

**Town of Chester
Budget Committee
Approved Minutes
April 16, 2018**

I. Meeting to Order

Mr. Heuer called the meeting to order at 7:16 PM on Monday, April 16, 2018.

II. Pledge of Allegiance

Mr. Heuer led the meeting in the Pledge of Allegiance.

III. Attendance

Budget Committee Members:

Chuck Heuer

Becky Owens

Christina Gelinas

Brennan Holmes

Brian Shankey

Liaisons:

Absent:

Chair Michael Weider

Vice Chair Lamphere

Selectman Stephen D'Angelo

Kim Peterson School Board

Mike Romick School Board

IV. Announcements by the Chair – none

V. Public Comment – none

VI. BOS Update – none

VII. School Board Update- none

VIII. Other Committee Updates –

IX. Minutes –

1. **March 19, 2018**
2. **March 26, 2018**
3. **April 2, 2018**

X. Old Business –

Town Report- The BC worked on revising and editing the town report. Two versions were compared, and discussion took place for the majority of the meeting. The final draft version is attached at the bottom of this report.

XI. New Business –

XII. Member Comments

XIII. Public Comments

XIV. Next Meeting Date – after the BOS public hearing on Thursday April 19, 2018

XVI. Adjourn -

Dr. Owens made a motion to adjourn. Mr. Holmes seconded the motion. All in favor, the Budget Committee meeting of April 16, 2018 adjourned at 9:47pm.

Respectfully Submitted,

Sarah DeLisle, Recording Secretary

Final Draft Annual Report

Budget Committee

Contact: Michael A. Weider, Chairman

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Monthly Meetings – 3rd
Monday of the Month, 7 PM,

To the Citizens of Chester:

Operating under the State of New Hampshire RSA Chapter 32, the Chester Municipal Budget Committee is charged with assisting the voting public in the prudent appropriation of funds for the Town of Chester. The Budget Committee (BC) is the legislative body's appropriations committee balancing the needs of the town, the school district and the taxpayers.

The BC has recommended a much slower growth in the operating budget since the implementation of funding in the Capital Improvement Program (CIP) from the legislative body. Unfortunately, the town is facing a number of challenges for the 2018-19 budget cycle including continued increases in benefits, contractual obligations, replacement of required equipment for Police and Fire, building maintenance and improvements, rising costs of fuel and materials, and changes at Spring Hill Farm may impact the Town's revenue stream. In addition, payroll is projected to exceed \$1.7 million. Furthermore, according to the New Hampshire State Department of Revenue and the Local Government Center, federal and state funding continues to trend downward. These and other challenges have made this a difficult year to keep the Operating Budget at prudent growth levels and more in line with the Consumer Price Index.

Of special note this year both the BC and Board of Selectmen (BOS) support the addition of a Town Administrator. Our Town has passed the point of needing only Part Time Selectmen to keep up with the day-to-day responsibilities of all the management and administration that our town government demands. Even though this position including benefits could cost as much as \$126,000 initially, there will be cost savings in improved efficiencies and future planning over time.

