

Town of Milford

Budget Advisory Committee Report

2018

The Milford Budget Advisory Committee (BAC) is comprised of nine citizens of Milford appointed by the Town Moderator. The Budget Advisory Committee was created in 1974 by a town vote to serve two primary purposes: 1) to advise the Board of Selectmen and Town Administrator on budgetary matters as they prepare the operating budget and warrant articles, and 2) to develop positions of support or non-support for the proposed budget and warrant articles, which are presented at the Deliberative Session and included in the Voters' Guide published prior to the town vote. The members of this year's committee are: Matt Lydon (Chair), Peggy Seward (Vice-Chair), Karen Mitchell (Secretary), Robert Courage, Paul Bartolomucci, Wade Campbell, Paul Dargie, Chris Pank, and George Skuse.

In order to fulfill our dual roles, the BAC met with the Board of Selectmen, Town Administrator, Department Heads, Conservation Commission, Water and Sewer Commissioners, the School Budget Committee, and members of the community. The committee objectively reviewed the proposed operating budget and warrant articles, and after careful consideration, developed positions of support or non-support for each. Throughout our review process any questions about budget items were presented to Department Heads or the Town Administrator for clarification. All answers and any additional information requested were provided to the committee.

WARRANT ARTICLE 3 - MAIN FIRE STATION UPGRADE – BOND - \$3,864,300

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

The current fire station built in 1974 needs major renovations including electrical code upgrades, facility renovations and expansion. Some of the areas of concern:

- No sprinkler system
- No decontamination area or showers for removing possible hazmat elements
- No water/oil separator for floor drains and no holding tank for the gear extractor, both of which allow possible contaminants to flow into the sanitary sewer
- The meeting room/kitchen (526 square feet) serves as the training area for 48 staff members and is insufficient, so most training has to be done in the apparatus bays with fire apparatus moved to the parking area outside.
- The 26 year old boiler is incapable of keeping the offices warm without keeping bathroom doors open and without using a portable electric heater in the captain's office.
- Due to the current lack of space, plans call for adding a sixth bay to the fire station. At present, three pieces of equipment OEM Generator, hazmat trailer and fire alarm bucket truck are housed at the Wastewater Department. The Fire Dept. Utility Truck is parked outside beside the fire station throughout the year.

Currently, the majority of responses are within 1 mile of the current station. Therefore it is preferable to renovate the existing location rather than building on a different site.

The Capital Improvement Plan (CIP) puts this project as the number one priority for the Town of Milford for this year.

We advise you to check the Town of Milford NH. Gov website for further drawings, pictures and explanations of the project by the Fire Chief.

WARRANT ARTICLE 4 - TOWN OPERATING BUDGET - \$ 14,060,271

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

We believe the proposed Town Operating Budget is preferable to the Default Budget. The proposed budget reflects an increase of 0.6% over the 2017 adopted budget. The Town departments have been under considerable pressure to keep costs down for several years now. It is important to allow flexibility in the Town Budget to address items such as snow removal, road repairs and emergencies throughout the year.

WARRANT ARTICLE 5 - WATER DEPARTMENT OPERATING BUDGET - \$ 1,520,953

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

This appropriation provides the funds from water users for the operation and maintenance of this department.

WARRANT ARTICLE 6 - WASTEWATER DEPARTMENT OPERATING BUDGET - \$ 2,069,450

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

This appropriation provides the funds from sewer users for the operation and maintenance of 42 miles of pipeline serviced by this department.

WARRANT ARTICLE 7 - BRIDGE REPLACEMENT CAPITAL RESERVE - \$ 175,000

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

This previously established fund would allow the town to continue to set aside money towards bridge repair/replacement. There are \$490,000 worth of projects scheduled for 2018, with work on deteriorated structures on Mason Road and on Hartshorn Road.

DPW has identified these projects as high priority in need of replacing.

WARRANT ARTICLE 8 - DPW VEHICLES AND HEAVY EQUIPMENT – CAPITAL RESERVE - \$40,000

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

The establishment of this fund would allow more funds to be set aside towards future purchases of vehicles and equipment. It would not necessarily fund the entire purchase so much as allow for a lesser amount of borrowing at the time of purchase.

