



Budget Hearing

January 14, 2021

Committee Members

- Andrew Cutter, Chair
- Nicole Fordey, V. Chair
- Keri Douglas
- Brion Hodgkins
- William Hayes
- John David Son
- Scott Taylor
- Brian Bourque (School Board Representative)
- Robert Leary (Select Board Representative)

Chairman Highlights

- The membership of the Committee shall be comprised of such number of members and other representation as determined by Town Meeting adoption of RSA 32.
- The Town of Litchfield adopted the provisions of the Municipal Budget Law by petition at the 1969 Annual Town Meeting (article 10) and at the same meeting, the Town voted to elect 6 budget committee members (article 11).
- In 2013, the town voted (article 14) to increase the elected membership from 6 to 7 members.
- Members serve staggered terms of three years.

TOWN BUDGET

Chairman Highlights

- 9/3/20: Resignation of Committee member Bourque. Mr. Scott Taylor filling in until town meeting in March 2021.
- Budget Review process began with Town Reviews on the following dates:
 - 10/1/20
 - 10/8/20
 - 10/15/20
- The Select Board requested all Department Heads proceed with zero based budget model for FY21 planning.
- The Select Board delivered a budget to the Budget Committee after the Select Board meeting on 10/12/20 for \$7,338,399 which was under the tax cap by ~\$22k.

Chairman Highlights

- In order to achieve a budget below the tax cap, the Select Board authorized the following pre-purchases on 10/16/20 from the 2020 operating budget:
 - IT Equipment \$6,620 for (5) PC upgrades
 - IT Equipment \$8,700 for LPD MDT Replacement
 - IT Equipment \$1,800 (4) Chromebooks
 - PD Equipment \$13,400 Portable Radios
 - PD Cruise Purchase \$62,835 (2) Administration Vehicles
 - FD Equipment \$5,000 Thermal Image Camera
 - FD Equipment \$20,000 ½ of Mobile and Portable Radio Purchase
- Total reductions, inclusive of the above, made by the Select Board totaled (\$166,634). Additionally, the BOS also adjusted health/insurance benefits across the budget for \$72,810. Total town budget \$7,244,577.

Chairman Highlights

- The Budget Committee voted on the Town Budget over two meetings, held on 10/22/20 and 10/29/20.
- On 10/22/20, the Budget Committee reduced various budget lines by a total of (\$34,686)
- On 10/29/20, the Budget Committee reduced various budget lines by a total of (\$14,006)
- Total revised town budget \$7,195,888

Town Summary

- On 10/22/20, the Budget Committee reduced various budget lines by a total of (\$34,686)

Department	BC Reductions
Accounting	(\$1,812)
Conservation	(\$701.50)
Information Technology	(\$300)
Legal Expenses	(\$8,116)
Parks & Recreation	(\$6,613)
Planning Board	(\$1,050)
Road Maintenance	(\$8,000)
Sanitation Administration	(\$6,556)
Tax Collection	(\$225)
Town Clerk	(\$312.50)
Town Meeting	(\$250)
Zoning Board	(\$750)

Town Summary

- On 10/29/20, the Budget Committee reduced various budget lines by a total of (\$14,006)

Department	BC Reductions
Code Enforcement	(\$1,192)
Fire Department	(\$7,115)
General Government Facilities	(\$4,500)
Mosquito District	(\$99)
Police – Administration	(\$600)
Police - Support	(\$500)

Town Summary – Final

- Town Budget is \$7,203,793
- 1.85% Increase over 2020 Approved Budget of \$7,064,927
- Budget is (\$33,059) under Tax Cap
- If all Warrant articles pass, budget will be (\$1) under Tax Cap

**TOWN
WARRANT ARTICLES**

Town Summary – Warrant Articles

ARTICLE 4 - OPERATING BUDGET

- Shall the Town vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth in the budget posted with the warrant or as amended by the vote of the first session, for the purposes set forth therein, totaling **\$7,203,793** Should this article be defeated, the default budget shall be **\$7,356,332** which is the same as last year with certain adjustments required by previous action of the Town of Litchfield 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. Estimated 2021 tax rate impact: **\$0.09.**

Recommended by Board of Selectmen (4-0-0)

(Pending) Recommended by Budget Committee (0-0-0)

Town Warrant Articles

ARTICLE 5 - POLICE CONTRACT

- Shall the Town vote to approve the cost items for wage and related costs that have been included in the collective bargaining agreement reached between the Town of Litchfield and Council 93 of the American Federation of State, County and Municipal Employees which provides for the following increases in wages and benefits at the current staffing level and further to raise and appropriate the sum of \$11,803 for the current fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels. Estimated 2021 tax rate impact: \$0.01.

