

Town of Marlborough

Board of Finance Members

Michael Nastri, Chairman
Karen Pakulis Paul, Vice Chairman
Jeffrey Plourde, Secretary
John (Jack) H Fidler
Will Guzman



Board of Finance Alternate Members

Christopher Barella
Sal Senna
Baird Welch-Collins

Board of Finance 1st Annual Town Budget Public Hearing

Monday, April 15, 2024

7:00 PM

Marlborough Elementary School Cafeteria and Zoom

All minutes are considered 'DRAFT MINUTES' until approved at the next meeting.

1. Call to Order, Alternate Appointment

Present at the meeting were Board of Finance members Michael Nastri, Karen Pakulis Paul, Jeffrey Plourde, Jack Fidler, Will Guzman, Baird Welch-Collins.

Board of Selectmen members present were Deb Bordeau, Louise Concodello, Betty O'Brien, Joe Asklar, John Rizza.

Michael Nastri called the meeting to order at 7:00 PM.

2. Public Hearing Legal Notice read into the record

Michael Nastri read the Public Hearing Notice into the record for the 2024-2025 fiscal year.

3. Presentation of proposed 2024/2025 Annual Town Budget

Town Manager David Porter presented the proposed 2024/2025 Annual Town Budget.

David Porter highlighted the proposed 37.94 proposed mill rate, which will result in an increased 8.92% in property taxes. Mr. Porter showed the comparison of inflation rates between 2021 to 2024 and how Marlborough's mill rate has only increased a little over 5% during this period these years. The federal and state COVID assistance is no longer available, leaving the town to make up the difference to pay for services once aided with state/federal aid. The cost of providing the services has also increased due to inflation, causing the proposed tax increase.

The proposed town operating budget is \$6,304,880. The proposed capital town operations is \$764,577. These budgets include goals of building up the town's finance department, continuing to regionalize services where beneficial, capital town operations, culvert repairs/replacements, and capital projects.

The net grand list includes the assessed value of all taxable property in town – real estate, business property and motor vehicles.

Drivers impacting the mill rate: operating expenses, capital project expenses, debt service payments, the grand list, State Policies (Motor Vehicle cap), Collection Rate.

4. CNR Retired Projects

Table CNR Retired Projects for May 6, 2024.

5. Public Comment

Mark Semmelrock

Expressed thanks to David Porter for explaining the proposed budget well. Pleased with the plan to in-source some things; if anyone's considered getting the State involved with the projects – which can drive up cost to construction. Have there been comparisons of the costs when a state grant is involved (higher construction costs) versus not?

David Porter explained the town pays for certain aspects of projects where it makes sense to.

Jay Kirzhner

The mill rate inflation is not as high as listed – raises are not equivalent to that.

David Porter explained the mill rate was not calculated based on inflation. The inflation was only a comparison of how the town has not seen a rise in taxes as we have seen inflation affecting every other aspect of our lives. The cumulative 15% increase in an almost 4-year period compared to the increase of the mill rate now.

Bill Lardi

Inquired whether the town will hear about the local school and RHAM budget? Those seem to be bigger drivers than the town budget.

David Porter explained there was not a prepared presentation for this evening.

Mike Nastri informed that both budgets are on the town website and the RHAM website, available to the public.

Kerri Barella representing the BOE, explained the presentations were done/presented in February in public meetings. The meeting recordings are accessible online, in addition to packets/information.

Cliff Denniss

Was told MES is not hiring two principals, they are hiring two building administrators. Explained Sutton's Rule. If you have a problem, first look at the obvious. A large portion of the budget is spent on the public education in town.

Alan Miller

Over the last 3 years, the mill rate went down. Surrounding towns, their mill rates went up. Now our rate is going up. The budget should be one third of what is being presented. A lot is being paid by the seniors, without children in schools. Roads are in poor shape. Nothing has been done to upkeep the roads and repair what should have been repaired years prior.

Hal Whitney

Attended the presentation on affordable housing to attract more people into town by making housing more affordable. Senior population is growing, so the town is trying to attract younger people. How can this be done with the high interest rates and increasing taxes? How does the mill rate increase relate to surrounding towns?

David Porter agreed that taxes are increasing significantly. Surrounding towns are also increasing, but did not have specific numbers on hand. Colchester specifically having a debate similar to Marlborough's. Everything is more expensive; the increase we are asking is a big one. Trying to work toward a sustainable, efficient operation. If the budget is voted down, the conversation will revolve around services that will need to be reduced.

May 6th Public Hearing: BOE will work with BOF to hear more about the budget.

Ken Hjulstrom

Possibly hold off on some of the capital projects until bonding can be done.

Debbie Rihm

Questioned if the state would make up the difference in the motor vehicle tax as once proposed. Did the state back out of that?

David Porter answered that he has not heard of any make-up by the state. It is not anticipated that they will make up that difference.

John Arruda

Expressed confusion – rate increased from 2021 comparison. The 8.92% increase is a 8.92% increase from last year. Many are retired and on a fixed pension. Need to understand the big drivers and make the decision.

Mike Chotkowski

Asked David Porter if he/the Boards are prepared (hypothetically) for a vote resulting in a "no"? Are there tools in the tool box for the boards to do better than 8.92% now?

David Porter expressed how he has been thinking of ways in which they may have to be done. There will be 10 days to work with the boards if the budget is voted down.

Mark Summelrock

Please provide clear reconciliation – how come taxes aren't going up by 3.59% when our budget is going up by that much compared to last year?

David Porter explained the non-tax revenues are going down, while the costs of services are increasing. Increasing taxes will make up the difference.

Nick Arruda

An increase of 8.92% to the mill rate. Are all of the capital expenses necessary? Can these capital expenditures lines be scrutinized more?

David Porter explained the aggregate numbers; for every \$1.00 we spend, there is a committed \$2.00 in grant funding. Boat launch for example; \$130,000 is coming from the town, \$262,000 is coming from a grant. Postponing projects that are worthwhile, could also be detrimental because it will need to be done in the future without the guarantee of grant money. The vehicles in the budget – half of one for the proposed senior center is covered with grant funding. More efficient than the van currently used. Hybrid sedan for town hall employees, put in due to significant amount of money being reimbursed for mileage for town hall employees. Would be less expensive to have the vehicle than to have to reimburse the employees. However, it may be possible to postpone this vehicle because it is not grant funded.

Amy Traversa

Expressed firsthand knowledge of knowing how hard it is to put forward a budget. Budget is reflected on what people voted for, the charter that have changes, demands on schools, senior center, etc. There's nothing easy about it. Thank you – good job and good presentation. Looking forward to a combined May 6th presentation.

Diane Dunn

Mill rate can be found in surrounding towns online. We are not in bad shape comparatively speaking. Take a look for your information.

6. Adjournment

Michael Nastri motioned to adjourn the Public Hearing at 8:56PM. All in favor. Motion carried.

Respectfully Submitted,

Kathryn Overturf Nohelty
Board Clerk