

Town of Stratham

Select Board Budget Advisory Committee Joint Meetings

Tuesday December 22, 2020

Thursday January 7, 2021

Monday January 11, 2021



Budget Process & Schedule

Budget Advisory Committee - Appointed by the Moderator - Makes recommendations to the Select Board

- October – Budget Submissions
- November – Preliminary Budget Developed
- December – Advisory Committee Process
- January
 - Advisory Committee Process
 - Select Board Receives Recommendations and Finalizes
- February – Public Hearing on Warrant
- March – Information Night and Town Meeting

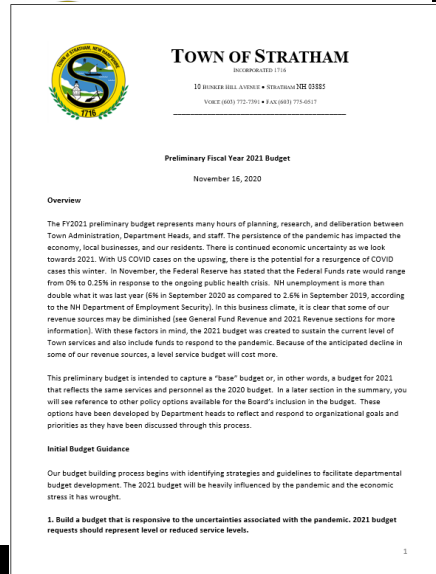


2021 Preliminary Budget

- “Preliminary” means just that (not a recommended budget)
- Initial guidance
 - Level service for 2021 (no new programs or services) – “Base Budget”
 - Plan to fund COVID-related expenses in budgets
- New Initiatives, Programs or Staffing – “A La Carte”
 - Allows for separate consideration & clarity
- Organizational Change



