

Brentwood 2017 Budget Public Hearing

Thursday, February 16, 2017

What is our goal tonight?

- Inform the public about Town & Swasey School Operating Budgets (OBs), and Warrant Articles (WAs) with financial implications that will be voted on at the Town and School Meetings in March 2017
- Provide Budget Committee current recommendations
- Gather public input

What will we cover tonight?

- Town OB & WAs with financial implications
- Swasey School OB & WAs with financial implications
- Exeter Regional Cooperative School District OB & WAs – *informational purposes only*. Brentwood Budget Committee is not involved in the creation or recommendation of ERCSD budgets
- Individual Tax Impacts

Town Warrant

Operating Budget

Warrant Articles

- Specific Expenditures
- Additions to Capital Reserve Funds
- New Capital Reserve Funds

Bond Article

2017 Town Operating Budget

Recommended by BudCom

- \$3,504,334
- Increase of \$220,642 over FY16 (6.48%)

Recommended by BOS

- \$3,507,280
- Increase of \$223,588 over FY16 (6.57%)

*Differ by
\$2,946*

Town Operating Budget

Major Changes between FY16 vs. proposed FY17

- Most budgets were close to level funded
- Changes over \$10,000
 - Police Department up 8.09% (\$55,094)
 - NH retirement & Health Insurance, Merit Raises
 - Highway Department up 18.23% (58,816)
 - Added a part time employee
 - Health Insurance, Merit Raises
 - Fire Department up 16.02% (58,817)
 - Increase to secretary hours
 - Salary/benefits increase for new, part time fire chief
 - Merit Raises

Town Operating Budget

Major Changes between FY16 vs. proposed FY17

- Changes over \$10,000
 - Code Enforcement up 36.03% (14,385)
 - Increase in work justifies increase in hours (no wage increase)
 - Recreation Department up 61.06% (27,005)
 - Move employee to full time with benefits

2017 Town Operating Budget

Difference between BudCom & BOS

- **General Government** (this budget is down from last year)
 - \$33,627 BudCom vs. \$35,627 BOS
 - \$2000 difference
 - BudCom felt actuals for long-range planning justified slight decrease
- **Recreation**
 - \$68,739 BudCom vs. \$69,685 BOS
 - \$946 difference
 - BudCom moved to full time employee but no wage increase

WAs: Specific Expenditures

- Road Repairs (*Recommended*)
 - \$350,000 same as FY16
- Highway Vehicle Lease (*Recommended*)
 - Final payment on backhoe, approx. \$18.5K
- Fire Dept Vehicle Lease (*Recommended*)
 - Second year's payment on pumper truck, approx. \$89K
- Police Cruiser (*Recommended*)
 - Approx. \$23K final balance due

WAs: Expenditures

- Police Cruiser Tablets (*Recommended*)
 - Cost of two new PC Rhino Tablets is \$11,888
 - Includes tablets, software and installation
 - Looking to outfit two cruiser each year rather than all at once
 - \$5944 will be raised through taxes, \$5944 will come from Emergency Management Performance Grant

WAs: Capital Reserves

- Bridge Repairs (*Recommended*)
 - \$50k to current fund; \$30k higher than FY16
 - Money to come from unreserved fund balance
 - Mill Road bridge will need repairs in future
- Highway Vehicles (*Recommended*)
 - \$25k requested this year; \$6.4 increase over FY16
 - Would bring balance to \$155k
 - New piece of equipment ~ \$160k
- Building Repairs (*Recommended*)
 - Add \$50k to current fund; \$25k higher than FY16
 - New Town Office roof in FY16 drained fund

WAs: Capital Reserves

- New Highway Building (*Recommended*)
 - Add \$50k; same as FY16
 - Will bring reserve to \$320,000
 - New town shed plus roughing 4000 sq ft for future town offices or police department.
 - Hope to build this year – plans to be presented at town mtg
- Revaluation/Assessment (*Recommended*)
 - Reserve to save for assessments required every 5 years
 - Fund with \$25k; same as FY16
- Software (*Recommended by BudCom*)
 - Add \$20k to existing fund; same as FY16
 - Estimated \$75k needed in several years

WAs: New Capital Reserve

- Fire Department New Vehicle Capital Fund
 - New capital reserve to save for purchase of new fire or rescue vehicle
 - \$50,000 requested by BOS
 - \$25,000 *recommended by BudCom*
- \$85,058 will be donated to this fund by Fire Association from the sale of old fire station

WAs: New Capital Reserve

- Municipal IT Hardware Fund (*Recommended by BudCom*)
 - New capital reserve to save for purchase of IT hardware such as servers, switches, firewalls, and computers for municipal operations
 - Warrant for \$20,000
 - Estimate that within 5 years will need ~\$90k
 - BudCom recommended comprehensive review of needs to develop capital improvement plan