2021 - \$11,803

2022 - \$59,799

2023 - \$56,163

Recommended by Board of Selectmen (4-0-0)

Recommended by Budget Committee (8-1-0)

Town Warrant Articles

ARTICLE 6 - HUMAN SERVICES AND HEALTH AGENCIES

- Shall the Town vote to raise and appropriate the sum of \$21,255 to support Human Services and Health Agencies providing services to the Town of Litchfield. Estimated 2021 tax rate impact: \$0.02.

Recommended by Board of Selectmen (4-0-0)

Recommended by Budget Committee (8-1-0)

Town Warrant Articles

ARTICLE 7 - ROAD IMPROVEMENTS

- Shall the Town vote to raise and appropriate the sum of \$100,000 for the purpose of road improvement projects. This sum to come from the unassigned fund balance and no amount to be raised from new taxation. Estimated 2021 tax rate impact: \$0.00.

Recommended by Board of Selectmen (4-0-0)

Recommended by Budget Committee (8-1-0)

Town Warrant Articles

ARTICLE 8 - PLOW TRUCK PURCHASE

- Shall the town vote to raise and appropriate \$100,000 to purchase a plow truck with equipment for the Highway Department. This sum to come from the unassigned fund balance and no amount to be raised from new taxation. Estimated 2021 tax rate impact: \$0.00.

Recommended by Board of Selectmen (4-0-0)

Recommended by Budget Committee (7-2-0)

Town Warrant Articles

ARTICLE 9 - PROPERTY REVALUATION EXPENDABLE TRUST FUND

- Shall the Town vote to establish a Property Revaluation Expendable Trust Fund per RSA 31:19-a for the purpose of funding future property revaluations and to raise and appropriate \$25,000 to put in the fund; further to name the Board of Selectmen as agents to expend from said fund. This sum to come from the unassigned fund balance and no amount to be raised from new taxation. Estimated 2021 tax rate impact: \$0.00

Recommended by Board of Selectmen (4-0-0)

Recommended by Budget Committee (8-1-0)

Town Warrant Articles

ARTICLE 10 – PENNICHUCK EAST UTILITY RATE INCREASE

- Shall the town vote to raise and appropriate the sum of \$50,000 for legal counsel, consultants, witnesses, technical reviews and other expenses related to the proposed Pennichuck East Utility water rate increase case filed with the New Hampshire Public Utilities Commission. This special warrant article will be a non-lapsing appropriation per RSA 32:7,VI and will not lapse until said rate case is completed or by December 31, 2023, whichever is sooner. This sum to come from the unassigned fund balance and no amount to be raised from new taxation. Estimated 2021 tax rate impact: \$0.00

Recommended by Board of Selectmen (3-0-0)

(Pending) Recommended by Budget Committee (0-0-0)

Town Warrant Articles

ARTICLE 11 - FIRE STATION BOND PROCEEDS

- Shall the town vote to raise and appropriate the sum of \$23,582 for the purpose of paying a portion of the 2021 Fire Station Bond payment and to authorize the withdrawal of that amount from the December 31, 2020 fund balance for this purpose. (This amount will represent the interest earned on bond proceeds that was transferred to the general fund on or before December 31, 2020).

Recommended by Board of Selectmen (4-0-0)

Recommended by Budget Committee (9-0-0)

Town Warrant Articles

ARTICLE 12 - FIRE FACILITIES FUND

- Shall the Town vote to discontinue the Fire Facilities Capital Reserve Fund created in 2000. Said funds and accumulated interest to date of withdrawal shall be transferred to the Building Systems Expendable Trust Fund. Estimated balance is \$622.

Recommended by Board of Selectmen (4-0-0)

Town Warrant Articles

ARTICLE 13 - SOLAR EXEMPTION

- Shall the Town adopt the provisions of RSA 72:61-64 inclusively, which provide for an optional property tax exemption from the property's assessed value for persons owning real property which is equipped with solar energy systems intended for use at the immediate site. Such property tax exemption shall be in the amount of the assessed value of qualifying solar energy system equipment, up to a maximum of \$27,000. This exemption shall only be available to property owners who expend funds for the installation of such systems. Therefore, if the property is sold, the new owner shall not be eligible for the exemption.