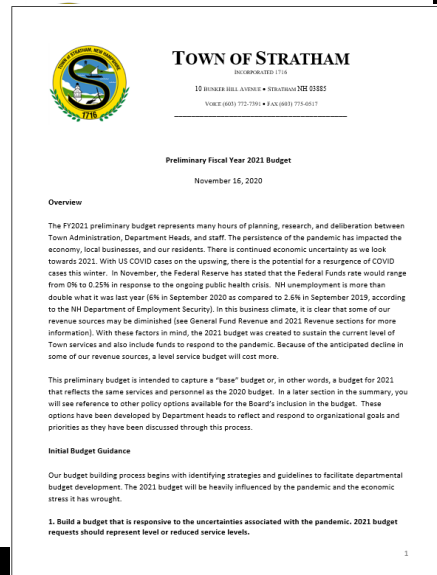
Budget Document



TOWN OF STRATHAM FY2020 DRAFT OPERATING BUDGET DECEMBER 5, 2019 GENERAL GOVERNMENT							
EXECUTIVE							
SELECT BOARD	FY2017 Actual	FY2018 Actual	2019 Adopted	2019 YTD	2020 Proposed	\$ Change	% Change
100 4130 01 101 Select Board Stipends	12,000.00	12,000.00	12,000	0.00	12,000	0	0.0%
ADMINISTRATION							
	FY2017 Actual	FY2018 Actual	2019 Adopted	2019 YTD	2020 Proposed	\$ Change	% Change
100 4130 02 102 Town Administrator Salary	102,212.13	98,156.20	133,000	82,923.06	98,000	(35,000)	-26.3%
100 4130 02 103 Executive Assistant	99,082.12	41,120.00	46,904	39,490.02	46,904	0	0.0%
100 4130 02 201 Administration Supplies	4,383.79	3,049.19	5,500	3,220.21	7,000	1,500	27.3%
100 4130 02 204 Association Dues	9,481.85	9,667.81	9,600	17,962.00	9,642	42	0.4%
100 4130 02 208 Contracted services	400.00	7,912.18	5,000	6,970.00	8,500	3,500	70.0%
100 4130 02 209 Conventions	1,088.99	2,646.14	3,500	1,396.44	3,500	0	0.0%
100 4130 02 216 Advertising	2,772.47	3,248.30	2,500	1,561.06	2,500	0	0.0%
100 4130 02 224 Meetings & Meals	3,242.80	1,546.39	3,500	6,314.43	5,000	1,500	42.9%
100 4130 02 225 Mileage	392.97	452.65	500	730.76	500	0	0.0%
100 4130 02 230 Fed-Ex	44.93	99.50	400	152.31	400	0	0.0%
100 4130 02 231 Postage	7,823.98	12,140.98	12,000	11,072.04	12,450	450	3.8%
100 4130 02 262 Town Report	3,557.50	3,548.00	3,654	3,688.52	3,709	55	1.5%
100 4130 02 317 Service Contract (copier)	1,188.67	1,783.87	1,500	1,245.20	1,750	250	16.7%
100 4130 02 318 New Equipment	464.29	0.00	1,000	0.00	1,000	0	0.0%
100 4130 02 319 Background Checks	108.00	682.25	750	565.09	750	0	0.0%
100 4130 02 320 I/MC Expenses	0.00	0.00	500	0.00	500	0	0.0%
TOTAL EXPENSES	176,225.49	186,021.26	229,808	177,291.10	202,105	(27,703)	-12.1%
TOTAL EXECUTIVE	188,225.49	196,021.26	241,808	177,291.10	214,105	(27,703)	-11.5%
ELECTION & REGISTRATION							
	FY2017 Actual	FY2018 Actual	2019 Adopted	2019 YTD	2020 Proposed	\$ Change	% Change
100 4140 01 201 Supplies	1,406.66	3,476.55	2,300	1,070.91	4,500	2,200	95.7%
100 4140 01 219 Ballot Clerks	708.00	3,048.00	900	700.00	5,000	4,100	455.6%
100 4140 01 220 Moderator/Asst. Moderator	275.00	857.00	275	125.00	1,100	825	300.0%
100 4140 01 221 Meals	450.00	1,000.00	300	300.00	1,600	1,300	433.3%
100 4140 01 301 Supervisors of the checklist	3,600.00	3,600.00	3,600	3,600.00	3,600	0	0.0%
100 4140 01 308 Workshops & Training	0.00	0.00	100	120.00	200	100	100.0%
100 4140 01 317 Equipment Maintenance	0.00	0.00	250	250.00	250	0	0.0%
TOTAL ELECTION & REGISTRATION	6,439.66	11,981.55	7,725	6,165.91	16,250	8,525	110.4%
FINANCE							
	FY2017 Actual	FY2018 Actual	2019 Adopted	2019 YTD	2020 Proposed	\$ Change	% Change
100 4150 01 110 Finance Payroll	57,325.80	56,153.80	64,050	68,396.25	145,000	80,950	126.4%
100 4150 01 217 Audit	14,495.00	15,495.00	18,500	15,644.12	18,500	0	0.0%
100 4150 01 306 Financial Software Lic/Training	4,552.75	7,614.27	13,500	5,462.75	13,500	0	0.0%
100 4150 05 111 Finance-Treasurer Salary	4,000.00	4,000.00	4,000	0.00	4,000	0	0.0%



