

**TOWN OF CHESTERFIELD
BUDGET COMMITTEE
MEETING MINUTES
FEBRUARY 28, 2017**

Present: Gary Winn, Vice-Chair; Cathy Harvey, School Board Representative; Brad Roscoe, Selectboard Representative; Dave Smith, Dan Cotter, Rick Cooper, Chesterfield Fire & Rescue Precinct Representative; George Goulet, and Doug Foster.

Absent: Bayard Tracy, Steve Laskowski, Carole Wheeler, Chris Babcock, Spofford Fire Precinct Representative; John Koopmann

Voting will be held March 14th from 10 AM to 7 PM. The School Meeting starts at 9 AM on March 18 with the Town to follow at 10:30 AM. The Fire Precincts are March 21st; Chesterfield starts at 7 PM and Spofford starts at 7:30 PM.

Dan moved to approve February 11th School Public Hearing minutes as amended. The motion was seconded by George and passed unanimously.

Dan moved to approve February 15th as amended. The motion was seconded by George and passed unanimously.

Rick moved to approve February 14th as amended. The motion was seconded by George and passed unanimously.

School – Cathy stated that the Facilities Committee was meeting to work on the Capital Improvements Plan the goal is to have a working document by the end of the year. The Fire Alarm System is under discussion. The budget looks the same as it did last month because the purchase orders for the OOD placement have been processed yet.

Article IV: Cathy reported that in negotiation with the seller the \$89,500 is firm. It is a one-time offer. It will not be made to the Town or to the Conservation Commission. Cathy reported that there will be a presentation at the School District Meeting. The Committee asked if there any restrictions or covenants on the deed or the sale? This is important as it may restrict the uses that the School would be looking for.

Rick moved to adjourn at 7:42 PM. The motion was seconded by Dan and passed unanimously.

Respectfully Submitted,

Amy LaFontaine
Secretary

DRAFT VERSION 2017 Town Warrant

Town of Chesterfield

State of NH

ARTICLES 'NOT RECOMMENDED' BY THE BUDGET COMMITTEE

ARTICLE 8: To see if the town will vote to raise and appropriate the sum of Fifty Thousand Dollars (\$50,000) to purchase a new Tractor with Mower and Blower for the Highway Department and authorize the withdrawal of the sum of Fifty Thousand Dollars (\$50,000) from the Highway Heavy Equipment Capital Reserve Fund.

The budget committee voted 10 to 1, with 1 abstention, to Not Recommend Article 8, in part, for the following reasons:

- The Town should contract the roadside mowing to a specialty contractor who will assume the financial and liability responsibilities of the job and free up the Town highway crew to perform work that is of greater value to the taxpayer.
- The proposed cost is high for a specialty machine that does not have a daily function, even if that function is marginally expanded (by a blower).
- The amount of the requested funding will likely not purchase a substantial base machine, especially given the additional cost of the requested add-on mower and blower. If a used unit is purchased the maintenance liability rises.
- The current unit sits idle for most of the year. When the Town contracted the roadside mowing the job was done within two weeks by one person.
- The cost of adding funds to a Capital Reserve Fund for future replacement is a minimum of \$3,000 per year for a 20 year possible life in 2017 dollars just to keep close to even in addition to current deposits.
- Roadside mowers are maintenance intensive because of the harsh environment in which they work and the complicated mechanics. Work on specialty units and hydraulics is expensive.
- When an operator is assigned to mow the roadside the utility of that operator to be performing more important tasks directly related to road maintenance and road construction projects is lost. Each year the Road Agent states that there are projects that he would like to have done that are not completed due to time or budget restraints.

For the above reasons and in a time of rising taxation the Committee decided to ‘Not Recommend’ Article 8.

ARTICLE 13: To see if the Town will vote to raise and appropriate the sum of \$30,000 to Develop Town Hall Annex Construction Documents and authorize the withdrawal of the sum of \$30,000 from the Town Hall Annex Renovations Capital Reserve Fund for that purpose, or act in any way related thereto.

