanks, repair to the Fire Station roof, and renovations to the gym. The balance of this fund on 12/31/21 was \$37,000, however most of that money has already been committed to improvement projects. No money was added to the fund in 2022. There is no impact on the tax rate in 2023.

Article 8 To see if the Town will vote to raise and appropriate the sum of \$90,000.00 (Ninety Thousand Dollars) to be used for engineering projects including culverts on Kelsey Road and Cooper Hill Road and the library parking lot. The sum is to come from unassigned fund balance. Majority vote required. The estimated tax impact is \$0.00 per \$1,000 of property valuation.

The Select Board recommends this appropriation (5-0).

The Budget Committee recommends this appropriation (5-3-1).

Engineering is needed for replacement of Culverts on Kelsey Road and Cooper Hill Road before construction. If the engineering is completed, the town may apply for any 'shovel-ready' grants. The engineering will also provide estimated costs that help with scheduling replacement to avoid spiking the tax rate. The library driveway has limited sight lines. The parking lot needs repair and expansion. The old police station lot entrance and parking can be a part of this redesign. This would enable engineering to best design the improvements which are tentatively scheduled for 2024. The funding proposal takes money from our general savings account and places it in a dedicated fund that can only be used for the engineering. This is funding means money is available for the engineering without a tax rate impact.

Article 9 To see if the Town will vote to raise and appropriate the sum of \$20,000.00 (Twenty Thousand Dollars) to be added to the previously established Revaluation Capital Reserve Fund for the purpose of performing a statutory revaluation of property every five years. The sum is to come from unassigned fund balance. Majority vote required. The estimated tax impact is \$0.00 per \$1,000 of property valuation.

The Select Board recommends this appropriation (5-0).

The Budget Committee recommends this appropriation (6-3).

The law requires the Town do an update of assessment values every 5 years. This update will cost an estimated \$109,500 in 2025. Currently \$55,846 has been set aside. This article will keep the Town on track to save the money to avoid spiking the tax rate. The funding proposal takes money from our general savings account and places it in a dedicated fund that can only be used

for the revaluation. This is funding means money is available for the revaluation/reassessment without a tax rate impact.

Article 10 To see if the Town will vote to raise and appropriate the sum of \$40,000.00 (Forty Thousand Dollars) for the purpose of purchasing the necessary fuel, supplies, equipment and maintenance to run the ambulance and billing services for 2023; and to authorize the withdrawal of \$40,000.00 (Forty Thousand Dollars) from the Ambulance and Equipment Replacement Special Revenue Fund created for this purpose. Majority Vote Required. The estimated tax impact is \$0.00 per \$1,000 of property valuation.

The Select Board recommends this appropriation (5-0).

The Budget Committee recommends this appropriation (9-0).

The income from ambulance services goes into the Ambulance and Equipment Replacement Special Revenue Fund. The operating costs of the ambulance comes out of the fund. This is done annually by a warrant article. Because the money is coming from user fees, there is no impact on the tax rate.

Article 11 To see if the Town will vote to raise and appropriate the sum of \$400,000.00 (Four Hundred Thousand Dollars) for highway reconstruction and maintenance work for top coat to protect the base on Flutter Street and Oak Ridge Road reconstruction and paving of Deerfield Road, or other roads in Nottingham if a priority arises. This is a non-lapsing appropriation per RSA 32:7 VI and will not lapse until the work is complete or not later than one year after the end of fiscal year 2023, whichever occurs earlier. Majority vote required. The estimated tax impact is \$0.48 per \$1,000 of property valuation.

The Select Board recommends this appropriation (5-0).

The Budget Committee recommends this appropriation (9-0).

Roads wear out and need maintenance the same as equipment and buildings. Last year the base coat was done for Flutter Street and Oak Ridge Road. That needs a final finish course to protect the base and add to the longevity of the work that was done. Deerfield road needs major work. This will start that base-to-surface reconstruction of that road. If another priority arises, such as an emergency, funds may be used for that road work. In past years the Town has budgeted \$300,000 in the operating budget and \$300,000 in a warrant article to do this. This year the operating budget has \$200,000 for road maintenance with the amount in the warrant article increased to \$400,000.

Article 12 To see if the Town will vote to raise and appropriate the sum of \$100,000.00 (One Hundred Thousand Dollars) to be added to the Highway Truck Capital Reserve Fund previously established. Majority vote required. The estimated tax impact is \$0.12 per \$1,000 of property valuation.

The Select Board recommends this appropriation (5-0).

The Budget Committee recommends this appropriation (8-1).

The Capital Improvement Committee develops recommendations for the Town Select Board and School Board to budget these large expenses evenly over the years. An analysis of the truck replacement schedule indicates \$100,000 needs to be set aside every year to remain on this schedule. This is done based on a 15-year life for the six-wheel and 10-wheel, a 10-year schedule for the ton truck and an 8 year schedule for smaller trucks. If money is not set aside, the replacement may be delayed increasing maintenance costs.

Article 13 To see if the Town will vote to raise and appropriate the sum of \$100,000.00 (One Hundred Thousand Dollars) to be added to the Fire Vehicle / SCBA Capital Reserve Fund previously established. Majority vote required. The estimated tax impact is \$0.12 per \$1,000 of property valuation.

The Select Board recommends this appropriation (5-0).

The Budget Committee recommends this appropriation (9-0).

