

Town of Milford Budget Advisory Committee Report 2023

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 before the town vote. The members of this year's committee are Chris Pank (Chair), Karen Mitchell (Vice-Chair and Secretary), Peggy Seward, Paul Bartolomucci, Wade Campbell, Vanessa Sheehan, Claudia Lemaire, Mike Thornton, and Kevin Hunter.

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 - WASTEWATER TREATMENT FACILITY (WWTF) UPGRADE PROJECT – \$23,953,000 BOND (Loan Forgiveness \$3,592,950) (Wilton NH Portion \$3,031,611.45) Remaining amount \$17,328,439

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

This project is partially mandated by the Environmental Protection Agency and required by the 40 years of continuous operation of our wastewater treatment facility.

Shall the Town vote to raise and appropriate the sum of \$23,953,000 for the purposes of constructing a new advanced treatment process to comply with the Town's recently activated EPA National Pollutant Discharge Elimination System (NPDES) Permit and to complete other age-related improvements throughout the WWTF.

This project, while expensive, is designed for economic operation (saving money later) and is scalable to allow both a greater surge flow, when required, and to accommodate reasonable growth without additional costly enhancements.

All costs are being shared between the ratepayers (direct users) at 55% and taxpayers (indirect users who own wells & septic systems) at 45%.

Milford discharges our purified effluent into the Souhegan River, which flows into the Merrimack River. That is where the Pennichuck Waterworks sources our primary supply of drinking water for municipal buildings, schools, businesses, restaurants, and many dwellings.

WARRANT ARTICLE 4 - TOWN OPERATING BUDGET - \$ 17,291,068

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

The municipal portion of the budget has been carefully planned by town administration and reflects the current costs of operations for the town. The driving forces behind the increase from 2022 include future wage increases for town employees, increases in benefit costs, rising utility costs, and supply costs. The default budget is **\$17,041,768** or **\$249,300** below the proposed budget amount. The BAC does **not** support the default budget.

WARRANT ARTICLE 5 - WASTEWATER DEPARTMENT OPERATING BUDGET - \$2,677,050

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

Shall the Town vote to raise and appropriate the sum of \$2,677,050 to operate and maintain the Wastewater Treatment Facility and the Sanitary Sewer Collection System, said appropriation to be offset by income received from wastewater user charges, or take any other action relative thereto? If defeated, the default budget shall be \$2,565,859 which is the same as last year, with certain adjustments required by previous actions of the Town.

The increased cost is all to be borne by the ratepayers; therefore, there is no tax impact. Cost increases are due to the increased cost of electrical power (and increased cost to transmit and deliver that power), the increased cost of chemicals, and the increased costs of basic operations required to treat Milford's sewage.

WARRANT ARTICLE 6 - WATER DEPARTMENT OPERATING BUDGET - \$2,083,269

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

Shall the Town vote to raise and appropriate the sum of \$2,083,269 to operate and maintain the Water Department, *said appropriation to be offset by income received from the water user charges*, or take any other action relative thereto? Should this article be defeated, the default budget shall be \$1,775,670, which is the same as last year, with certain adjustments required by previous actions of the Town.

The cost increases are related to the increased cost of electrical power and the cost to transmit and deliver that power, the increased cost of chemicals, and the basic operations required to treat Milford's drinking water. The increased cost also includes \$200,000 for water main replacement.

All costs will be borne only by the ratepayers themselves; therefore, have no tax impact.

WARRANT ARTICLE 7 - FIRE ENGINE REPLACEMENT - 7-YEAR LEASE/PURCHASE - \$755,000 Gross Purchase Price (Annual Lease Payment \$124,665)

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

The 1993 Pierce Saber is currently 30 years old and 15 years past NFPA recommendations for an Engine/pumper. Replacing the truck will allow the town to reduce the fleet by one engine/pumper, thus reducing the maintenance budget and lowering the overall CIP capital outlay. The reduction in the fleet will not affect the ISO rating. We accomplished this by adding a pump to rescue 1. The two trucks purchased in 2006 (Engine 2 and 3) are 17 years old and two years over NFPA

recommendations and see the most mileage and wear and tear for our department. The current CIP schedule has them due for replacement in 2025 and 2027. The proposed replacement would eliminate the need for them to be replaced and push the next truck to be replaced in 2028/2029. Keep in mind that the lead time for the apparatus is nearly three years. **NOTE:** Beginning in 2025 or the year we take delivery, this article has an estimated tax impact of \$6.02 on an assessed valuation of \$100,000.

