

## *Moultonborough 2026-2027 Town/Library Budgets*

### Recommendations and Comments

#### Advisory Budget Committee

January 5, 2026



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To the Members of the Select Board, Town Administrator, Library Trustees  
Moultonborough Town Hall  
Moultonborough, NH 03254

Moultonborough's Advisory Budget Committee (ABC), established in July 2008, is an appointed volunteer body whose mission is to provide the community and governing bodies with independent review and objective analysis of annual budgets. At the time of this writing, the Committee believes that the Fiscal Year (FY) 2027 budget is substantially complete.

Please be aware that the views in this report are not always unanimous. However, the report strives to include all members' thoughts, ideas, and recommendations.

Again this year, the ABC addresses both the Town and Library in one consolidated report, although the two are discussed separately. In coming years, the ABC will incorporate the Library within the Town's overall budget and capital plan, while recognizing that the Library is governed by its Board of Trustees.

#### **Operating Budget Summary: Town**

The proposed operating budget for FY27 (July 1, 2026 – June 30, 2027) is \$12,040,410, a 4.67% increase over the current year's budget (July 1, 2025 – June 30, 2026) of \$11,503,183. The proposed budget includes no new positions, no major projects, and a focus on maintaining the cost of current operations.

The year-over-year increase is primarily attributable to the following:

**Wages:** A 3.5% Cost of Living increase has been budgeted for all employees at the direction of the Board of Selectmen. The proposed budget also reflects the final cost of negotiated union contracts with the Police and Public Works Departments.

**Health Insurance:** Health care insurance costs are rising 15% for the coming year. Also, the Town has several vacant positions and, not knowing the type of health insurance coverage new hires will need, the budget must assume family plans for all new employees.

**Property Insurance and Workers Compensation:** The budgets for property and liability insurance and workers compensation insurance are increasing by 137%, to \$272,340. The cap limiting the Town's annual increase in premiums to a maximum of 9 percent expires this year, and similar caps will not be available in the future.

Several structural changes are being made to the budget this year to enhance transparency, improve tracking, and better align with responsible budgeting practices. Information technology, legal services, insurance, and ambulance services are all being moved to their own dedicated budgets. Also, a number of line items, including rentals and leases, internet and web services, telephones, and postage have been transferred into the Finance Department budget.

**Operating Budget Summary: Library**

The proposed library operating budget for FY27 is \$801,588, an 8.3% increase over the current year's budget of \$740,031. Essentially all of the increase is attributable to salaries and benefits.

We are pleased to see the continued cooperation between the Library and the Town, especially regarding maintenance. We look forward to continued partnership between both entities in the future.

**Capital Funding: Town**

The proposed capital budget for the Town for FY27 is \$2,414,500, of which \$1,686,500 is to be taxpayer-funded, \$568,000 to be funded from capital reserve funds, and \$160,000 from grant funds. Details for all capital projects are depicted in the chart on the following page.

By comparison the approved capital spending for FY2025 was \$4,712,000 and for the current fiscal year, FY2026, was \$4,206,551, significantly higher because of the purchase of two fire engines and DPW equipment.

TOWN CAPITAL PROGRAM					
Department	Project	Project Cost	Tax	Grant	Capital Reserve Fund
Police	Replace Dispatch Radios	\$ 35,000			\$ 35,000
Police	Cruiser Replacement (Vehicles #162 and #171)	\$ 180,000	\$ 180,000		
Police	Public Safety Drone	\$ 17,500	\$ 17,500		
Police	Contribution to Police Equipment CRF160 (Cruiser)	\$ 25,000	\$ 25,000		
Fire	2027 Replace Boat 2	\$ 40,000			\$ 40,000
Fire	Contribution to Fire Fighting Equipment CRF106	\$ 150,000	\$ 150,000		
Bldg/Grds	2027 Flooring Replacement (Police Dept.)&(Town Hall)	\$ 55,000			\$ 55,000
Bldg/Grds	Contribution to Municipal Building Fund CRF104	\$ 100,000	\$ 100,000		
DPW	Contribution to DPW Equipment CRF102	\$ 300,000	\$ 300,000		
DPW	Road Improvement Projects	\$ 1,183,000	\$ 840,000	\$ 160,000	\$ 183,000
DPW	2026 5500 Platform Bucket Truck (Trk#20)	\$ 150,000			\$ 150,000
DPW	2027 Zero Turn Mower Replacements (2)	\$ 24,000	\$ 24,000		
Recreation	Repairs - Kraine Meadow Park	\$ 30,000			\$ 30,000
Milfoil	Milfoil Annual Expense	\$ 75,000			\$ 75,000
Milfoil	Contribution to Milfoil Control CRF140	\$ 50,000	\$ 50,000		
<b>Totals</b>		<b>\$ 2,414,500</b>	<b>\$ 1,686,500</b>	<b>\$ 160,000</b>	<b>\$ 568,000</b>

### Capital Funding: Library

The Library has four capital projects planned for the next fiscal year, totaling \$240,000:

- Renovate the library's four restrooms to update them and ensure they are handicapped accessible (\$58,000)
- Install an emergency generator (\$64,000)
- Replace the air conditioning unit and condenser in old building section #1 (\$18,000)
- \$100,000 to be deposited in the library capital reserve fund in anticipation of upcoming capital projects.

