

Budget Committee
October 27, 2022

Present: Jerry O'Connor, Chair; Howie Knight; John Parker; Elizabeth Conner; Dave Mankus; Bob Ouellette; Peter Kasprzyk; Tom Daniels; Marc Taliaferro; Dino A. Scala, Town Administrator; Michelle MacDonald, Finance Clerk; and Toni Bodah, Secretary. Those also present included Valerie Ward, Town Clerk; Brock Mitchell, DPW Director; Wayne Robinson, P&R Director; Alyssa Hall, Asst P&R Director; Relf Fogg, Board of Assessors; and Cindy Bickford, Assessing Technician.

Mr. O'Connor called the posted meeting to order at 6:30 p.m. The purpose of this session is to review the proposed 2023 Municipal budget.

Gen'l Gov't – Elections, Registrations – Mr. Miller moved the section total at \$123,445. Mr. Knight seconded the motion. Mr. Scala noted that a number of wage lines have been revised by vote of the Board of Selectmen. Therefore, the Town Clerk's line (01-41401-130) should be changed to \$68,765, and the Deputy/Assistant line (01-41401-110) should be changed to \$28,028, for a new section total at \$132,895. **Mr. Miller and Mr. Knight withdrew the motion and second.**

Mr. Knight moved the revised section total at \$132,895. Mr. Miller seconded the motion. Mr. Kasprzyk noted this represents an 11% increase. Mr. Edwards referred to results of a wage study done with surrounding towns. Mr. Kasprzyk sees no need for any municipal worker to get more than recipients of social security are receiving this year. Mr. Miller noted that the Town has lost a number of employees due to non-competitive pay rates. We should be able to offer Town employees pay rates competitive with surrounding towns. Mr. Kasprzyk noted that several elected officials are receiving full benefits and asked whether that is the case in other towns. Mr. Scala advised our insurance plan is comparable. He added that most Town Clerks are fulltime and most have deputies. He referred to the Board's efforts to get caught up with respect to pay rates, adding that other town have 'poached' a number of former employees. He advised the Committee will see 1% - 17% rate increases throughout the budget. Mr. Kasprzyk suggested we will find ourselves in a bankrupt village. He referred to the cost of heating fuel and the likelihood that people are going to lose their homes. **The motion then passed 10-1 (Mr. Kasprzyk voting against).**

Parks & Rec – Wayne Robinson – Mr. Robinson distributed an updated budget request. The Web Site line (01-45201-390) has been increased to address issues with their email account. The increase of \$144 would allow them to utilize the email host used by Town Hall. There is a new contract for Caretaker (01-45201-590) at \$32,900. In addition, he recommends the Gas line (01-45201-635) be increased to \$1400 in keeping with previous years' use. The line is currently over-expended.

Mr. Miller referred to the increase in Rec Programs (01-45201-681). Mr. Robinson advised that most programs run through the 05 account. Over \$10,000 was spent on transportation alone for summer camp trips. In an effort to keep this program affordable, the Selectmen agreed to add \$12,000 towards the cost of transportation in the operating budget.

Mr. O'Connor referred to the property maintenance contract and questioned whether there would be any savings if this work was done by the Town. Mr. Robinson noted this has been considered a number of times. It would require additional employees, and likely there would be no savings for at least the first couple of years due to the cost to purchase equipment. However, eventually, the Town might see a savings. Mr. Miller suggested getting this included on the CIP.

Mr. Mitchell noted that combined with other maintenance projects that his department does at various Town buildings, there would be sufficient work to justify the additional employee(s), which would eventually save the Town money. Mr. Kasprzyk suggested that such a situation might require another office, with more support staff. He referred to the huge liability involved with spraying and noted the Town is better off hiring this work out.

Mr. Daniels referred to the increase in electricity rates. He stated that the Committee should see the same percentage of increase for electricity in each department's budget; however, that is not the case. Mr. Miller asked whether each department is using the same percentage of increase for gas, heating fuel and electricity. Mr. Scala noted that the heating fuel rate is locked in. He will come back to the Committee after reviewing each department's electricity line. Discussion followed regarding the low quantity of diesel fuel available country-wide.