WARRANT ARTICLE 8 - RECONSTRUCTION OF TOWN ROADS - \$ 400,000

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

Road/sidewalk upkeep and repair are crucial to our Town's infrastructure and safety. It is an ongoing process yearly to get caught up in paving and then maintaining our roads. As a non-lapsing warrant article, any money not spent will carry over to 2024. The DPW has approximately \$300,000 in its budget for supplies to do the work, but past years have required as much as \$650,000 + to do the year's work.

WARRANT ARTICLE 9 - ONE REPLACEMENT AMBULANCE (5-YEAR LEASE/PURCHASE) (Annual Payment \$60,820/Total Purchase Price \$409,000)

The Budget Advisory Committee SUPPORTS This Warrant Article (6-3)

Majority

This article would allow for the withdrawal and use of \$125,800 from the previously established Ambulance Capital Reserve Fund towards an ambulance vehicle replacement. This new ambulance would replace the current 2013 Braun ambulance. It would not necessarily fund the entire apparatus so much as allow for a lesser amount of bond at the time of purchase. If the warrant to purchase a new ambulance passes, this balance will be used towards the purchase of the ambulance. This article has an estimated tax impact of \$2.55 per \$100,000 home value. **NOTE:** Beginning in 2025 or the year we take delivery, this article has an estimated tax impact of \$2.94 on an assessed valuation of \$100,000.

Minority

The proposed ambulance (to trade in) received a new transmission recently and could be kept as the "ready spare" which is rarely used except if one of the other two vehicles is out of service for maintenance. Would recommend waiting one more year to get staffing stable and secure, and once again cover two vehicles 24 hours/7 days per week. Also, equipment should be paid out of the budget as the Capital Reserve Fund was for vehicles, not to replace the stretcher, etc.

WARRANT ARTICLE 10 - AFSCME/POLICE CONTRACT - \$175,398

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

The Board of Selectmen and AFSCME (American Federation of State, County, and Municipal Employees) have successfully negotiated a contract for salaries and benefits for the years 2023 through 2026. The yearly increase in raises will follow the schedule of 8%, 4%, and 3% beginning on April 1, 2023. The cost increase for 2023 is estimated to be \$175,398 and if approved will be part of the 2023 Operating Budget.

WARRANT ARTICLE 11 - BANDSTAND RENOVATION - \$90,000

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

Majority

The Historic Milford Bandstand, originally a gift from the Honorable A.E. Pillsbury was constructed in 1896 by local carpenter Bill Woods and town residents. Over many years this iconic historic structure has been used for various special events; including but not limited to concerts and a variety of important public gatherings. The Heritage Commission and the Milford Historical Society are leading the effort to repair this iconic landmark. The bandstand is a symbol of Milford and pictures of the bandstand can be found on town web pages and various signs and insignia in town. An assessment of the project and an estimate of the scope of work necessary for its completion have been finished. Funding in the form of grants, donations, and contributions for the restoration of this historic landmark is in the process of being secured. Support of this warrant article will go a long way toward the restoration and the effort to keep this iconic bandstand around for the next 100 years.

Minority

The Minority believes that this isn't the right time to fund this renovation with taxpayer dollars. There are higher-priority warrant articles that should take precedence. The Milford Heritage Commission has raised over a third of the \$90,000 needed and will continue its fundraising efforts

FYI: The Heritage Commission engaged a company named Ironwood out of Marlow NH to propose a renovation. Below is a page out of the 62 pages they put together detailing the cost estimates

<http://www.ironwd.com/>

Estimated Project Costs, Labor & Materials

The following estimates represent a general overview of the costs that could be incurred for the work outlined in this report. All costs are estimates; some costs could be higher, some lower.