Budget Document



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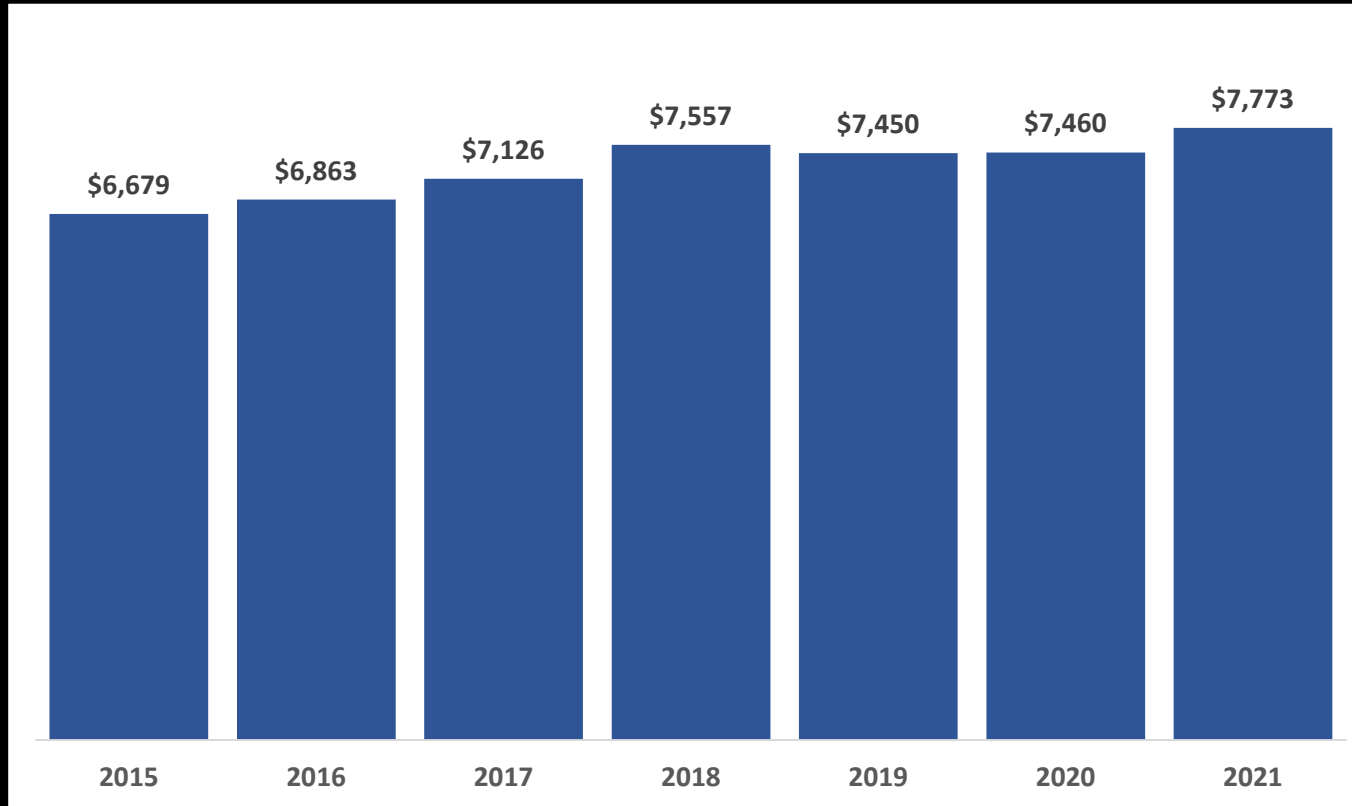


Operating Budget in Context

- **Warrant Article: Operating Budget**
- Warrant Article: Capital Improvement Plan
- Warrant Article:
 - Raising and appropriating to certain Capital Reserve Funds
 - Raise and appropriate from Special Revenue Funds
- Other Special Warrant Articles



