

TOWN OF ORFORD

Board of Selectmen

Minutes of the Budget Public Hearing
Multi-Purpose Room, Rivendell Academy
January 24, 2023

MEMBERS PRESENT: John Adams, Jen Carter, Chase Kling

OTHERS PRESENT: Esther Dobbins-Marsh

Call Meeting to Order

The Public Hearing as required by RSA 32:5 I & V was called to order at 7:00 pm

Adams thanked department heads, committee chairs and the Budget Advisory Committee for their input with the 2023 budget and warrant articles. Adams agreed the board would take questions as warrant articles are addressed.

Warrant Article 2 – Operating Budget of \$1,347,495

- Charles Smith asked what happens when the Town underspends the budget – the under spent budget is added to the Unassigned Fund Balance. Can these funds be used against the operating budget throughout the year? Not usually. The NH DRA looks for Towns to have between 5% - 17% of the total operating expenses (operating budget and warrant articles) in the Unassigned fund balance. The DRA also assumes 100% of taxes have been collected when they calculate the balance. The board is allowed to assign funds from the unassigned fund balance when setting the tax rate. Also, at the Annual Meeting, voters can approve using these funds to apply to various warrant articles. During the year, the board can hold a public hearing and/or special meeting to discuss submitting a request to the NH DRA to use these funds for emergency expenses and over expenditures (like the board did for the gravel purchased in 2022).
- Bill Paxton – what are some of the reasons for the 12% increase of the operating budget? Salary increases of 8.7%, highway contracting and vehicle maintenance costs, energy costs (electricity, propane and heating oil), and diesel fuel. The Planning board assistant fee increased along with an increase for legal fees, IT fees and computer programs increased as well as an increase for the rent of the fire department station. Sue Taylor asked why the budget for gravel doubled from last year, even after all the gravel was purchased in 2022 - there are still several roads that need additional work, as well as for re-stocking of gravel.

Warrant Article 3 – Funding the Capital Reserve Fund (CRF) accounts of \$426,322

- The average increase in funding averaged 12%, however, the Highway Truck CRF funding increased 17.4% After 18 months and no specific delivery date known by the International dealer, the Selectboard cancelled the order for the International trucks and agreed to purchase Western Star trucks instead. The 10-wheel truck will arrive in April 2023, then will be sent to have the package installed; the 6-wheel truck will arrive sometime in the fall of 2023, and operational in early 2024. Due the change of truck model, the replacement cycle for the 6-wheel and 10-wheel highway trucks can be extended from 7 years to 10 years.

Warrant Article 4 – Charitable Appropriations for \$16,802

- Robb Day asked if all the appropriations were paid in 2022 – they were

Warrant Article 5 – FEMA Funds transferred into the Road Improvement CRF of \$13,181

- This represents funds received from the FEMA Town Road #100 project in 2022

Warrant Article 6 – NH State Funds transferred into the Road Improvement CRF of \$128,020

- This represents additional funds received from NH for the Highway Block Grant for road work projects of \$54,379, and a special one-time bridge project payment of \$73,641. During the calendar year, the Town receives anticipated funds from the NH Block Grant and those funds are reflected as income to the town.

Warrant Article 7 - Additional funding for the 6-wheel and 10-wheel highway trucks for \$45,000

- The request for additional CRF funds is due to the additional costs for the International trucks because of the delay of delivery date (the International 6-wheeler and 10-wheeler trucks were cancelled). When working with Western Star, the total costs to replace the originally ordered International Trucks plus the additional costs associated with the late delivery were not exceeded, but is requiring additional funds to be used from this CRF

Warrant Article 8 – Purchase of a new Highway truck to replace the F-550 for \$145,000

- This is to replace the current F-550 and will take approximately 2 years to receive once the order is placed.

Warrant Article 9 – Archertown Road Hill work for \$400,000

- This plan is a stop gap measure to make the road easier to navigate, and the reconstruction will be good for several years. It's not a redesign - it's removing the blacktop up to Newcomb Hollow bridge (to save on setup charges), but only the hill will be repaved in 2023 – the road up to Newcomb Hollow bridge will remain a gravel road until 2024 when the Town will ask for funds to repave. New drainage cross tiles and culverts on the uphill side will be installed to help the water stay off the road, but not change the flow to impact the downhill properties.

Warrant Article 10 – Highway Garage Generator for \$16,000

- During the last major snow storm, when power was lost, it supported the need for a generator at the highway garage.

Warrant Article 11 – Highway Equipment for \$20,000

- Steve Williams, Road Foreman, explained the leaf blower is installed in the back of the small truck and blows debris out of ditches. It also helps with fall grading as it will remove pine needles and leaf material off the roads. The cutting edge comes in sections so you can replace a damaged tooth vs the entire row.

Warrant Article 12 – Streetlight upgrade to LED for \$15,000

- This project was proposed by the Energy Committee. By replacing the streetlights with LED, the initial cost for that work will be paid back in 1-1/2 years due to the decrease in the electric bill. If this article passes, the board will hold a public hearing to discuss the process in greater detail – some streetlights may be removed, and others added. The poles will remain where they are, and the electric company would transfer the ownership of the lamps to the Town. Charles Smith asked if the lights could be solar – they board will have to look at the costs for this.

Warrant Article 13 – Readopting the Veterans Tax Credit

- The NH Legislature and Governor Sununu signed into law House Bill 1667 amending the eligibility criteria for certain veterans' tax credits. The bill amended RSA 72:28 (the Standard Optional Veterans Tax Credit), and RSA 72:28-b (the All-Veterans' Credit) to include some veterans not covered in the past. In order for the Town to continue to offer these credits, we need to readopt.

Warrant Article 14 – Modification of the Purchasing Policy

- The current purchasing policy requires the Town to requests bids for all projects/purchases over \$10,000, and request 3 estimates for projects/purchases between \$1,000 and \$10,000. With the rising cost of materials and labor, many projects are delayed due this policy. In some cases, it's even difficult to obtain estimates. Therefore, the board is requesting an increase in the limit that require going out to bid for any project/purchase over \$25,000, and for requesting 3 estimates for projects/purchases between \$2,500 to \$25,000

Warrant Article 15 – modification of the Police Cruiser CRF

- This is to rename this Capital Reserve Fund to Police Vehicle CRF and to better define what this CRF can be used for

Warrant Article 16 – Modification of the Police Dept. Major Equipment CRF

- This is to remain this Capital Reserve Fund to Police Vehicle PPV & Computer Equipment Maintenance CRF and to better define what this CRF can be used for

The public hearing adjourned at 8:20 pm

Respectfully Submitted,

Esther Dobbins-Marsh