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|--|------------------------------|
| 1. Structural repairs, restoration or replacement of wooden elements | \$58,000.00-70,000.00 |
| 2. Repair of historic terne roofing | \$2,400.00-- 3,200.00 |
| 3. Sanding bandstand floor and coating | \$1,900.00--2,800.00 |
| 4. Preparation and painting bandstand and roof | <u>\$17,700.00-23,800.00</u> |

Total Estimated Project Cost **\$80,000.00-\$99,800.00**

WARRANT ARTICLE 12 - SOCIAL SERVICES - \$40,000

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

In these economic times, our citizens continue to need assistance. The funds this year are allocated to 9 different agencies focused on mental health, the elderly population, abuse disorders, housing services, and at-risk youth. Without these resources, the overall burden would likely increase the excess of the amount requested.

WARRANT ARTICLE 13 - TRANSFER STATION RECYCLING CENTER / REVOLVING FUND - \$40,000

The Budget Advisory Committee DOES NOT SUPPORT This Warrant Article (0-9)

Majority

Currently, the Transfer Station utilizes the town's general fund for the support of operations. Creating a revolving fund would separate the income from the sale of recyclables from the town's general fund into a revolving fund. Under RSA 31:95-h, expenditure of the revolving fund would require approval from the Board of Selectman or another board or body designated by the local legislative body at the time the fund is created. The Budget Advisory Committee feels the Transfer Station Recycling Center has historically utilized the general fund successfully with a "bottom line" budget and any repairs or upgrades have been managed with the current system. Additional approval from the Board of Selectman may also be limiting in terms of expediency of funds. The Board feels that more information is needed as to the benefits of creating a revolving fund for the Transfer Station recyclables.

WARRANT ARTICLE 14 - NON-EMERGENCY COMMUNITY TRANSPORTATION BUS SERVICES – \$32,000

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

This appropriation would be used to provide the Town's share of funding for the Souhegan Valley Transportation Collaborative (SVTC) to continue operating a regional, non-emergency, wheelchair-accessible transportation services providing rides within the designated service area to seniors, people with disabilities, and the general public. This article has an estimated tax impact of \$1.55 per \$100,000 home value.

WARRANT ARTICLE 15 - MODIFICATION OF EXISTING ELDERLY EXEMPTION CRITERIA - \$30,000

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

The majority feels that the adjustment recommended by the assessor of tax exemption for the elderly should be adopted. Age 65-75 (\$83,000), 75-80 (\$124,000), and over 80 (\$200,500). Also, the maximum assets excluding house value would be \$125,000 for both individual and married persons. In 2022, 88 elderly citizens benefited from this exemption; often on a fixed income; they could remain in their houses longer.

WARRANT ARTICLE 16 - WADLEIGH LIBRARY MAINTENANCE AND UPKEEP CAPITAL RESERVE - \$25,000.

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

Majority

The Milford residents voted in 2022 to establish a capital reserve account for the Wadleigh Memorial Library. Capital reserve accounts build funds for future costly expenses. The Wadleigh Memorial Library is a historic town facility and will continue to require repairs and maintenance to the existing structure. By continuing to fund this capital reserve account we can avert large warrant articles for repairs and maintenance and ultimately save taxpayer money on loan interest by funding repairs outright.

Minority

The Minority believes that no funding was requested for other Capital Reserve Accounts this year due to the imperative need for the citizens to approve the EPA-mandated upgrade of the Wastewater Treatment Plant (Warrant Article #3). The library received grant money to upgrade HVAC heating and cooling this year. Therefore, this Capital Reserve W/A can wait.

WARRANT ARTICLE 17 - INDEPENDENCE DAY CELEBRATION FIREWORKS - \$0

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

Being the fireworks are lower priority on the ballot, the BAC feels money would be better spent elsewhere.