WARRANT ARTICLE 9 - FIRE APPARATUS REPLACEMENT – CAPITAL RESERVE - \$25,000

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

This previously established fund is for the purchase of fire apparatus. It would not necessarily fund the entire purchase so much as allow for a lesser amount of lease/purchase at the time of purchase.

WARRANT ARTICLE 10 - TOWN FACILITIES RENOVATION AND MAJOR REPAIR REPLACEMENT – CAPITAL RESERVE - \$25,000

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

This previously established fund would allow the town to continue the process of setting aside funds to be used for renovations and repairs to town buildings. These funds are not expected to completely pay for future needs but could be used as a down payment against large expenditures thereby leveling the budget as Milford works to maintain town buildings.

WARRANT ARTICLE 11 - AMBULANCE VEHICLE REPLACEMENT – CAPITAL RESERVE - \$25,000

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

This previously established fund is for the purchase of ambulance vehicles. It would not necessarily fund the entire purchase so much as allow for a lesser amount of lease/purchase at the time of purchase.

WARRANT ARTICLE 12 - PUBLIC SAFETY COMMUNICATION EQUIPMENT REPLACEMENT – CAPITAL RESERVE - \$20,000

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

This fund is for continuing the process of future purchases of critical safety communication equipment to ensure Town Departments will maintain their high levels of efficiency. Purchase would include replacement of pagers and radios, both portable and vehicular, for Ambulance, DPW, Emergency Management, Fire, and Police.

This fund does not include MACC Base needs.

WARRANT ARTICLE 13 - ASSESSING REVALUATION CAPITAL RESERVE - \$15,000

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

The town is required by state statute to reassess all property every five (5) years to guarantee that each parcel is updated to its current value. By continuing to place an amount of \$15,000 per year into the capital reserve the tax impact is constant and will not spike in the year of reassessment.

**WARRANT ARTICLE 14 - REPLACEMENT SIDEWALK PLOW LEASE/PURCHASE – \$155,000
(Annual Payment \$32,300/Total Purchase Price (\$155,000))**

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

This article will provide the funding to replace an inoperable 2000 Holder sidewalk plow. Having a second unit allows the DPW to open sidewalks in less time than with their one plow. A second plow is a backup should there be mechanical problem with one of the units.

WARRANT ARTICLE 15 - SOCIAL SERVICES - \$40,000

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

In these economic times, our citizens continue to need assistance. These funds are allocated to fourteen (14) different agencies that provide various resources to our citizens. Without these resources, the overall burden would likely increase in excess of the amount requested.

WARRANT ARTICLE 16 - NON-EMERGENCY COMMUNITY TRANSPORTATION BUS SERVICES – \$30,000

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

The Souhegan Valley Transportation Collaborative (SVTC) provides a valuable service to the community by providing transport for medical appointments and other necessities to our residents.

WARRANT ARTICLE 17 - PUMPKIN FESTIVAL - \$23,000

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

- The Milford Improvement Team (MIT) and the Souhegan Valley Chamber of Commerce have indicated that they will not run the Pumpkin Festival this year, so the town is looking for volunteers for help with putting on the Pumpkin Festival.
- The Pumpkin Festival is the signature annual event for Milford. It generates significant positive publicity for the town, and is worthy of being financially supported by the town.
- The roughly 35,000 attendees generate hundreds of thousands of dollars of economic benefits for local businesses and for local non-profit organizations.
- The money on this warrant article is used to directly fund the town support services such as the DPW, Police, Fire, and Ambulance Departments, and for other allied expenses that are needed to run the festival.
- This will not fund the entire cost of putting on the Pumpkin Festival, so volunteers, donations, and sponsors are being sought.

WARRANT ARTICLE 18 – AFSCME CONTRACT - \$21,572

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

- Provides funding for a 1-year contract extension of the Police Officers' Collective Bargaining Agreement (CBA) reached between the BOS and AFSCME for contract year April 1, 2018 through March 31, 2019.
- The contract calls for a 2.0% increase plus any additional merit increase which exceeds the 2.0% and is approved in the operating budget for all other employees not in the AFSCME bargaining unit.