Operating Budgets Over Time

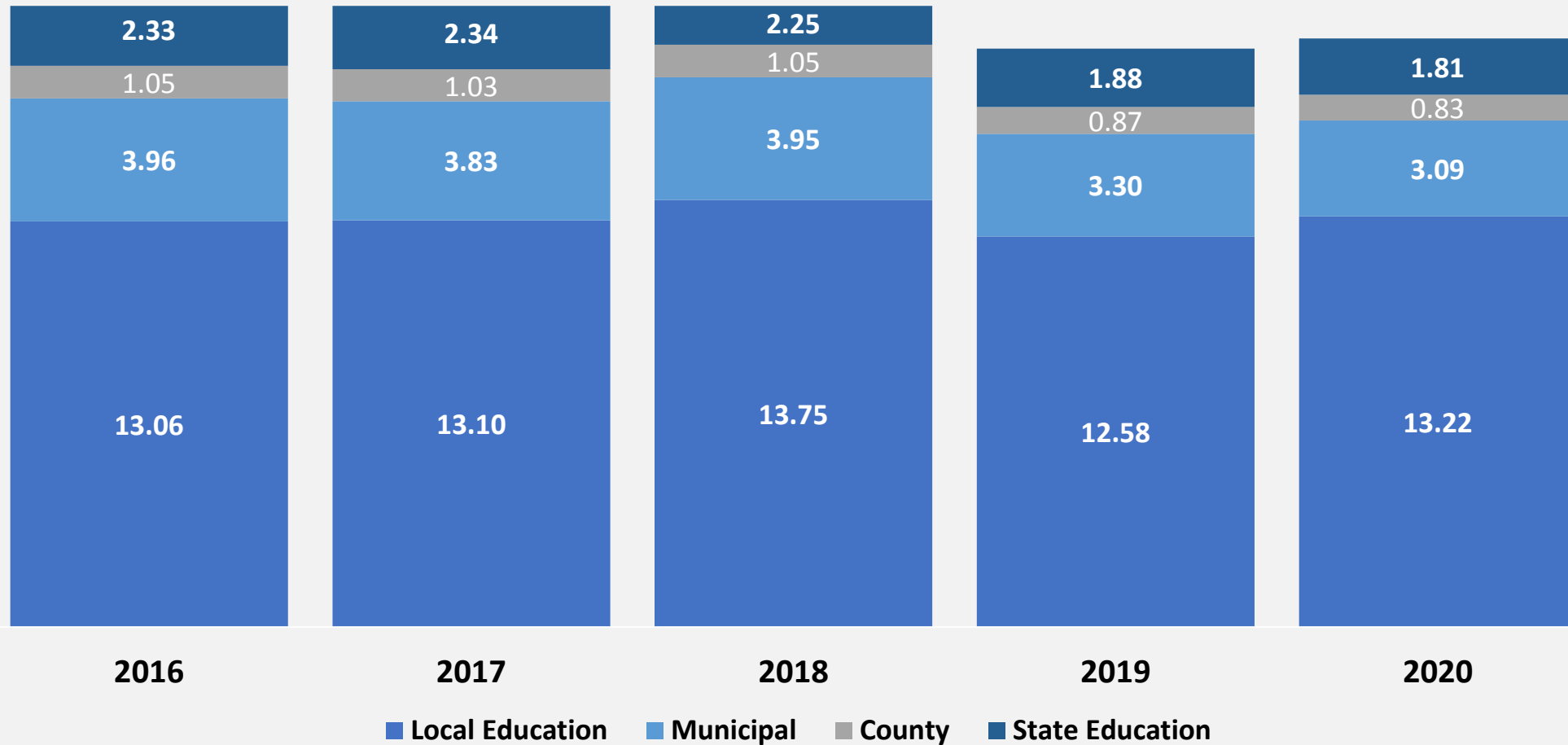


Annual growth has averaged 2.4%

Change from 2020 to 2021: 4.2%

- The budget totals do not include Capital Improvement Plan appropriations

Tax Rate by Jurisdiction: 2016 - 2020



2021 Preliminary Budget

The FY2021 preliminary budget is a “base budget”; same level of service over FY2020. The year over year increase is \$313K or 4.2%.

Function	2020 Budget	Preliminary 2021	\$ Change
General Government	2,652,677	2,887,966	235,289
Public Safety	1,587,059	1,640,976	53,917
Highways & Streets	689,242	697,435	8,193
Sanitation	831,394	919,674	88,280
Health	109,200	109,200	0
Culture & Recreation	805,087	757,397	(47,690)
Conservation & Development	10,900	11,900	1,000
Debt Service	758,090	732,346	(25,744)
Total	7,460,149	7,773,394	313,245

2021 Revenues – A Conservative Approach

- Conservative approach to revenues in 2021 in response to the economic impact of the pandemic

