

## **Subject: 2021 Advisory Budget Committee (ABC) Budget Recommendations**

The proposed 2021 Operating Budget that was submitted by the Town Manager totals \$8,277,612. The proposed budget is an increase of \$337,558, or 4.4%, more than the approved 2020 Operating Budget.

The proposed 2021 General Government Budget totals \$6,240,876. The proposed budget is an increase of \$291,367, or 4.9% more than the approved 2020 General Government Budget.

The primary components of the General Govt Budget include:

- **Public Works** which includes the Highway & Transfer Station and that comprises 43.79% of the Operating Budget. The proposed Public Works budget totals \$2,461,579. This is an increase of \$135,771 or 5.8% over the 2020 approved budget.
- **Public Safety** which includes the Police, Fire, Ambulance, EMS, & Safety Services Building and that comprises 25.15% of the Operating Budget. The proposed Public Safety Budget totals \$1,399,982. This is an increase of \$64,366 or 4.8% over the 2020 approved budget;
- **General Government** which includes Executive, Finance, Government Buildings, Town Clerk, and other smaller departments, and that comprises 25.04% of the Operating Budget. The proposed General Government budget totals \$1,361,764. This is an increase of \$31,635 or 2.4% over the 2020 approved budget;
- **Public Service** which includes the Library, Recreation, Welfare, and various annual events, and that comprises 10.79% of the Operating Budget. The proposed Public Service budget totals \$707,953. This is an increase of \$66,126 or 10.3% over the 2020 approved budget;
- **Debt Service** comprises 5.31% of the Operating Budget. The proposed Debt Service budget totals \$309,598. This is a decrease of \$6,531 or 2.1% under the 2020 approved budget.

The Enterprise Funds include the Water and Sewer Department and the Hydroelectric Plant and are managed by the Water and Sewer Commission and the Board of Selectman respectively. The Commission and Board are responsible for setting rates to offset spending.

- The proposed Water Department budget is \$565,555. This is an increase of \$12,835 or 2.4% over the 2020 approved budget.
- The proposed Sewer Department budget is \$1,186,075. This is an increase of \$31,855 or 2.9% more than the 2020 approved budget.
- The proposed Hydroelectric Plant budget is \$285,106. This is an increase of \$1,501 or .5% more than the 2020 approved budget.

## 2021 Town Warrant Articles Summary

Article	Description	Amount	New Tax dollars raised in 2021	Revenue Offset/No increase to tax rate
	Budget Authorization			
	Add to Highway & Transfer Station Equipment Capital Reserve	\$135,000	\$135,000	
	Add to Used Highway Equipment Capital Reserve	\$25,000	\$25,000	
	Add to Town Buildings Capital Reserve Fund	\$40,000	\$40,000	
	Add to Fire Equipment Capital Reserve	\$115,000	\$115,000	
	Add to Bridges Capital Reserve	\$50,000	\$50,000	
	Add to Dirt Roads Paving Capital Reserve	\$25,000	\$25,000	
	Conservation Fund	\$55,000	\$55,000	
	Add to Milfoil Control Non-Capital Reserve Fund	\$5,000	\$5,000	
	Establish Capital Reserve for utilities infrastructure Highway Garage	\$50,000	\$50,000	\$0
	Purchase Backhoe	\$139,850		\$139,850
	Purchase Ford F550	\$84,350		\$84,350
	Garnet St/Main St Safety intersection improvements from Hydro	\$50,000	\$0	\$50,000
	Crush existing asphalt pile from Fund Balance	\$29,500	\$0	\$29,500
	PD Body Cameras from Fund Balance	\$22,885	\$0	\$22,885
	Full Time Recreation Director	\$22,299	\$22,299	
	Cemetery Trust from Fund Balance	\$3,200		\$3,200
	TOTALS:	\$852,084	\$522,299	\$329,785

\*\$673,930 new tax dollars raised in 2007

\*\$408,350 new tax dollars raised in 2008

\*\$407,300 new tax dollars raised in 2009

\*\$348,152 new tax dollars raised in 2010

\*\$358,300 new tax dollars raised in 2011

\*\$335,300 new tax dollars raised in 2012

\*\$607,300 new tax dollars raised in 2013

\$370,000 new tax dollars raised in 2014

\$105,000 new tax dollars raised in 2015

\$250,000 new tax dollars raised in 2016

\$485,000 new tax dollars raised in 2017

\$600,000 new tax dollars raised in 2018

\$446,520 new tax dollars raised in 2019

\$484,200 new tax dollars raised in 2020

In 2020 a significant amount of expenses was paid for by Federal funds and those expenses don't primarily show up in the 2020 budget. It is unknown what impact Covid-19 will have on the Town's expenses in 2021.