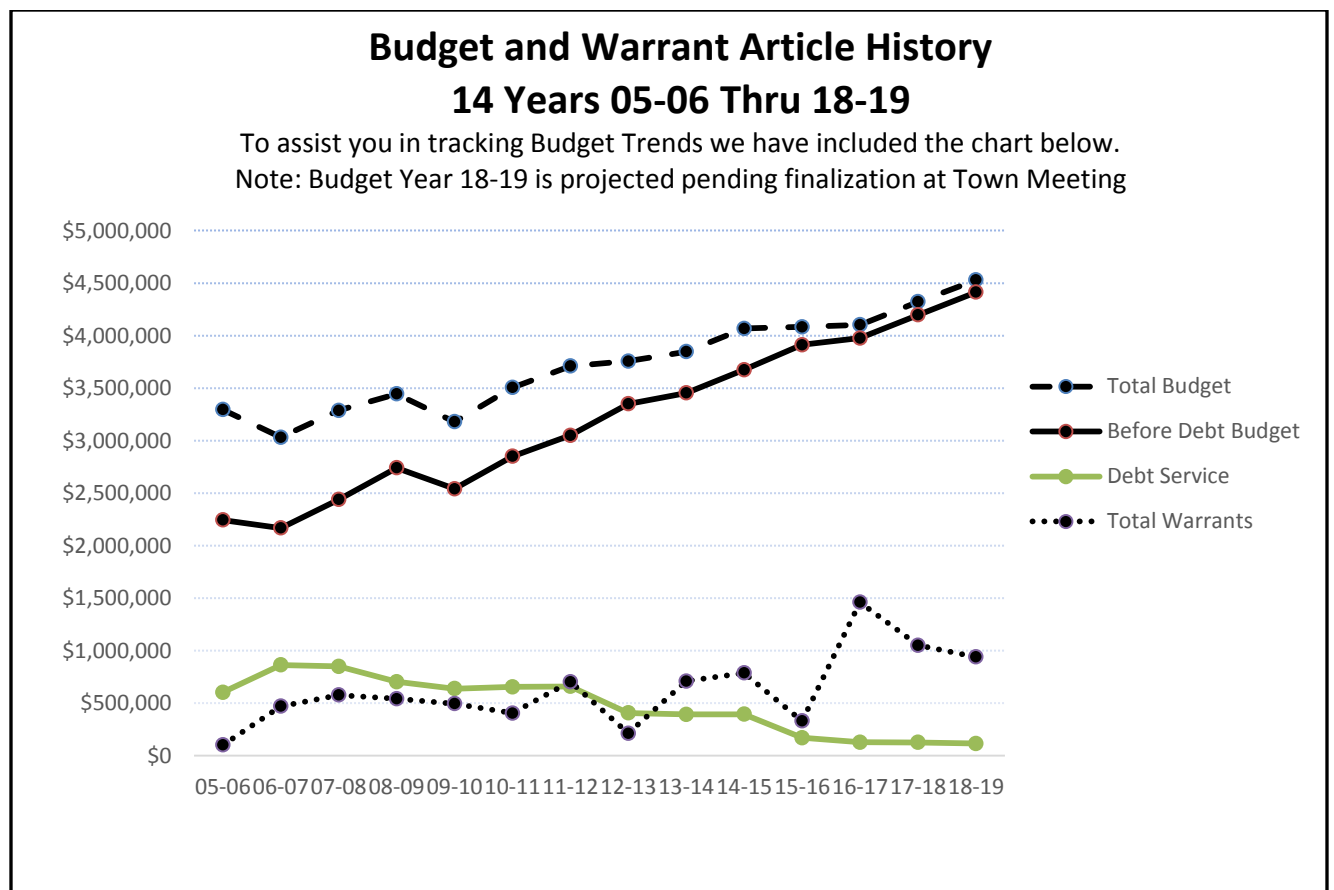
On February 26th of this year, the BC received an initial proposed operating budget from the BOS in the amount of \$4,418,409 before debt. Last year's budget, as amended at town meeting, before debt, was \$4,219,902. That is an increase in spending before debt over last year's approved operating budget in the amount of \$198,507, or a 4.7 percent increase. Subsequently, the BC requested and participated in several additional meetings with the BOS to reach an agreed upon annual budget and a CIP commitment

to continue addressing the ongoing capital needs of the Town. The final recommended 2018-19 total operating budget from both the BOS and the BC is \$4,414,338 and \$4,529,390 after debt obligations were applied for an after-debt percentage increase of 4.05%.

Recognizing the continued need for town capital improvements, the BC and BOS agreed to recommend funding of \$800,000 as proposed in Article #10 (CIP), with \$600,000 coming from taxation and \$200,000 coming from the unassigned fund balance. Without a substantial annual commitment to this fund, Chester will again fall further and further behind with respect to capital needs and related services causing potential significant tax increases at a later point in time to address these shortfalls.

The CIP drawdown of \$840,081 for the budget year 2018-19 under warrant Article #11 exceeds the funding from Article #10 by \$40,081. While the committee very much believes in and fully supports the CIP process and funding, the BC can only recommend or not recommend the CIP drawdown warrant article in its entirety.

Please take note of the charts below to assist you in the tracking of the Town Budget trends as well as Town Assessment, Households (shown in 100s), Total Tax Rate, and its breakdown.



As always, the BC invites the voters and taxpayers to participate in the process of reviewing and analyzing the Town's operating budget, warrant articles, and bond requests. The goal is to carry out this review and analysis in an effective, transparent, and fiscally responsible manner.

We welcome your attendance and input at our Budget Committee meetings and encourage your participation at public hearings. If you have any questions, please feel free to contact any of the Committee members.

Respectfully Submitted,

Chester Budget Committee

Michael Weider (2020), Chairman

Rhonda Lamphere (2018), Vice Chairman

Steve D'Angelo, *ex-officio* Board of Selectmen

Michael Romick, *ex-officio*, School Board

Christina Gelinas (2018)

Chuck Heuer (2018)

Brennan Holmes (2020)

Becky Owens (2020)

Brian Shankey (2018)