Capital Improvement Committee develops recommendations for the Town Select Board and School Board to budget these large expenses evenly over the years. An analysis of the Fire Truck/SCBA replacement schedule indicates \$100,000 needs to be set aside every year to remain on this schedule. Two new fire trucks and the expensive SCBA system are scheduled for replacement in the early 2030s. The total cost is estimated over \$1,200,000, but the plan is for all of that to be saved ahead of time so there is no spike in taxes.

Article 14 To see if the Town will vote to establish a Police Technology Equipment Expendable Trust Fund per RSA 31:19-a for purchase and repair of technology equipment for the Police Department including but not limited to mobile data terminals, cameras, servers, radios, tasers, radar units, etc., and to raise and appropriate \$10,000 to put into the fund and further to name the Board of Selectmen as agents to expend from said fund. Majority Vote Required. The estimated tax impact is \$0.01 per \$1,000 of property valuation.

The Select Board recommends this appropriation (5-0).

The Budget Committee recommends this appropriation (9-0).

The Police Department has a lot of electronic equipment that requires repair and replacement. As the purpose indicates this includes mobile data terminals, cameras, servers, radios, tasers, radar units, etc. It is difficult to know when some of the equipment will need replacement. This article gives flexibility to the department to replace equipment as needed.

Article 15 To see if the Town will vote to raise and appropriate the sum of \$10,000.00 (Ten Thousand Dollars) to be added to the Invasive Species Prevention and Eradication Removal Expendable Trust Fund previously established. Majority Vote Required. The estimated tax impact is \$0.01 per \$1,000 of property valuation.

The Select Board recommends this appropriation (5-0).

The Budget Committee recommends this appropriation (5-4).

Lakes and ponds in Nottingham have problems with milfoil and other aquatic invasive species. The Town has been annually putting aside money for the management of invasive species to protect our waterbodies.

Article 16 To see if the Town will vote to raise and appropriate the sum of \$6,000.00 (Six Thousand Dollars) to be used for improvements to the library entrance including accessibility for ADA compliant door opening device. Majority vote required. The estimated tax impact is \$0.007 (less than 1 cent) per \$1,000 of property valuation.

The Select Board recommends this appropriation (5-0).

The Budget Committee recommends this appropriation (8-0-1).

The entrance walkway has problems. The door does not have automatic opener in which a person can push the blue handicap button and open the door. This would help make the library more accessible.

Article 17 To see if the Town will approve the readoption of the Optional Veteran's Tax Credit (RSA 72:28, II) to include those service members that are currently serving and have not yet been dishonorable discharged from the armed services. The readoption of the Optional Veteran's Tax Credit, if approved, would continue to offer a \$750 tax credit to all honorably discharged veterans that qualify under the current requirements and as of April 1, 2023, would expand the eligibility requirements to include those individuals that have not yet been discharged from active service. (Majority vote required)

The state law regarding Veteran's Tax Credits changed to expand the eligibility requirements to include those individuals that have not yet been discharged from active service. The amount of the credit remains the same, but more people are potentially eligible. Readoption of this tax credit is required under the RSA.

Article 18 “Shall the Town of Nottingham raise and appropriate \$40,000 to create a maintenance appropriation in order to contract with a property maintenance resource for regular maintenance items including interior or exterior items at all town facilities as deemed priority by the selectboard.” By Petition, majority vote required. The estimated tax impact is \$0.05 per \$1,000 of property valuation.

The Select Board recommends this appropriation (5-0).

The Budget Committee does not recommend this appropriation (0-7-2).

This petitioned article was extensively revised by the Deliberative Session. The dollar amount remained unchaned. It is recommended by the Select Board. The town currently has no one to oversee routine maintenance and emergency repairs in the any of the Town-owned buildings. Often employees and the Town Administered, not skilled in these areas, have had to assume these duties. The funding for this article is for a resource to that will oversee repairs and maintenance on an hourly basis. The account amount spent will be based the numbers of service provided up to the amount of \$40,000.

Article 19 “Shall we rescind the provisions of RSA 32:5-b, known as the tax cap, as adopted by the town of Nottingham, NH on March 8, 2022, so that there will no longer be a limit on increases to the recommended budget in the amount to be raised by local taxes?” By Petition, 3/5ths (60%) vote required.

While this is a petition warrant article, it is recommended by the Select Board. One of the biggest challenges for the Select Board has been the development of the 2023 operating budget in compliance with the 4% tax cap. The cap means that the Budget Committee must deliver to taxpayers, at the Deliberative session, a Town operating budget that does not cause the tax rate to be 4% higher than the previous year. Expenses requested in the operating budget, minus anticipated revenues, determine the actual tax increase.

Set at 4%, the cap will become more difficult to achieve as the Town struggles to keep pace with inflation.

The Town has historically demonstrated great prudence in the development of the budget; but given inflation, a tight labor market, and the growing need for infrastructure and operational improvements, meeting the tax cap has been a challenge.

Conservative budgeting has had both positive and negative impacts in Nottingham. While the Town portion of the tax rate has remained relatively level over the years:

- *Nottingham has fallen behind in competitive salaries across all departments. We frequently lose employees who can easily move to a neighboring community for higher salaries. This is particularly challenging with Fire and Police.*

- *Nottingham has not kept up with maintenance and upgrades to town buildings. A new report by the Facilities Assessment Committee will aid us in prioritizing building improvements.*
- *Inflation has driven up the cost of basic commodities such as road salt, gasoline and electricity. Mandatory insurance expenses have also increased.*
- *Recycling used to generate some revenue, but given the current global market, this has diminished significantly.*