The make up of the department budgets within the Town of Sunapee are inclusive of not only the day to day operations of the year-round population, but also includes the fact the Town of Sunapee is a seasonal resort community with the Town's population, almost doubling during the summer months, which includes both residents and visitors alike.

The Committee encourages the Town Officials to work with the School Board and SAU, where and when possible and to be collaborative as finding solutions that benefit the Town and taxpayer.

## **The Proposed 2021 Recommendations:**

>**Public Works:** This budget affects all residents who travel over our Town roads and bridges, use the Town boat launch and parking facilities, or use the Town transfer station including participating in the annual household hazardous waste days. Funding the Highway Department goes towards maintaining, repairing, and/or resurfacing the Town's fifty-one plus miles of paved and gravel roads including maintaining the storm water systems. Additionally, the Highway Department strives to service and maintain all the Town's vehicles and equipment including Sunapee School District's school buses. The budget contains petroleum products within it that are subject to the volatility of commodity pricing, so price fluctuations are expected. ABC recommends the Transfer Station continue to explore methods to decrease the amount of solid waste that is processed through the Town's facility like the Take-it or Leave-it shop. The shop has been very successful in removing and repurposing solid waste items that would have cost the taxpayers money. The Transfer Station launched a pilot project in conjunction with the New Hampshire Department of Environmental Services (NHDES) for composting yard and leaf waste during the summer and the program is off to a great start. ABC recommends accepting the budget as presented.

>**Public Safety:** This budget provides funding for the protection and preservation of life and property to Sunapee residents, businesses and the Town. In addition, it provides protection for the town's public safety employees in the performance of their duties. ABC encourages our public safety departments to research state and federal programs to bring funds to our community where it's practical. ABC recommends accepting the budget as presented.

>**General Government:** This budget ensures the Town Office personnel and the Town Clerk/Tax Collector have the equipment, software, and means to maintain the tax base, collect the taxes, and track spending. Funds in the budget provide for the maintenance, repairs and/or improvements at the Town Office, and for other municipal buildings. All major repairs and/or improvements are completed in accordance with the Building Maintenance Capital Reserve Plan. ABC recommends town officials continue to upgrade technology to improve accessibility and ensure security, increase efficiencies, as well as provide town information for all residents. The Town should continue to address strategies for energy savings and implement new programs for efficiencies. ABC further recommends the protection and preservation of official Town records. ABC recommends accepting the budget as presented. ABC acknowledges that the Election Budget fluctuates depending on the number of elections in each calendar year.

>**Public Service:** This budget funds Library and Recreation programs and facilities, and Welfare programs. ABC recommends that current services and programs be maintained through the budget in relationship to what the residents want and are requesting. ABC recommends coordination of services with outside agencies and other Town departments. ABC recommends accepting the budget as presented.

>**Public Debt:** Public debt is incurred by 60% voter approval of prior town warrant articles for town buildings and infrastructure as an investment in the community. ABC Committee recommends pursuing any available options to reduce public debt.

>**Enterprise Funds:** The Town of Sunapee has three (3) enterprise funds, which are supported by the revenue they generate. Water and Sewer is supported by user fees and the Hydroelectric Power Plant is supported by the revenues it generates. Enterprise funds submit their budgets to the Board of Selectmen and they are incorporated into the overall budget. The net effect to the tax rate is zero. ABC acknowledges the Enterprise Funds' budgets as presented.

>**Warrant Articles:** Sincere efforts have been made to work on warrant articles that meet the needs of the town. Each warrant article is discussed and reviewed individually before being considered for approval. ABC recommends that the Board of Selectmen consider drawing funds from the Hydroelectric Power Plant, Capital Reserve Funds and Undesignated Fund Balance when funding requests are within the guidelines. ABC recommends continuing this practice.

The Advisory Budget Committee recognizes and appreciates the efforts of all the individuals and associations within the community that do contribute to offset tax dollars.

Respectfully submitted:  
Advisory Budget Committee