The first three projects would be funded from capital reserves, the last from taxation. By comparison the approved capital spending for FY2025 was \$35,000 and for the current fiscal year, FY2026, was \$68,000.

The Library Trustees and Library leadership have developed a ten-year capital plan to address aging infrastructure, including the roof, boilers, air handling and condenser units, and technology upgrades. The ABC commends the Library for preparing a detailed capital plan that will allow it – and the taxpayers – to prepare for needed capital investments.

## **COMMENTS AND RECOMMENDATIONS**

The ABC would like to complement the Town Administrator, Finance Director, Department heads and staff on the new version of the budget book and budget preparation this year. Because of their thorough preparation, the Board of Selectmen, with ABC participation, were able to review and finalize the operating budget for next year in a single run-through. The transparency with which the budget was developed allowed all to understand the justifications for budget increases and decreases. The ABC is recommending that the School Board develop a similar process.

**Long-term capital planning.** The Board of Selectmen, with the dedicated efforts of the Capital Improvements Program Committee (CIPC), have made important strides in planning for the Town's capital investment needs for the next ten years. The CIPC extended its capital planning horizon from 6 to 10 years for the three biggest sources of capital needs: DPW, Police, and Fire. The Board of Selectmen's recommendations for funding capital projects and capital reserves reflect that effort. The ABC encourages the Town leadership to continue this focus, both to stay on top of capital investment needs and manage costs to avoid fluctuations in the tax rate.

**User fee revenue opportunities.** The ABC recommends that the Town review all miscellaneous revenue generating sources to consider whether new or adjusted fees are warranted. Specifically, the ABC recommends a full financial analysis of (1) the costs of handling demolition materials at the transfer station to ensure that taxpayers are not subsidizing that operation when considering both haulage fees and the time and expense of transfer station personnel, and (2) if and by how much the cost of trash disposal stickers should be increased to reflect the rising cost of trash disposal. While Moultonborough's fees for demolition materials align somewhat with surrounding communities, Moultonborough's transfer station offers important advantages, including that demolition materials do not have to be unloaded by hand.

It appears that the 2-year, \$20 sticker for trash disposal and beach access has not been raised in at least 17 years, yet Waste Management's fees continue to rise. The ABC also recommends that DPW investigate the costs and benefits of a device to read sticker numbers to ensure compliance. For those who do not have a sticker, such as summer vacationers, the transfer station could charge a per-bag fee.

The ABC recommends the Library consider charging non-residents a fee to use the Library. Over 60% of town libraries in New Hampshire charge such a fee, ranging from \$20 in Meredith to \$100 in Rye and Bedford. A modest non-resident fee could be imposed on the roughly 370 non-residents who currently hold cards.

Similarly, Moultonborough should consider charging non-residents a fee to launch boats at Lees Mills and States Landing. A town resident could be engaged to collect the launch fees for a commission. Center Harbor charges non-residents \$25 per launch and Meredith charges \$20. In 2024, Center Harbor collected \$18,000 in boat launch fees. Because a valid town sticker is needed to park empty trailers at the Moultonborough launch areas, nonresidents park along access roads to the launch sites to avoid the fee.

A review should be undertaken of the rental fees for docks at Lees Mills. The Town has invested significant funds in rebuilding the docks and the rental fees afforded to the few island residents who benefit are inordinately below going rates. One option could be put annual leases out for bid so that other island residents, in addition to the historic claimants, could have an opportunity to utilize the docks.

**Regional solutions.** The ABC encourages the Town to explore more opportunities to share costly services with surrounding communities. The Town has successfully regionalized its ambulance service over the past several years, and in the past entered into joint agreements with other towns to address milfoil, share code enforcement services with Holderness, and merge our Visiting Nurse program with Meredith and Center Harbor. This effort is particularly important where large capital items are proposed. If there is a need for a training center, a truck wash, a new recreation facility, or a town-funded program, just as examples, opportunities to work with other communities should be explored before asking that Moultonborough establish its own program or facility. There may also be opportunities to join forces with other nearby Towns to negotiate more favorable terms for legal services, trash disposal, and senior services, among others.

**Town/School Coordination.** The ABC recommends the Town and School meet at least semi-annually to address opportunities to combine forces on common cost items such as fuel and property maintenance. Such meetings could also compare budgeting processes and moving toward a single budgeting process. These meetings have been held in past years and could prove quite productive.

**SWEPT Contingency Planning.** The ABC believes both the Town and the School District should be prepared to reduce budgets significantly should all or a part of Moultonborough's excess SWEPT (Statewide Education Property Tax) local contribution to SAU45 (roughly \$5 million) have to be returned to the State to fund education elsewhere in the State. The voters cannot be expected to absorb the full impact through a large tax increase. The school, town, and taxpayers will likely all have to bear part of the burden. A plan should be developed that identifies specific reductions in priority order, while minimizing the impact on Town services.

**Spending Transparency.** At the public hearing on the budget, the voters should be provided a detailed accounting of all remaining funds from the previous budget year, and what is being done with those funds. The same recommendation is being made to the School District.

Respectfully submitted,

Moultonborough Advisory Budget Committee

Mary Phillips	(Chair)
Joe Adams	(Member at Large)
Kathy Garry	(School Board Representative)
Kevin Quinlan	(Select Board Representative
Nathan Hanna	(non-participating Alternate at Large)