The budget committee voted 11 to 1 to not recommend this article. This article pays for construction plans and designs for a projected approximately \$464,000 kitchen improvement project to the Town Hall Annex. The cost of this project has not been approved by the Town.

If Article 13 is approved but the Town fails, at some future date, to approve the full construction of this project, these construction plans, in part or in total, cannot be used.

The Budget Committee feels that the project’s full cost should first be approved prior to spending \$30,000 for an undefined and unapproved project.

ARTICLE 14: To see if the town will vote to establish a Broadband Infrastructure Expendable Trust Fund per RSA 31:19-a, for the establishment, expansion, maintenance, and/or upkeep of the Broadband Infrastructure in the town and to raise and appropriate \$50,000 to put in the fund; and further to name the Board of Selectmen as agents to expend from the fund.

The budget committee voted 10 to 1, with 1 abstention, to not recommend Article 14. The requested \$50,000 represents approximately half of the estimated cost required to complete this project. The remaining estimated \$50,000 must be approved at a future Town Meeting

The Budget Committee feels that this project is not a prudent use of tax dollars for two reasons: (1) The project does not benefit a sufficient portion of town residents and (2) that the Town should not be investing in the broadband infrastructure business particularly for the exclusive benefit of any single corporation.

DRAFT VERSION 2017 School District Warrant

Town of Chesterfield

State of NH

ARTICLE 'NOT RECOMMENDED' BY THE BUDGET COMMITTEE

ARTICLE 4: To see if the District will vote to raise and appropriate the sum of \$89,500 for the purpose of purchasing the 21.7 acre Chickering Lot which is adjacent to the School.

The Budget Committee voted 12 to 1 to 'Not Recommend' Article 5. The reasons for this recommendation are as follows:

- School taxes will increase this year by 6.32% if all Warrant Article pass. Now is not the time for the School District to purchase and hold undeveloped land.
 - Article 2 of the School Warrant requests \$8,566,546 to operate the Chesterfield School District to educate 453.5 students from Pre-School through High School 'Out of District'. This is an increase of 24 students from last year's budget.
 - To fund this operating budget increase, the District is asking for a \$304,711 increase in taxes.
 - With this and other operating budget changes, School Property Taxes will increase 4.48% or \$61.51 per \$100,000 of valuation.
 - Approval of Warrant Articles 4, 5, & 6 will require \$164,500 and will cause total taxes to increase by 6.32% or \$62.46 per \$100,000 of valuation
 - The \$89,500 requested by Article 4 alone represents approximately \$.51 of the \$62.46 per \$100,000 valuation increase.
- The District should focus taxpayer resources directly on education expenses, not inventorying land.
- Other town organizations are better structured and equipped to own excess land than is the School District.
- Alternative town or open land nearby is available for the uses noted by the School District Board.

FINAL VERSION 2017 School District Warrant

Town of Chesterfield

State of NH

ARTICLE 'NOT RECOMMENDED' BY THE BUDGET COMMITTEE

ARTICLE 4: To see if the District will vote to raise and appropriate the sum of \$89,500 for the purpose of purchasing the 21.7 acre Chickering Lot which is adjacent to the School.

The Budget Committee voted 12 to 1 to 'Not Recommend' Article 4. The reasons for this recommendation are as follows:

- The District should focus taxpayer resources directly on education expenses, not inventorying land.
- Other town organizations are better structured and equipped to own excess land than is the School District.
- Alternative town or open land nearby is available for the uses noted by the School District Board.
- Now is not the time for the School District to purchase and hold undeveloped land.
 - Enrollment is increasing. The School District budget will educate 453.5 students from Pre-School through High School 'Out of District'. This is an increase of 24 students from last year's budget.
 - Enrollment and other budget changes will require school taxes to increase by an estimated \$469,211 or 6.32%, if all Warrant Articles pass.
 - In this case, the school portion of residents' Property Taxes will increase by an estimated 6.8% or by \$94.85 per \$100,000 of property valuation.
 - The \$89,500 requested by Article 4 represents an estimated 19% or \$17.90 of the above \$94.85 School Property Tax increase, if all Warrant Articles pass.

