

Lyndeborough Budget Committee

Meeting Minutes

January 2, 2024

Approved

Chairperson Karen Grybko called the meeting to order at 6:33 p.m.

Members present: Chairperson Karen Grybko (KG), Vice Chairperson Kevin Boette (KB), Allyssa Lavoie (AL), Fran Bujak (FB), Selectmen's Rep. Bob Howe (BH), John Pomer (JP), Stanley Greene (SG) and Arnie Byam (AB)

Present: Town Administrator Russ Boland (RB), Finance Administrator/HR Paul Hebert (PH), and members of the public

FB motioned and KB seconded to accept the minutes of December 19, 2023 meeting.

VOTE: For: KB, AL, FB, BH, JP, SG & AB, Abstain: KG Passed: 7-0-1

AL motioned and SG seconded to delete lines 120-126 from the November 7, 2023 minutes.

VOTE: For: KB, AL, KG, BH, JP, SG & AB, Abstain: FB Passed: 7-0-1

AL motioned and AB seconded to accept the minutes of the November 7, 2023 meeting as amended.

VOTE: For: KB, AL, KG, BH, JP, SG & AB, Abstain: FB Passed: 7-0-1

AL asked about the outstanding Budget Committee minutes. Dawn Griska (DG) to check.

RB presented the committee with a request to increase the Veteran's tax exemption to the maximum amount allowed. The change would cost the town an additional \$15,000 annually (.07 cents / \$21 for a \$300,000 home – see attachment #1). RB asked the committee to consider the request and provide a response later in the meeting.

RB provided a 2023 revenue update. The current town unreserved fund balance is approximately 8.96%. The state recommends a balance between 5-17%. The Lyndeborough policy has been to have a balance between 6-12%. The 2023 budget will have a surplus of approximately \$400,000. The surplus is from additional revenue, grants and expenditures. The Selectmen recommend retaining approximately \$200,000 which would bring the unreserved fund balance to near 12% and apply the remainder toward 2024 Warrant Articles. RB provided some insight on the fund balances of other towns.

KG appreciated the request to increase the fund balance but questioned whether the money should be used to address some known infrastructure problems. RB reviewed what has been done and outlined what is happening now. KG specifically mentioned the status of Herrick Rd and the continuing problems with it. KB also asked whether increasing the fund balance at the expense of infrastructure improvements was the most appropriate action.

RB reminded the committee that the numbers do not include uncollected taxes which has improved and is less than \$200,000.

AL asked about the town program for gravel, culverts and guard rails and asked if a line is needed in the CIP. KB stated, "If the plan is good, it should just be in the operating budget". AL thought that the culvert need is greater. RB indicated that the plan is looking to set up a stable annual replacement amount.

AB stated that Herrick Rd washes out every 3-5 years. If we have the same size culverts, we shouldn't expect a different result. We need to have an engineer look into these problem areas and make sure we have the right size culverts to handle the amount of water to pave initially.

AL asked if it benefits to pave the gravel roads. KB indicated that paved roads are cheaper to maintain but very expensive.

FB asked about spending half of the surplus currently designated to go into the unreserved fund balance (\$100,000). RB stated that we still need to hire the 5th employee and the department has enough money in the budget to keep the employees working.

AL asked what the current unreserved fund balance is? RB stated the balance is \$573,000. AL asked if the committee could have the unexpended fund balance information in a handout next year? RB indicated that could be done.

RB reviewed the Selectmen's proposal for funding the proposed warrant articles. Warrant articles 12, 13, 15, 16 and 18 totaling \$170,375 would be funded with money from the 2023 unassigned fund balance. Warrant articles 14 & 19 totaling \$25,600 would be raised through taxation. Article 16 requires more money than previously in the CIP because the replacement needs to be done sooner and used equipment prices have increased significantly to a point where it no longer makes sense not to buy new equipment.

KG expressed a concern about the Center Hall ceiling. Mark Chamberlain, Selectmen indicated that the selectmen are looking into two (2) grants. One would be for an engineer to determine what needed to be done and the second would be to complete the work.

The committee had a general discussion about retaining versus returning to taxpayers the unassigned fund balance.

Revenues (3000s +0.65%)

The committee discussed 3352-01-000 Meals & Rooms Tax because the 2024 estimate is \$125,000 while actuals for 2022 and 2023 were \$150,000 and \$164,000 respectively. FB questioned if the line should be increased by \$10,000. KB stated that would be a good discussion for the review meeting next week.

AL asked what is the rental income. RB said it is the cell tower lease and renting of Center Hall.

Executive (4130 +12.00%)

RB stated a large portion of the increase is a request for an additional part-time office position (attachment #2).

FB asked about the percentage increase in line 4130-02-112 being higher than other employee lines. BH indicated that in addition to the step increase the Selectmen approved a merit increase.

Financial Administration 4150

PH explained the efforts being made to bring payroll back in house and changing software programs to replace Quick Books for added functionality.

Assessing 4152

There is an increase in assessing software.

Personnel Administration 4155

The Selectmen are recommending increase the town's share of health insurance from 85% to 100%. The committee discussed the increase. A final decision will be made by the committee during its budget review session. RB shared health benefit percentages in surrounding towns.