Revenue Source	2020			
	2020 YTD	Budget	Est. 2021	Change
Interest & Penalties	37,469	51,000	51,000	0
Licenses, Permits & Fees	1,843,105	2,147,055	2,014,355	(132,700)
State of NH	246,440	579,874	422,062	(157,812)
Charges for Services	222,549	264,420	235,800	(28,620)
Miscellaneous	132,077	136,335	120,525	(15,810)
Interfund Transfers	0	20,000	1,500	(18,500)
Total	2,481,640	3,198,684	2,845,242	(353,442)

Budget Components

- More than half of the budget consists of wages & employee benefits

Description	2020	2021	Change
Wages	3,034,964	3,113,332	78,368
Benefits	1,261,746	1,391,361	129,615
Supplies	151,355	151,405	50
Insurance	106,340	116,851	10,511
Utilities	222,762	220,262	(2,500)
Vehicles/Equipment	78,573	87,201	8,628
Maintenance/Repairs	255,184	273,644	18,460
Debt Service	758,090	732,346	(25,744)
Paving	115,739	150,000	34,261
All Others	1,475,396	1,536,992	61,596
Total	7,460,149	7,773,394	313,245

Budget Drivers - Increases

Description	\$ Change over 2020
New Hampshire Retirement System	91,208
Salaries & Wages	78,368
Waste collection	64,409
Paving	34,261
COVID response	26,000
Total	\$592,248

Budget Drivers - Decreases

Description	Amount
Recreation Summer program	(\$50,000)
Debt service	(25,744)
DPW cost center wages	(16,524)
Land Use Project Coordinator	(13,800)
Police OT	(10,000)
Total	(\$116,068)

Salaries & Wages Budget Drivers

Wage Category	Change from 2020
Compensation adjustments	\$50,000
Police	24,417
Sanitation ○	13,143
Facilities ○	11,738
Fire Department	8,400
Highway ○	(34,560)
Total	73,138

- Items denoted by ○ represent changes in the distribution of wages

Compensation Adjustment Line Item

- Adjust compensation with an overall strategy
- \$80,000
- Wage adjustments strategies
 - Maintain competitiveness
 - Reward performance, performance-based COLAs
 - Flexibility, ex: one-time bonus

“Base” Budget plus A La Carte?

- A full-time police officer – \$89,590
- DPW Crew Lead - \$72,616
- Fire Department Standby Coverage extension – \$110,864

Additional: \$273,070 in expenses over the “Base” Budget.

Administration

David Moore, Town Administrator



2021 Budget Highlights

- \$212,936 – an 11% increase or \$22.2K over 2020
- Primary budget driver – COVID expenses \$17.5K
 - Provides funding for an outdoor Town Meeting in warmer weather (if needed)

Finance

Dawna Duhamel, Finance Administrator



2021 Budget Highlights

- \$173,302 (a 2.2% or \$3.8K decrease over 2020)
- 82% of the budget is for payroll
- 11% is to fund the annual financial audit of the Town
- The balance pays for our financial software package (licensing & maintenance fees)

Personnel

Dawna Duhamel, Finance Administrator



2021 Personnel Budget Highlights

- The 2021 budget is 16.6% (about \$210K) more than 2020
 - NHRS Rate change accounts for 44% of line item increase
 - Compensation adjustments accounts for 38% of change
- The Personnel section contains several placeholders – including health insurance (open enrollment recently ended)

Health Insurance – Significant Changes

- Until 2021, the Town offered 1 health plan
- The Town added 2 new health plans for 2021
- Premium sharing percentages based upon health plan
 - The Town's contribution ranges from 15% to 25%
 - Premium cost share percentages incentivized for new plans

NHRS – Rate Increase

- NHRS \$91,208 change over 2020
- NHRS contributions – rates increase on July 1st
 - Group I rates: 26%
 - Group II rates: 19%

Debt Service

Dawna Duhamel, Finance Administrator



Debt Service Overview

- The Town has 3 general obligation bond issues:
 - Municipal Safety Complex
 - Fire House/Conservation
 - 2012 Conservation