Submitted by the Budget Committee

FINAL VERSION 2017 Town Warrant

Town of Chesterfield. NH

ARTICLES 'NOT RECOMMENDED' BY THE BUDGET COMMITTEE

ARTICLE 8: To see if the town will vote to raise and appropriate the sum of Fifty Thousand Dollars (\$50,000) to purchase a new Tractor with Mower and Blower for the Highway Department and authorize the withdrawal of the sum of Fifty Thousand Dollars (\$50,000) from the Highway Heavy Equipment Capital Reserve Fund.

The budget committee voted 10 to 1, with 1 abstention, to 'Not Recommend' Article 8 for the following reasons:

- The Town should contract the roadside mowing to a specialty contractor who will assume the financial and liability responsibilities of the job and free up the Town highway crew to perform work that is of greater value to the taxpayer.
- The proposed cost is high for a specialty machine that does not have a daily function, even if that function is marginally expanded (by a blower).
 - Roadside mowers are maintenance intensive because of the harsh environment in which they work and the complicated mechanics.
 - Work on specialty units and hydraulics is expensive.
- The original tractor was purchased without Town Meeting approval and was never placed in the Capital Expenditure Program. Also, the original tractor's replacement was never funded under the Equipment Capital Reserve Fund.
 - Future additions to this Capital Reserve Replacement Fund will be a minimum of \$3,000 /year for 20 years.
- The requested funding will likely not purchase a sufficiently substantial tractor, especially given the added cost of the add-on mower and blower. If a used unit is purchased the maintenance liability rises.
- The current unit sits idle for most of the year. When the Town contracted the roadside mowing the job was done within two weeks by one person.
- When an employee is assigned to mow the roadside, he is unavailable for 'higher value' jobs such as road maintenance and road construction projects. Each year the Road Agent states that

there are projects that he would like to have done that are not completed due to time or budget restraints.

Submitted by the Budget Committee

ARTICLE 13: To see if the Town will vote to raise and appropriate the sum of \$30,000 to Develop Town Hall Annex Construction Documents and authorize the withdrawal of the sum of \$30,000 from the Town Hall Annex Renovations Capital Reserve Fund for that purpose, or act in any way related thereto.

This article pays for construction plans and designs for the estimated \$545,000 Town Hall Annex replacement.

The budget committee voted 11 to 1 to 'Not Recommend' Article 13 for the following reasons:

- The full cost of the Town Hall Annex replacement has not been approved by the Town.
- The project's full cost should first be approved prior to spending \$30,000 for an undefined and unapproved project.
- In the future, if the Town fails to fund the full \$545,000 project, these Article 13 Construction Documents will have to be modified or redone, requiring additional expense.

Submitted by the Budget Committee

ARTICLE 14: To see if the town will vote to establish a Broadband Infrastructure Expendable Trust Fund per RSA 31:19-a, for the establishment, expansion, maintenance, and/or upkeep of the Broadband Infrastructure in the town and to raise and appropriate \$50,000 to put in the fund; and further to name the Board of Selectmen as agents to expend from the fund.

The budget committee voted 10 to 1, with 1 abstention, to 'Not Recommend' Article 14 for the following reasons:

- The requested \$50,000 represents approximately half of the estimated cost required to complete this project. The remaining estimated \$50,000 must be approved at a future Town Meeting.
- The project does not benefit a sufficient portion of town residents, and
- The Town should not be investing in the broadband infrastructure business, particularly for the benefit of any corporation.

Submitted by the Budget Committee