Recommended by Board of Selectmen (3-1-0)

SCHOOL BUDGET

Chairman Highlights

- The Budget Committee joined the School Board Budget Review sessions held on 11/5/20 and 11/10/20.
- The Budget was delivered to the Budget Committee on 11/12/20. Total delivered budget was \$23,126,224.
- The Budget Committee reviewed the budget details on 11/19/20
- Voting on the school budget occurred on 12/3/20 and 12/10/20.
- On 12/3/20, the Budget Committee reduced various budget lines by a total of (\$85,100)
- On 12/10/20, the Budget Committee reduced various budget lines by a total of (\$466,218.50)
- On 12/17/20, the Budget Committee restored \$31,500 which was included in the reductions on 12/3, across the 3 schools. Additionally, a (\$50,000) reduction was also made to attrition.

School Summary

- On 12/3/20, the Budget Committee reduced various budget lines by a total of (\$85,100)

Department	BC Reductions
Travel & Conferences	(\$25,000)
CHS Business Education	(\$500)
CHS Science	(\$1,600)
CHS Athletics	(\$4,000)
CHS – Bottom Line	(\$15,000)
LMS – Bottom Line	(\$14,500)
GMS – Bottom Line	(\$2,000)
Curriculum – Conferences Non Union	(\$4,000)
Curriculum – Conferences Union	(\$10,000)
SAU Supplies	(\$500)
Special Services – Bottom Line	(\$8,000)

School Summary

- On 12/10/20, the Budget Committee reduced various budget lines by a total of (\$466,218.50)

Department	BC Reductions
Removal of Technology Integrator Positions (x2)	(\$172,364)
Non Union Salary Pool	(\$86,017.50)
CHS Personnel	(\$7,837)
Attrition	(\$200,000)

School Summary

- On 12/17/20, the Budget Committee made additions and reductions, totaling an additional (\$18,500) from the budget.

Department	BC Reductions
GMS – Restoration of 12/3 Bottom Line	\$2,000
LMS – Restoration of 12/3 Bottom Line	\$14,500
CHS – Restoration of 12/3 Bottom Line	\$15,000
Attrition	(\$50,000)

School Summary – Final

- FY22 School Budget presented to the Budget Committee was \$23,126,224 (\$455,442 increase over the FY21 approved budget).
- Total Budget Committee Reductions (\$569,818.50).
- FY22 School Budget is \$22,525,606 (a decrease of .6% or \$145,177 compared to FY21 approved budget of \$22,670,783).

SCHOOL
WARRANT ARTICLES

School Warrant Articles

ARTICLE 1

- Shall the Litchfield School District vote to 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 the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling \$23,715,016? Should this article be defeated, the default budget shall be \$24,194,824 which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board 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.

Recommended by School Board (5-0-0)

Recommended by Budget Committee (8-1-0)

School Warrant Articles

ARTICLE 2

- Shall the Litchfield School District vote to raise and appropriate the sum of \$86,200 for the purpose of funding the salary and benefit costs for a full time District-wide Technology Integrator position to support 1:1 technology education for students and staff?

Article Note: The District has identified the need for two (2) Technology Integrators. Articles 2 and 3 taken together will fund the School District's needs.

Recommended by School Board (5-0-0)

Not Recommended by Budget Committee (4-5-0)

School Warrant Articles

ARTICLE 3

- Shall the Litchfield School District vote to raise and appropriate the sum of \$86,200 for the purpose of funding the salary and benefit costs for a full time District-wide Technology Integrator position to support 1:1 technology education for students and staff?

Recommended by School Board (5-0-0)

Not Recommended by Budget Committee (4-5-0)

School Warrant Articles

ARTICLE 4

- Shall the Litchfield School District vote to raise and appropriate the sum of \$100,000 to be added to the Capital Improvements Expendable Trust Fund established in 2020 for the purpose of funding the study, planning and cost of new construction or renovation of existing facilities in the Litchfield School District? This sum to come from the June 30 unassigned fund balance available for transfer on July 1 of this year with no amount to be raised from taxation. This amount is consistent with the Capital Plan adopted by the Town of Litchfield September 2020.

Recommended by School Board (5-0-0)

Recommended by Budget Committee (7-2-0)