Issue	2021	Maturity
Safety Complex	287,188	2024
Fire House/Conservation	282,620	2028
Conservation (2012)	162,538	2033
Total	732,346	
\$ Change over 2020	(25,744)	

2021 Fire Department Budget

Fire Chief, Matt Larrabee



2020 Fire Department

- 2020 Provided unique challenges to the Fire Dept.
 - COVID Pandemic
 - Health of our members
 - Health of the residents in town
 - Continuously changing guidelines and training
 - Maintaining active membership
 - The dedication of members who stepped up to help their neighbors during a Pandemic
- Call volume was down approx. 20% however expect that to be a one time event
 - Historically we have been increasing 5-7%/year for the past decade.



2021 Operational Budget

- Similar to 2020 and prior budgets
- Payroll to increase from \$236,812 to \$247,212 which is 4.3%
 - Adding 13 weeks/yr for training new individuals. Hire new day shift staff member need to add as 3rd responder to allow them training.
- Training Underspent in 2020
 - Due to COVID, NH Fire Academy did not offer any classes
 - EMT classes were very rare due to COVID
 - Expect to send new members to both FF and EMT Class in 2021
- Billing Expense (Payment to Comstar) under spent in 2020
 - It is a percentage of collection, expect collection and call volume to increase in 2021
- New Line Item – COVID
 - Specific COVID related expenses for the dept.
 - 2020 Grants: Cares Act, NH 75% Reimbursement, FEMA AFG
 - May not be available for 2021



2021 Operational Budget

- New Equipment
 - Increase from \$22,000 to \$31,900 which is 45%
 - This is to replace expiring Gear
 - Town Residents/ Dept. Members who are established
 - Gear expires after 10 years per NFPA 1851 and manufacture
 - 4 sets of gear at \$4,500/set for total of \$18,000
 - Dayshift Part-time Employee
 - Higher turnover of personal – hard to fit and may not stay 10 years
 - Lease Gear Option for \$2,000/set each year, total of 4 sets for \$8,000
 - Can exchange for different sizes
 - Gear is \$26,000 of New Equipment
 - Other items include: supply hose manifold, pagers and a fitting for drafting



2021 Operational Budget

- Proposed Program Change (Ala Carte Item)
 - Dayshift Staffing: 3 Members, 7 days per week
 - Prehospital Level of Care Increasing (2 Attendants in Ambulance)
 - Safety During Fire Calls (2 Members in 1 Member outside)
 - Call volume on weekend is significant, allows for members of public to gain better access for general business / non emergency items
 - Standby Coverage: 3 Members, 7 Nights per Week
 - Prehospital Level of Care Increasing (2 Attendants in Ambulance)
 - Safety During Fire Calls (2 Members in 1 Member outside)
 - Some of these members are not dual certified, would allow for equipment operator and EMT.
 - General population of responders is older, help with lifting and physical requirements
 - COVID Response
 - Becoming more community wide spread
 - Initial Reports Vaccine for First Responders and high risk. It will take time to include general population.
 - Majority of Stratham is general population as we don't have nursing and assisted care facilities



2021 Operational Budget

- Proposed Program Change (A la Carte Item)
 - 2020 Payroll Budget \$236,812
 - 2021 Proposed Payroll w/ Program Change \$350,198
- 2020 Operational Budget
 - \$408,944
- 2021 Operation Budget (w/ additional hrs. for training)
 - \$429,044 Increase of 4.9%
- 2021 Operational Budget (w/ additional staffing levels via Ala Carte)
 - \$532,030 Increase of 30%



2021 Capital Reserve Fund

- FD Capital Reserve Fund to provide funding for “large” purchases
 - Engine 1 Replacement 2023*
 - 20 year replacement (NFPA 1911 Standard)
 - Engine 3 Replacement 2028
 - 20 year replacement (NFPA 1911 Standard)
 - Tanker 8 Replacement 2032
 - 20 year replacement (NFPA 1911 Standard)
 - SCBA Replacement 2033
 - 15 years due to Air Bottle requirements (DOT Requirement)
 - Portable Radios
 - Current Radios purchased in 2002 with Interoperability Grant post 911