Line 4155-02-231 Town Share of Valic Retirement for our police chief is increased from 6 to 8%.

Government Buildings 4194

RB explained an increase to maintenance at Center Hall.

Other Insurance 4196

Rates will be increasing by the maximum allowed, 9%.

Regional Planning 4197

The budget remains flat. NRPC provides four (4) hours in the office each Thursday to assist our staff and residents with their applications.

Ambulance 4215

RB shared that he believed that services have improved with the new director.

Building Inspection 4240 & Street Lighting 4316

There were no questions.

Recycling 4324

2024 budget request not yet received from Wilton.

Direct Assistance 4442

There were no questions.

Patriotic Purposes 4580 & Other Culture/Recreation 4589

The increase in account 4589 was to fund the resumption of our Community Day.

The committee discussed the increase to the Veteran's tax exemption presented earlier in the meeting. FB agrees with the increase but disagrees with how it is being done.

The committee voted on the request on increasing the Veteran's tax exemption.

VOTE: For: KB, AL, BH, KG, SG & AB, Against: FB, Abstain: JP Passed: 6-1-1

DG provided the committee with multiple copies of the outstanding Budget Committee minutes that have not been approved. FB will scan and email those minutes to all committee members for approval at the next meeting.

KB motioned and JP seconded to adjourn at 9:23 p.m.

VOTE: Unanimous For.

Respectfully Submitted,
Francis Bujak

Russell

n: Dawn Griska
Sent: Wednesday, December 27, 2023 9:45 AM
To: Mmark A. Chamberlain (Civilmac@tds.net)
Cc: Trish Schultz; Russell
Subject: RE: Veteran's exemption

Good morning Mark,

The way that Avitar and Interware interact, Trish isn't able to pull up this data for Veterans, it has to come from Avitar.

We currently have 56 veterans who receive the \$500 Veterans' Tax Credit (per RSA 72:28), there are 2 new applicants for 2024 (their applications have not yet been reviewed and/or approved), and as it's early in the application season, so I would be comfortable projecting us at 60 total recipients in 2024.

That gives us a current annual tax burden of \$30,000 for this category. If we were to increase the credit to \$750 (which is the maximum amount allowable for this category by statute), the new annual burden would be \$45,000 (an annual increase of \$15,000).

Our 2023 net valuation (with Utilities) is \$220,994,598, and rounded out that's about \$0.07 cents per thousand, or +/- \$21 on \$300,000 assessment.

Hope this helps,

Trish

-----Original Message-----

From: Trish Schultz <tschultz@lyndeboroughnh.us>
Sent: Wednesday, December 27, 2023 8:14 AM
To: Dawn Griska <dgriska@lyndeboroughnh.us>
Subject: FW: Veteran's exemption

-----Original Message-----

From: Mark Chamberlain <civilmac@tds.net>
Sent: Tuesday, December 26, 2023 7:21 PM
To: Trish Schultz <tschultz@lyndeboroughnh.us>
Cc: Russell <rboland@lyndeboroughnh.us>
Subject: Veteran's exemption

Trish,

Please provide the number of veteran's exemptions currently and the impact to the tax rate if the exemption is increased to \$750.

Mark



Interoffice Memo

Date: November 1, 2023
To: Board of Selectmen
Cc: Town Administrator Boland, Paul Hebert
Re: Proposed Addition to Administration Hours

Following conversations with Russ and Paul, Russ asked me to draft this memo to briefly relay the conditions that have prompted a request to add administrative hours, as well as the anticipated benefits of taking that action.

In short, as the volume of day-to-day functions have increased (resident inquiries at the counter, the volume and complexity of build permits, code enforcement, increased number and/or more complex land use cases, increase in property sales/deed transfers, LUCT tracking and paperwork, etc.), the need to administratively support those functions has also increased.

Despite the quantitative increase in demand, our hours have not kept pace to cover them, which has compromised our ability to accomplish high priority tasks, not to mention more typical job functions or proactive pursuits. If there is a desire for me to further discuss the background that led to this request, I can certainly do so, please let me know.

To maximize the effectiveness of a new hire's productivity, we anticipate matching their skills to comparable job functions (e.g., if someone with assessing experience is hired, we would pair their hours to support the contracted assessor on high priority assessing tasks such as completing the purely administrative portions of the LUCT paperwork).

Here's a non-comprehensive list of functions we could apply additional administrative hours to:

- Website corrections and upgrades
- Cross-training between areas to increase resiliency and also increase staff's ability to take earned time without their functions falling behind in their absence
- Training to be a back-up minute taker
- Pre-processing administrative portions of assessing paperwork to maximize limited skilled assessing hours
- Property file system overhaul and ongoing maintenance; greatly increasing general office efficiency, recertification of current use files (which helps streamline LUCT capture and processing), increasing equitable taxation, and lowering the cost of record digitization
- Generalized low level administrative support for times when unexpected, urgent, and/or unforeseen tasks pull the focus away from other high focus/high priority tasks (e.g., when we're working on a high priority task and another higher priority task crops up, we could utilize the other employee for run-of-the-mill functions instead of further splitting focus to accomplish it all)

Please let me know if you have any questions that I can help with,

Thank you,
Dawn