WAs: New Capital Reserve

- Solar Panels (*Recommended by BudCom*)
 - Warrant for \$17,000
 - New capital reserve to acquire solar panels for municipal operations

Bond Article: Prescott Road (*Recommended*)

- Warrant for \$1.4M for reconstruction of Prescott Road
- New \$1.25M bond & remainder from bridge repair capital reserve
- Based on same engineering plans as presented in spring 2016
- Looking at 10 year bond (mid-2017)
- Construction to start summer 2017
- Reconstruction includes – widen road, re-engineer ‘Y’ intersection, repairs to several bridges, new plantings....
- NO tax impact in 2017. Bond payment of approx. \$160k begin in 2018, with decreasing payments each year.

Warrant Article Total

	2016	2017	2017
		<u>Sel Approve</u>	<u>BCom Approve</u>
Road Repairs	350,000	350,000	350,000
HWY Lease Purchase	18,524	18,524	18,524
FD Vehicle Lease Purchase	88,895	88,995	88,995
PD Cruiser	27,533	23,190	23,190
PD Tablets***	0	11,888	11,888
HAVEN	0	3050	3050
New Heights	0	1,000	1,000
CASA	1000	500	500
C/R - Bridge Repairs*	20,000	50,000	50,000
C/R - Highway Vehicles	31,477	25,000	25,000
C/R - HWY Addition	50000	50,000	50,000
C/R - Building Repairs	25,000	50,000	50,000
C/R – Revaluation / Assessment	25,000	25,000	25,000
C/R – Software	20,000	20,000	20,000
New C/R FD Vehicle Replace	0	50,000	25,000
C/R FD Vehicle Replace**	0	85,059	85,059
New C/R - IT Hardware	0	20,000	20,000
New C/R - Solar Array	0	17,000	17,000
Prescott Road Bond (no impact in 2017)		1,250,000	1,250,000
TOTAL	\$657,529	\$888,205	\$863,205

*not raised through taxation, unreserved fund balance; **donation from Fireman’s Association; ***half to come from grant

Brentwood Tax Impacts – Town (2017)

	AMOUNT	DIFFERENCE from prior year	% Change	TAX IMPACT \$/\$1000 valuation	350K property cost estimate
TOWN OB	\$3,504,334 (Budcom)	\$213,212 (Budcom)	6.48% (Budcom)	\$0.38 (Budcom)	\$133.21 (Budcom)
	\$3,507,280 (Selectmen)	\$216,158 (Selectmen)	6.57% (Selectmen)	\$0.39 (Selectmen)	\$135.05 (Selectmen)
TOWN WAs (Total of all WAs)	\$863,205 Budcom Recommended	\$205,676 (Budcom)	31.28%* (Budcom)	\$0.37** (Budcom)	\$128.50*** (Budcom)
	\$888,205 Selectmen Recommend	\$230,676 (Selectmen)	35.08% (Selectmen)	\$0.41 (Selectmen)	\$144.12 (Selectmen)
BOND for Prescott Road	\$1.25 Million Recommended by Budcom & Selectmen	No appropriation until 2018	No appropriation until 2018	2017 = \$0 Anticipated 2018 impact = \$0.30	2017 = \$0 Anticipated 2018 = \$105.00
TOTAL TOWN		RECOMMENDED by BudCom:		\$0.75	\$262.50
		RECOMMENDED by Selectmen:		\$0.80	\$280.00

*if we remove donation from FA & bridge repair from unreserved fund balance, then only ~\$70.5k increase or 10.74%

** much of tax impact is not from taxation but rather allocating money that could be given back to you as unreserved fund balance

*** rough estimate is increase of \$44 on \$350,000 home for Town Warrant Articles compared to 2016

Swasey School Warrant

Operating Budget

Warrant Articles

- Maintenance Fund
- Special Ed Fund
- Safety & Security Fund

Swasey School Warrant Articles

- Operating Budget (*BudCom & School Board recommended*)
 - \$5,450,822
 - Increase of \$49,847 compared with approved FY16/17 budget (0.92%)
 - Salary and benefit increases in accordance with Collective Bargaining Agreements
 - Increases in healthcare & NH retirement
 - Part-time computer aid (non-teaching) ~\$11k
 - Increase to plant operations ~\$35k

School WA

- Maintenance Fund (*BudCom & School Board recommended*)
 - Up to \$10,000 from unreserved fund balance
 - Current balance of ~\$82,000
 - Haven't contributed in >6 years
 - New roof is needed
- Special Education Fund (*BudCom & School Board recommended*)
 - Up to \$10,000 from unreserved fund balance
 - Current balance of ~\$66,000
 - Haven't contributed in 6 years