Mr. O'Connor referred to the increase in the Salaries line (01-45201-110). Mr. Robinson stated that the Director and Assistant Director are 40-hour-per-week positions. He is proposing additional hours for the Program Coordinator. **Mr. Daniels moved the section total at \$237,024, subject to amending the electricity line. Mr. Knight seconded the motion, which passed 11-0.**

Town Hall Annex – Wayne Robinson – Mr. Robinson advised that a new contract for Custodial Services (01-41942-360) has been awarded, changing that request to \$8987. **Mr. Miller moved the revised section total at \$20,422. Mr. Knight seconded the motion.** Mr. Scala will advise whether the electricity line needs to be tweaked. Mr. O'Connor noted that the 2023 request for heating oil (01-41942-411) is the same as the 2022 request, even though the rate has increased. **The motion then passed 11-0.**

Sewer – Brock Mitchell – Mr. Knight noted that the YTD expenditures are missing. Ms. MacDonald was asked to look up that information. Mr. Mitchell noted that the sewer rate will decrease for the coming year. Mr. Kasprzyk asked whether there has been consideration for solar panels at the pump stations. Mr. Mitchell advised we will have a better idea once the pump stations have been replaced. Discussion followed regarding the funding for replacement of the stations. We will likely need an additional \$100,000 to complete this project. All materials have been purchased. Mr. Daniels received confirmation that when revenue exceeds expenditures, the excess revenue stays in Fund 02. He suggested that the rate should not be decreased, as funds will need to be available, and those on the system should pay at least 50% of the project cost. Discussion included the current SWP project, with Mr. Kasprzyk agreeing the Town should increase the sewer rates in order to set capital funds aside.

Mr. O'Connor added that the Town still has lagoons that will eventually need to be replaced with a treatment facility. Mr. Daniels believes that many people in the community will not support the taxpayers paying for a treatment facility. Mr. Miller noted that those not on the Town sewer system (most taxpayers) will be the ones using the treatment facility (via pumping of private septic tanks), so they should pay for it. Mr. Miller stressed that the budget should reflect operating expenses and should not be used to build up the fund. However, the Town should be putting aside money for future development of a treatment facility. Mr. Kasprzyk stated that the entire town is utilizing the lagoons as private septic systems are pumped, with that material being deposited into the lagoons. Discussion followed regarding the Town's connection fee being low.

However, because the existing system is pretty much built out, there is not much economic sense in changing that fee at present. Mr. Edwards could only recall one hook-up to the system over the past 5 years. Mr. Kasprzyk suggested a semi-annual fee to all on the system, similar to what is done by the SWP. **Mr. Miller moved the section total at \$131,527. Mr. Knight seconded the motion, which passed 10-1 (Mr. Daniels voting against).**

Public Works – Town Maintenance – Brock Mitchell – The new DPW building is looking great! Mr. Mitchell advised that the cost of salt just increased another \$10/ton. Mr. Mitchell has considered having the crew haul some of the material; however, it would likely not be worthwhile. The salt shed is currently full. He does not use the stone product on paved roads—only on dirt roads. **Mr. Miller moved the section total at \$183,000. Mr. Knight seconded the motion, which passed 11-0.**

Public Works – Highway Department – Brock Mitchell – Mr. Mitchell stated that most of the increase in this budget relates to an additional FT employee, fuel, electricity and vehicle maintenance. He confirmed to Mr. Edwards that we are on track to do much of the vehicle maintenance ourselves, on most Town vehicles. It is unclear whether this will eventually reduce the overall budget. However, until the new building is standing and equipped, this cannot be done. In addition, some maintenance will require special expertise and will need to be outsourced. Mr. Daniels referred to a 28.5% increase in the Full Time Employee line (01-43122-110). He questioned what the percentage would be without the new employee. It was determined the increase would have been \$13,000 without that employee. The previous mechanic moved to the Transfer Station. He was replaced by a mechanic at a higher rate. Thereafter an employee was added as a heavy equipment operator. This change will not eliminate the outside hire for snow plowing. Brief discussion regarding the warranty on our trucks. **Mr. Miller moved the section total at \$558,668. Mr. Kasprzyk seconded the motion, which passed 11-0.**