WARRANT ARTICLE 19 - SUMMER BAND CONCERTS - \$9,000

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

The summer band concerts provide culture and entertainment for all ages, and are one of the many activities that makes Milford a highly desirable place to live.

WARRANT ARTICLE 20 - FUNDING OF THE ANNUAL LABOR DAY PARADE – \$10,000

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

We believe we should continue to help fund this parade which has been an annual event in Milford. The parade is one of the favorite activities provided to the citizens of Milford and has been attended by hundreds of people each year for the past 73 years since its inception in 1945 by Governor Charles M. Dale to honor the workers of New Hampshire.

WARRANT ARTICLE 21 - MEMORIAL, VETERANS & LABOR DAY PARADES AND RECOGNITION - TOWN SUPPORT - \$6,500

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

- The parades are very well attended and popular with the community.
- These funds would cover the costs incurred by the Public Works, Police, and other town departments.
- These funds would also cover the cost of flags that are placed on the Veterans' graves for Memorial Day.

WARRANT ARTICLE 22 - APPOINTING AGENTS TO THE KEYES PARK EXPANSION COMMITTEE PROJECT CAPITAL RESERVE – \$0

The Budget Advisory Committee SUPPORTS this Warrant Article (7-2)

Majority Report

- This article would name the Board of Selectmen as agents to expend the Keyes Park Expansion Committee Project Capital Reserve Fund instead of requiring a Town vote. Allowing the Board of Selectmen to act as agents will allow them to react quickly to needs as they will allow them to react quickly to needs as they arise instead of waiting for the annual town vote.

- This article has no tax impact.

Minority Report

More than just the Minority voiced concerns about this change in who would be authorized to spend from this Capital Reserve Fund and with what guidelines.

- It must be established what priorities have been outlined in the Keyes Park Expansion Committee Report accepted by the Board of Selectmen in July 2017, as well as what input from Town Citizens would help in this process.
- This Capital Reserve Fund also needs an understanding of how and when large expenditures should be approved by all voters at an annual Town Meeting or special Town Meeting.
- The Minority appreciates that during the year grants and smaller projects could be done, but feels that larger projects should have voter input.

WARRANT ARTICLE 23 - AUTHORITY TO GRANT INDUSTRIAL DEVELOPMENT TAX RELIEF - \$0

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

- The town has a relatively low total property valuation leading to higher tax rates for the properties that are here. The equalized property valuation per pupil in the schools is only \$648,515, while the state average is \$983,646.
- The most effective way to increase property valuation in order to lower tax rates is to add new industrial properties, as these have the least impact on services (no additional children in schools) and require the least amount of new spending to support them.
- This warrant article provides partial tax relief for new construction of industrial properties for a limited time period. The hope is that this new tax exemption will provide enough of an incentive to cause businesses to expand or build new industrial properties when they would not have done so without the tax relief.

WARRANT ARTICLE 24 - RENAME BRIDGE REPLACEMENT CAPITAL RESERVE FUND - \$0

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

- This article seeks to change the name of the Bridge Replacement Capital Reserve Fund to Bridge Repair and/or Replacement Capital Reserve Fund. The name change is to better reflect the nature of the fund, and to allow it to be used for other bridge type repairs if appropriate, such a culvert replacement of less than 10 feet (the legal definition of a bridge).

WARRANT ARTICLE 25 - SWING BRIDGE - \$0

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

- The Swing Bridge is located behind the Fire Department crossing the Souhegan River below the Dam. It is a historic footbridge that connects downtown with Souhegan Street.
- Approval of this article would allow use of funds from the Bridge Replacement Capital Reserve Fund along with private and public donations to match grant money requests to the State of NH DOT.
- State funds are scheduled to be available in the year 2020 but require the town to provide the matching funds.

WARRANT ARTICLE 26 - MILE SLIP TOWN FOREST EASEMENT - \$0

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

- A version of this Warrant Article was approved by voters in 2014. However, this year's Warrant Article contains corrected language from our Town Attorney.
- The Board of Selectmen and the Conservation Commission agree that a Conservation Easement would preserve resources, permit forest management, allow for open space, promote education, and monitor safe activities on this land.

- Ownership of the land stays in Milford, but a qualified conservation organization would ensure protection in perpetuity.

