



TOWN OF BELMONT

Municipal Budget Information

The budgeting process starts each year in August. The Town Administrator and Department Heads start reviewing their current year's expenditures, contracts to renew, and looking ahead at upcoming expenses. In September, Department Heads meet individually with the Town Administrator for a review of their budget. After this review there may be some modifications made before the Board of Selectmen reviews all budgets in October. The Board works with each Department Head and may make additional changes before they approve each budget. The Budget Committee, consisting of 12 elected members and an ex-officio from the Board of Selectmen, meets from November to January and also reviews each budget with Department Heads before making an approval. Public hearings on the budget are held in January. The final budget is submitted to the State of New Hampshire for review before being included on the Town ballot in March. This means the Town operates from January to March without knowing what the budget for the year is. All meetings are open to the public. Most meeting videos are available to watch later, and written meeting minutes are available for all meetings.

The Town municipal budget process does not include the school budget. The Shaker Regional School District serving the towns of Belmont and Canterbury is a separate entity and has an independent budget process with an advisory budget committee.

Municipal budgets include revenues from various sources:

- Land Use Change Tax
- Permits & Fees
- State & Federal Government (Grants)
- Income from Departments
- Timber Yield Tax
- Meals & Rooms Tax
- Motor Vehicle Registrations
- Building Permit Fees
- Gravel Excavation Tax
- Interest & Penalties
- Municipal Aid
- Licensing

Expenses include all things relative to running a municipality:

- Buildings
- Equipment & Vehicles
- Road Maintenance & Repair
- Water & Sewer (offset by fees)
- Supplies & Postage
- Service Contracts
- Employee Wages & Benefits
- Library
- General Assistance
- Elections
- Town Beach & Recreation Properties
- Heritage & Historical Society
- Cemeteries
- Utilities
- Vehicle Maintenance & Repair
- Building Maintenance & Repair
- Insurance & Legal
- Professional Fees
- Curbside Trash Collection
- Technology

The Town of Belmont is an SB2 Town, and therefore if the operating budget fails on the ballot in March, the Town may call a special meeting to reconsider a revised budget, or allow the default budget to take effect. The default budget includes the same appropriations as the previous year, with some reductions and increases by contracts and other obligations mandated by law. If the operating budget fails, it creates a bottom-line default budget within which the Selectboard must stay.

Warrant articles for Capital Reserve Fund appropriations are not included as part of the operating budget, but those appropriation amounts are used in the calculation of the taxes to be raised. Capital Reserve Funds act as "savings accounts" for the Town for a specific intended purpose for large projects or long-term expenditures such as Highway Reconstruction, Municipal Facilities, Information Technology, Property Revaluation, Cemetery Maintenance, Library Building Improvements and more. The funds are a simple way to set aside small sums for a future large purchase to spread out the tax impact.



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Effects of a Default Budget

A Default Budget takes effect when a municipality's voters do not approve the proposed operating budget. This happened this year (2024) in the Town of Belmont. The default budget is calculated based on last year's appropriations with some reductions and increases for contracts, one time expenditures and other mandated obligations. The default budget is a bottom-line budget that that Selectboard must stay within.

The Town Administrator and Department Heads started reworking budgets immediately after the March Town Meeting to stay within the default budget with the least impact on services provided to residents of the Town of Belmont.

Immediate Cost Saving Measures/Increasing Revenues:

- Budget Line Items Reduced as much as possible
- Cut Police Cruiser Replacements
- Cut Household Hazardous Waste Collection Day
- Deferred spending until year-end
- Deferred maintenance
- Cut open job positions
- Cut Old Home Day Funding
- Reduced Health Agency donations
- Increased fees for some permits
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Some Long-Term Effects:

- Inflation and increases to the cost of future goods and services as well as delays receiving important equipment
- Important projects are not completed, such as road maintenance and repairs. As roads deteriorate, there is more work necessary to complete repairs, and the cost of labor and materials increases each year. In addition, roads that have deteriorated cause more damage to vehicles which then increases repair costs for individuals and government entities. Maintaining and repairing outdated equipment is not always fiscally responsible or safe.
- Loss of valuable, knowledgeable, experienced employees to other municipalities and the private sector. This inflates employee costs significantly due to the training necessary for new employees, as well as the offboarding and onboarding for two employees at the same time. Remaining employees are less efficient at their jobs as they spend time to train new employees.
- It is going to cost more money in the long-term to catch up on all of the items that were deferred and put off, due to inflation, increased costs and delays with orders. It potentially puts the community at risk when there are not sufficient police vehicles, or fire tankers, or employees to serve the Town.
- Budget cuts to items like office supplies and training can only be put off temporarily.
- When the budget is frozen over 1-2 years, the Town cannot grow and provide the services residents expect, need or want.