School WA

- Safety & Security Fund (*BudCom & School Board recommended*)
 - Save for future, higher cost safety and security measures
 - Up to \$10,000 from unreserved fund balance
 - Current balance of ~\$20,000

Brentwood Tax Impacts – Swasey (2017/18)

	AMOUNT	DIFFERENCE from prior year	% Change	TAX IMPACT \$/ \$1000 property valuation	350K property cost estimate
SWASEY OB	\$5,450,822 Recommended by BudCom & Sch Board	\$49,847	0.92% (Budcom)	\$0.09 (Budcom)	\$31.14 (Budcom)
SWASEY WA #2 <i>Maintenance Fund</i>	Up to \$10,000 Recommended by BudCom & Sch Board	\$10,000		\$0.02	\$6.25*
SWASEY WA #3 <i>Special Ed Fund</i>	Up to \$10,000 Recommended by BudCom & Sch Board	\$10,000		\$0.02	\$6.25*
SWASEY WA #4 <i>Safety & Security Trust Fund</i>	Up to \$10,000 Recommended by BudCom & Sch Board	- \$10,000		- \$0.02	- \$6.25*
TOTAL LOCAL SCHOOL		RECOMMENDED by Budcom & School Board:		\$0.11	\$38.50

*not raised through taxation

Brentwood Tax Impacts – Local Total* (2017)

	AMOUNT	DIFFERENCE from prior year	% Change	TAX IMPACT \$/ \$1000 property valuation	350K property cost estimate
	TOTAL TOWN		RECOMMENDED by BudCom:	\$0.75	\$262.50
			Recommended by Selectmen:	\$0.80	\$280.00
	TOTAL LOCAL SCHOOL		RECOMMENDED by BudCom & School Board:	\$0.11	\$38.50
			BudCom Total	\$0.86	\$301.00**
			Selectmen Total	\$0.91	\$318.50

*These figures do not include Exeter Regional Cooperative School District Budget

**Not all raised through taxation; approximately \$177 increase for 350k home

Exeter Regional Cooperative School District (ERCSD)

Coop School District WAs

- Operating Budget
 - Default \$56,435,092 (0.18%)
 - Proposed \$56,796,662 (0.64%)
 - Difference \$361,570
- Administrators Collective Bargaining Agreement
 - 16 administrators affected (not principals)
 - 5 year contract: 2.5/2.5/2.5/2.0/2.0%
 - Take on higher % of healthcare
- Teachers Collective Bargaining Agreement
 - ~275 professional educators affected
 - 4 year contract: 1.9/2.2/2.2/2.2%
 - Take on higher % of healthcare

Coop School District WAs

- Turf Replacement Fund
 - \$50,000 from unreserved fund balance
 - Fund established for EHS stadium turf
- CMS Renewal Project (Expansion & Renovation)
 - \$21,985,485 bond

Length of Bond	Brentwood Tax Impact 1 st Year (¢/\$1000)**	First Year Increase for \$350,000 home	Brentwood Tax Impact 2 nd Year (¢/\$1000)	Second Year Increase for \$350,000 home
10 year bond	0.09	\$31.50	0.79	\$276.50
15 year bond	0.11	\$38.50	0.61	\$213.50
20 year bond	0.12	\$42.00	0.52	\$182.00

* interest rates provided by the NH Bond Bank in Nov. 2016. The final bond rate is not set until the bond is secured.

** Tax impacts are estimates based on Nov 2016 bond rates. The first year is a partial payment and thus the impact much lower than the second-year tax impact

Coop. School District Tax Impact

Tax Impact (cents/\$1000 valuation)		
	Proposed	Default
Operating Budget	.108	.003
Administrators' Contract	.012	
Teachers' Contract	.183	
Field Replacement Trust Fund	.015	
TOTAL	.319	.213
Increase for \$350,000 Home	\$111.65	\$74.55

*Difference between Default and Proposed = \$361,570

Brentwood Tax Impacts – Total (2017)

Town OB	\$0.38 (BudCom)	
Town WA (total Budcom recommended)	\$0.37*	
Swasey OB (Budcom recommended)	\$0.09	
Swasey WAs (total)	\$0.02	
ERCSD WAs (excluding CMS Renewal)	\$.21	
ERCSD OB	\$.003 (default)	\$.108 (proposed)
TOTAL (\$/\$1000 valuation)	\$1.07	\$1.18
Estimated Tax Increase for \$350,000 Home	\$374.50	\$412.30

Meeting & Voting Dates

- **Friday, March 10th**, Swasey School Meeting
6:30pm, Swasey School
- **Tuesday, March 14th**, Voting on Coop. School District
WAs & Candidate Selection
8:00am -7:00pm, Recreation Center
- **Saturday, March 18th**, Town Meeting
9:00am, Swasey School