WARRANT ARTICLE 18 - SUMMER BAND CONCERTS SUPPORT - \$9,000

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

The summer band concerts have been funded at this dollar amount for at least the past 20 years. The Recreation Department has been able to continue to provide 10 concerts a year during the summer months. The department selects a variety of genres which results in entertainment for hundreds of residents. The summer concerts provide an opportunity for the very young as well as more senior residents to enjoy a night of music in chairs or on blankets on the grass. The concerts will take place at either Emerson Park or the new Stage at Keyes Park depending on the size of the band and/or the weather.

WARRANT ARTICLE 19 - MEMORIAL, VETERANS & LABOR DAY PARADES AND RECOGNITION SUPPORT - \$8,000

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

These parades are well-attended and popular with the community. This warrant includes costs for safety coverage and cleaning up by Police, DPW, and other Town Departments as well as the purchase of flags placed on Veteran's graves for Memorial Day.

WARRANT ARTICLE 20 - ANNUAL LABOR DAY PARADE SUPPORT - \$3,000

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

This appropriation is used to fund the bands, musicians, and other allied expenses directly attributed to the annual Labor Day Parade. This annual event is popular with the citizens of Milford. Streets are closed and 100's of people line the parade route and enjoy the bands, floats, and various local groups marching in the parade.

WARRANT ARTICLE 21 - RE-ADOPT THE OPTIONAL VETERAN'S TAX CREDIT WITH EXPANDED ELIGIBILITY - \$5,000

The Budget Advisory Committee SUPPORTS This Warrant Article (7-0-2)

The majority voted to approve to re-adopt the Optional Veterans Tax credit which is expanded to include service members not yet discharged. It would maintain the previously approved \$400 property tax credit.

***This warrant article must pass to continue the \$400 credit. Two members abstained as they would be receiving benefits from this warrant.

WARRANT ARTICLE 22 - RE-ADOPT ALL VETERAN'S TAX CREDIT WITH EXPANDED ELIGIBILITY - \$5,000

The Budget Advisory Committee SUPPORTS This Warrant Article (7-0-2)

The majority voted to approve the re-adoption of the \$400 Veterans Tax Credit for standard and optional recipients. ***This warrant article must pass to continue the \$400 credit. Two members abstained as they would be receiving benefits from this warrant.

WARRANT ARTICLE 23 - MILFORD COMMUNITY ELECTRICITY AGGREGATION - \$0

The Budget Advisory Committee DOES NOT SUPPORT This Warrant Article (3-5-1)

Majority

This true 'zero dollar ever' tax impact initiative is intended to provide lower cost electrical power to Milford residents and small business. By grouping our town's residential and small business users into a buying group (possibly with other local communities) Milford's residents all have an opportunity to get a better electricity rate through competition.

Transmission, Delivery and Billing all remain with EVERSOURCE. Please take the Survey:
<https://www.surveymonkey.com/r/MilfordCP>

Voters can read the plan at: milford.nh.gov/community-power. The Milford Energy Advisory Committee/ Milford Community Power Committee welcomes your comments and would appreciate your support for Warrant Article 23.

Minority

Certain members of the Budget Advisory Committee feel that this Community Power Plan may save thousands of Milford resident's money on their monthly electricity bill. By buying in bulk with authorization from Milford voters, we will have the opportunity to lock in at a competitive rate. The purpose is to pool electricity demand and use the power of the competitive market for cost savings. Many municipalities in NH are already utilizing a Community Power Plan successfully. This plan will only change the supplier of the electricity. Eversource will still be responsible for distribution, maintenance, and billing. This plan will have NO TAX IMPACT and will be self - funding.

WARRANT ARTICLE 24 - HISTORICAL PRESERVATION OF THE TOWN OF MILFORD'S FIRE HORN BY Petition

The Budget Advisory Committee IS NOT TAKING A POSITION ON This Warrant Article (0-0) This is going to change

WARRANT ARTICLE 25 – ELECT MEMBERS OF THE MILFORD PLANNING BOARD by Petition

The Budget Advisory Committee IS NOT TAKING A POSITION ON This Warrant Article (0-0)