

TOWN FORUM

Questions

Ed Becker raises some questions about the Conservation Commission's budget:

I was intrigued by the juxtaposition in your November issue of the Conservation Commission's article, in which the first two items to keep taxes under control are:

1. To control taxes, keep municipal budgets under control.

2. To keep municipal budgets under control, keep expenses down.

and the Commission's October minutes where they voted to ask the Town to increase their annual budget by 67% and to increase the amount of the Current Use Change Tax (CUCT) that is put into the Conservation Land Acquisition Fund from 50% to 100%.

The Commission is an important governmental body in Andover. The dedication and effort of the volunteer members are examples to everyone. The job they did supervising and managing the Newman Easement was outstanding and set the bar for other towns to follow.

It is with this background I am trusting that the Commission will clarify and demonstrate why they need to increase their annual budget by \$200 and double the amount of the CUCT that is now placed in the Fund.

In the 2003 Town Report the Com-

mission stated that they started the year with a balance of \$4,822, had income throughout the year of \$4,903 (which included the annual budget of \$300) and spent \$443 on appropriate expenditures (which would have left them with a balance of \$9,282) but they had a \$16,257 total at the end of the year and an additional \$15,651 held by the Trustees of Trust Funds in the Fund.

Annual Operating Budget

My first set of questions is about the annual operating budget:

- If the Commission expended less than 10% of the cash they had on hand on general expenses before any other income is added, why do they need to increase the amount of funding from the town?
- Don't they have sufficient funds on hand to support their efforts and needs?
- How much money do they need to operate each year?
- Why do they have so much more than they are spending?

If the welfare section of the budget is not entirely spent in the year it is appropriated, that money is not carried forward. It has to go before the Budget Committee and Town Meeting for a new appropriation the following year where the amount needed has to be considered and justified to the voters. Couldn't it be considered disingenuous

to request a 67% increase when your cash on hand is more than 36 times the amount of your annual expenditure (not including the Fund)?

Conservation Fund

My second set of questions is about the Fund. It is my understanding that the Fund was established to help with the costs of preparing, monitoring, and effecting conservation easements in Andover, examples being the costs of surveying property, legal documentation, and fees to experts to help monitor the properties, such as the forester hired to help with the Newman Easement.

- How large a fund does the Commission think this should be?
- When does the Commission think these funds will be required to be spent?
- How fast will Andover have to add to the Fund to meet those plans?
- If there is a need for the funds, rather than saving for them in advance while interest rates are abysmally low, couldn't the town consider issuing a bond that would be paid for with dirt-cheap interest rates by those who will be around to enjoy the use of the project?

• How does diverting income from the general fund into the Conservation Land Acquisition Fund affect the tax rate?

- Are there any specific plans for the use of the Fund in 2005? In 2006? Within the next five years?
- Do we need to add to the Fund at all?
- How do we, the Town Meeting members and tax payers, balance the importance of those plans against the competing needs, expenses, and projects that are required to make Andover a pleasant place to live?

• What sort of ongoing maintenance cost or supervision expense does a continuing program of acquisition of conservation easements implicitly commit the Town to spend?

• What is the public input, debate, and authorization process for the expenditure of these funds by the Commission, akin to what proposals for expenditure would face if included in the annual budgets that go to the Budget Committee and Town Meeting?

Dedicated Funding

My third set of questions is about dedicated funding. Specifying a source of income for a particular purpose (such as the CUCT automatically going to the Fund, or the telephone tax going to 911) is a politically clever method of raising funds for public purposes. It is not a normally-adopted method of funding town government in that it takes the purpose of the funding, in this case the Conservation Land Acquisition Fund, out of the deliberative process and allows the money to be spent on an ad hoc basis. It automatically raises revenue without measuring the priorities of the expenditure against all of the other requests for funds that go before the Budget Committee, town, school and precinct an-

nual meetings.

In order to justify the request for any funds to be raised into a Capital Reserve fund, other town organizations

- a.) present a plan setting forth the multi-year priorities of the fund
- b.) list the priorities for spending the money, and
- c.) describe the standard they would use in those expenditures.

I respectfully request the Conservation Commission to present the town with this information before we consider how much funding to put into the Fund in 2005 and in each subsequent year.

I look forward to the Commission encouraging us to support them and giving us the information that will make voting for their requests easily the correct thing to do.

Answers

The Conservation Commission responds:

Thank you, Ed, for your questions.

The Conservation Commission, along with the other Town organizations, would like to abide by Andover's past attempts at keeping taxes more or less level. This is why the Commission is proposing to increase our activities, so that in the future these activities will help keep our property taxes under control. We do not want increased funding to be a part of the problem of higher taxes. Instead, we are hoping that appropriate and timely conservation measures will be part of the long-term solution.

The Commission's budget consists of two separate and distinct budget segments: the regular operating budget and the Conservation Land Acquisition Fund. These two segments are legally separate. State laws define how the Fund money can be spent.

Operating Budget

The regular operating budget covers routine expenses similar to other Town boards, such as office supplies, conference and workshop fees, maps, mileage, publications, and membership in the New Hampshire Association of Conservation Commissions (NHACC). The more active the Commission is in performing its duties, as defined by the State, the higher its annual budget needs to be.

Typically, the largest operating expenditures are annual dues to the NHACC and attendance at conservation workshops and conferences. NHACC dues are based on town population; they have increased from \$150 in 2001 to \$200 this year. Attendance at workshops is essential for educating members on current conservation matters, such as existing and changing State legislation that defines our role and responsibilities, as well as possible solutions to common town problems.

Our operating budget has been allowed to grow over the years (if we have not spent our full appropriation) initially by an annual warrant article and, more recently, by a more permanent arrangement enabled by State legislation and

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