WARRANT ARTICLE 27 – KENO - \$0 – by petition

The Budget Advisory Committee SUPPORTS this Warrant Article (7-2)

Majority Report

- The NH Lottery Commission grants licenses (cost \$500/yr.) to local establishments that pour liquor, and also they will provide equipment, training, and support to those locations.
- KENO is an electronic “bingo” game where 1-12 numbers are selected out of a possible 80 numbers with bets from \$1-25 per game. Winning numbers are picked every 5 minutes.
- The local establishments would keep 8% of the amount wagered as well as any bonuses. Although there are 26 eligible establishments in Milford, only a small number are expected to participate.
- The State of NH anticipates using sales of collected for full-time kindergarten. Presently the town receives \$1,800 for each ½ day student with an increase of \$1,100 possible whether Milford approves KENO or not.

Minority Report

For the State of NH to only allow KENO to be played in establishments that pour liquor is too limiting and also we do not need to encourage drinking and driving. In Massachusetts, for instance, KENO is also played in convenience stores as each game only lasts 5 minutes.

- KENO revenue will not become available to help fund kindergarten until July 2019. It has not been completely decided nor promised how much each town will receive. Although each town will receive the same share whether they have KENO played in their town or not.
- The process is too early with 7 towns voting yes and 4 towns voting no in 2016. Some towns have decided not to put it on their ballot at all. Let’s wait 1 year.

WARRANT ARTICLE 28 – FIREWORKS – \$8,500 - by petition

The Budget Advisory Committee SUPPORTS this Warrant Article (7-2)

Majority

- This appropriation would be used to cover the direct cost of the fireworks display to celebrate Independence Day.
- Fireworks have been the culminating activity to a day-long celebration in recognition of the birth of our nation.
- This activity helps Milford residents of all ages express our pride and patriotism for our great country.
- In past years funding for this event has received the support of a majority of voters.

Minority

- The minority believes the fireworks are the lowest priority item on the Warrant in another year of more pressing needs.
- Past Fourth of July activities and bonfire at Keyes Field were memorable and truly enjoyed with or without fireworks. Safety coverage by Police, Fire, Ambulance and DPW for any event held that day are already included in the Town Operating Budget.
- This Article is only for the actual fireworks.

WARRANT ARTICLE 29 - KEYES MEMORIAL EXPANSION CAPITAL RESERVE – \$25,000 - by petition

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

- This previously established fund allows for the appropriation to be used toward the Keyes Park Expansion Committee Project Capital Reserve Fund approved by voters last year.
- This project will update and expand Keyes Park including the Town parcel of land previously known as 127 Elm Street, which is adjacent to Keyes Park.
- This funding will allow a committee to begin the process of making improvement to the Park as set forth in the Keyes Expansion Committee Report.
- The report, accepted by the Board of Selectmen in July 2017, identifies three phases of improvements over a number of years.
- This would not necessarily fund the entire project but would allow for the implementation of phase 1 to begin.
- The full report can be found on the town website - <https://www.milford.nh.gov/keyes-memorial-park-expansion-committee>

WARRANT ARTICLE 30 – CONSERVATION LAND FUND – \$20,000 - by petition

The Budget Advisory Committee SUPPORTS this Warrant Article (9-0)

- The BAC voted to again recommend the desired minimum amount of \$125,000 to be kept in the Conservation Land Fund. The balance of this fund is presently \$99,000.
- Only approximately 10% of the sixteen thousand (16,000) acres of town land is presently protected as conservation land, which preserves and protects Milford's water supply, air quality, recreation, wildlife, and natural beauty.
- Having money available in the Land Fund allows the town to take action quickly when suitable land becomes available.
- The required public hearing and approval by the Board of Selectmen prior to expenditure will allow input and decision making during any year so purchase opportunities may not be lost.
- Since Milford does not provide funding through the Land Use Tax, the Conservation Commission depends on taxpayer funding to purchase lands that become available for public use so the Town's resources can be protected.
- Fundraising and grant applications will still be pursued.
- Protecting an area avoids development of housing that may require additional town services that could consequently increase future property taxes.

WARRANT ARTICLE 31 – COMPACT PART OF TOWN - \$0 – by petition

The Budget Advisory Committee did not take a position on this Warrant Article.