2021 Capital Reserve Fund

- Funding Sources
 - Fire Dept. Capital Reserve Fund
 - Ambulance Billing Account
 - Used to purchase Ambulances, Non-Consumable EMS Equipment, EMS Training
 - Used to offset additional Capital Purchases (ex: SCBA, Utility Truck, Command)
 - Stratham Fire Department Association / Stratham Fair Trust
 - Money raised by members of the Association
 - Donated to the Town to make Large Capital Purchase (ex: SCBA, Tanker 8)
- Over past 4 years we have equalized CRF to be more consistent and eliminate peaks.
- 2019 CRF appropriation \$131K
- 2020 - 2024 CRF appropriation \$134K



2021 Capital Reserve Fund

- Recommendations
 - Continue current Funding Schedule to allow adequate funding for Capital Items.
 - Maintain consistent funding while working with other departments to maintain capital expenditures as low as possible.
- Engine 1: 2000 E-ONE. First Line Engine for Commercial and Motor Vehicle Accidents
 - Based on performance current recommendation is replacement in 2023
 - Current projections show safe operational performance for an additional 3 years beyond NFPA guidelines.
 - Every year we evaluate performance and testing results. Current performance meets all requirements.



2021 Capital Reserve Fund

- 2021 Capital Reserve Purchase
 - Replacement of Portable Radio
 - Primary Communication Method
 - Purchased in 2002 with Interoperability Grant post 911
 - Motorola no longer provides parts and very limited service
- Radio replacement would be \$180K
 - \$100K from CRF current Balance
 - \$80K from Ambulance Account
- New Technology with SCBA Radio will be assigned to seat, not assigned to individual
 - Reduction in 10 radios
- Thermal Imaging Camera \$12K from CRF
 - Used for search and rescue, old camera over 10 years old
 - Provide a camera on all front line fire apparatus.





**Our mission is to inspire readers,
enrich lives, and create community**

Even during a pandemic

Lesley Kimball, Library Director
Kate Kim, Chair, Board of Trustees

2021 Budget Request 2020 Review

2020

Making A Difference

*"Thank you so very much for the **personal** phone call from library staff."*

*"There is simply no way to express how grateful we are for all the ways you have kept our community **sustained** this year."*

*"Thank you for your ever-adapting efforts. Your **creative** strategies are very much appreciated."*

*"What you are doing now is next level. You are doing **THE BEST** job of any entity I am in contact with."*



2021 Budget Request Priorities

- 2020 Appropriation: \$508,593
 - Salary: \$407,593 [0%]
 - Non-Salary: \$101,000 [-4.1%]
 - 2021 Request: \$508,593 0%
 - Salary: \$407,593 [0%]
 - Non-Salary: \$101,000 [0%]
1. Our most important asset:
Staff
 2. Enhanced Services



Priority #1: Library Staff

Maintaining consistent level of services only happens with a well-trained, experienced, loyal staff.

Salary considerations under review:

- Recruitment and retention.
- Market parity.
- Expanded responsibilities.
- Fair compensation.

Factor #2: Enhanced Services

New/Enhanced Services with 0% increase?

- Reallocate/rebalance traditional & new spending
- Fundraising/grants for “trial” services:
 - Outdoor/off-site services; **Traveling Library!!**
 - Drive-in movies (with parks & rec).
 - Digital homework and education support.
 - ”Take & Makes.”
 - Virtual hands-on programs or hybrid. programming (synchronous in-person/virtual).

Making a Difference (continued)

"We couple of seniors are finding the information you are publishing positive, useful, informative, and varied..."

"Seeing kids coming into the library made me feel like part of the community again."

"Thank you for keeping the town connected to reading and connected to each other"

"We treasure your caring and kindness at this pivotal moment."

"You are doing such a great job that it almost seems like this is how you have always been providing the wonderful library services we love."