Public Works – Solid Waste – Brock Mitchell – Mr. Miller reported there was no attendant to assist him during a recent visit, as they were all occupied at other occupations. He believes we need additional staff to be located in the recycling area. Mr. Knight referred to the decrease in the gas line (01-43241-635). Mr. Mitchell advised that the equipment is now diesel. Mr. Mitchell suggested a part-time attendant might be needed during the summer months. He stated that cans are hauled on Thursdays when the facility is closed, with cans being changed out in the interim. Mr. Mankus still believes the facility is a little short-handed. Discussed a ‘floater’ between the Highway Department and Transfer Station. **Mr. Daniels moved the section total at \$604,613. Mr. Knight seconded the motion, which passed 11-0.**

Public Works – Streetlighting – **Mr. Miller moved the section total at \$35,000. Mr. Knight seconded the motion.** Mr. Kasprzyk asked about solar panels on the poles. Mr. Mitchell stated that is Eversource’s project. **The motion then passed 11-0.**

Gen’l Gov’t – Assessing – Cindy Bickford – It was noted that New Property Assessment (01-41522-312) should be \$54,750. Ms. Bickford advised this will be the last year of a 5-year contract at \$45,000 per year. A new utility assessment contract was just entered, the cost of which will remain at \$9750/year. **Mr. Daniels moved the section total at \$142,668. Mr. Knight seconded the motion.**

Mr. Miller noted that the Assessing Board is the only board/committee (other than the Board of Selectmen) to receive a stipend (\$600/year per member). Mr. Fogg advised Wakefield has the only elected Board of Assessors in the State of NH, adding our voters believed the separation of power and duties is important. Mr. Fogg estimated that each Board member puts in about 10 hours each month. Discussion followed regarding members of volunteer boards receiving remuneration. If the Committee should decide to strike this line, Mr. Fogg would continue to serve on the Board of Assessors. Ms. Bickford noted that most cities in NH have a Board of Assessors. Mr. Fogg stated that the BoA has saved \$18,000 annually since putting the assessing contract out to bid back in 2008/2009. We now have a competent assessing firm and a very competent assessing technician. **The motion (eventually) passed 11-0.**

Gen'l Gov't – Legal – Mr. Scala advised that Stephen Whitley of Drummond Woodsum is now Town Counsel, and he will be at Deliberative Session. We still utilize NHMA; however, they are reluctant to provide an actual opinion. **Mr. Knight moved the section total at \$17,000. Mr. Miller seconded the motion, which passed 11-0.**

Gen'l Gov't – Executive – **Mr. Miller moved the section total at \$159,433. Mr. Knight seconded the motion, which passed 11-0.**

Gen'l Gov't – Town Hall – Mr. Miller wonders whether it would be less expensive to convert to propane. If the cost of fuel oil continues to increase, we should consider changing over to propane. Mr. Edwards advised that we recently had a company in to analyze the HVAC of all Town buildings and expect recommendations in the near future. **Mr. Knight moved the section total at \$66,277. Mr. Daniels seconded the motion, which passed 11-0.**

Gen'l Gov't – Insurance – Mr. Knight would like to see competition for Primex. **Mr. Knight moved the section total at \$145,026. Mr. Miller seconded the motion, which passed 11-0.**

Gen'l Gov't – Gen'l Admin – Mr. Scala advised of the following line changes: Bookkeeper/Clerical (01-41991-110) \$54,340; Telephone (01-41991-341) \$5424; Office Supplies (01-41991-620) \$4000; Mileage (01-41991-637) \$150; Misc Expenses (01-41991-810) \$2000. New section total: \$115,092. Mr. Kasprzyk referred to another 10% pay increase. Mr. Scala stressed that the Board of Selectmen truly believes that once this wage chart is complete, the hope is to have it last for years. Mr. Kasprzyk spoke to other costs involved when a pay rate is increased by 10%. It is hard to justify this change when our citizens are only getting an 8% increase. Mr. Edwards is not a fan of pay increases; however, the Board has been following a pay study. He stressed his determination that this has come to an end and we will now rely on merit increases, which will be considered each year. **Mr. Knight moved the section total at \$115,092. Mr. Miller seconded the motion, which passed 11-0.**

Mr. Fogg apologized for any disrespect he may have shown. He added that many people in town appreciate the Budget Committee, and many people should walk away from this table with a feeling of pride and accomplishment.

The meeting adjourned at 8:43 p.m. Next meeting: Saturday, October 29, 9 a.m.
Respectfully submitted,
Toni Bodah, Secretary