

## Draft Minutes

### Exeter Budget Recommendation Committee

November 12, 2015

#### Call Meeting to Order

Chairman Corey Stevens called the meeting to order at 6:30 pm in the Nowak Room of the Exeter Town Offices building. Other members present were Peter Lennon, Vice Chair Bill Campbell, Allan Corey, Fran Hall, Frank Ferraro, John Gilbert, Anthony Zwaan, Bob Kelly, Judy Rowan, Stephanie Canty, Nikki Graney, Phil Johnson and Barry Sandberg. Also present were Russell Dean, Mike Favreau, Doreen Ravell, Don Clement, Nancy Belanger and Dan Chartrand.

Chair Stevens said they would wait another week on approval of minutes.

#### Parks & Recreation

Ms. Canty thanked Mr. Favreau for being present. She said in meeting with Mr. Favreau about the budget, a couple things stood out to her and the subcommittee. The first was line 5202 – Contracted Services. She said they looked at the Winter Street wall repair and the subcommittee does feel it is necessary. The subcommittee also recommends the playground chips be blown in. Mr. Lennon asked if the wall repair is \$6000. Mr. Favreau said it is approximately \$5000. Vice Chair Campbell asked if there was another grant involved in Winter Street. Ms. Canty said it is for the inside of the cemetery and this is the perimeter. Mr. Lennon asked if since \$7000 is in the budget, they can cut out \$2000 to make it \$5000. Mr. Favreau said there is also blowing in the chips which is included in this.

Ms. Canty said in Line 7504, Mr. Favreau had estimated the budget including dock replacement. Ms. Canty said herself and Ms. Graney decided the dock doesn't warrant a total replacement. She said they could still have one section of it where there would be public access. She said it is an \$8200 budget item that the subcommittee is not going to recommend at this time. Mr. Favreau explained what the new dock will look like. He said it is really just a loading dock now so one section that is 20 feet long is more than adequate.

Ms. Canty said other than that, the subcommittee is comfortable with the budget.

Chair Stevens asked about line 4320-Vehicle Maintenance. Mr. Favreau said the Department had a lot of vehicle maintenance this past year, so he moved this budget back up where there were a year ago. He said they had to expend money out of other places to keep the trucks going.

Mr. Ferraro asked if line 8604- Counsel on Aging, is still a thing. Mr. Favreau said it is not. Mr. Ferraro asked if there are still lunches at the Senior Center. Mr. Favreau said yes, Meal on Wheels are there.

Mr. Lennon asked if there are sponsorships for summer concerts, and if so, how much the town gets. Mr. Favreau said summer concerts are in the appropriated budget, but there are sponsorships for soccer, basketball, the Halloween Parade, Easter, and those go through the Revolving Fund where all those programs are paid for.

Mr. Zwaan asked if the fees related to boats relate to the dock. Mr. Favreau said there is no relationship. He said the Harbormaster is paid through the State and the moorings you get from the State as well. He asked the State if they were interested in contributing to the docks and they were not.

Mr. Corey said in Swasey Parkway there is \$10,000 for maintenance and mowing. He asked if the Swasey Parkway Trust has the money to maintain itself. Ms. Ravell said the town's allocation is \$10,950 and that is the money the town gives to the Trustees. Mr. Dean said the road in the Parkway is the town's and the land is administered by the Trustees. He said he is not sure there is a lot of money in that trust.

Ms. Ravell said the updated Recreation Health Insurance number is \$53,162. The dental has increased \$3212, and the new benefits number is \$93,848. The new Recreation total is \$303,539. She said the updated Park Health Insurance number is \$27,980 and the new benefits total is \$42,909.

**Motion:** A Motion was made by Mr. Ferraro and seconded by Mr. Zwaan to reduce line 7504 to \$1500. Motion carried – all in favor.

Ms. Ravell said the new Park number is \$182,464. She said the total Parks & Recreation is \$486,003.

**Motion:** A Motion was made by Mr. Zwaan and seconded by Mr. Ferraro to approve the new Parks & Recreation total of \$486,003. Motion carried – all in favor.

### **Other Culture and Recreation**

Chair Stevens said this number has not changed.

**Motion:** A Motion was made by Mr. Ferraro and seconded by Mr. Gilbert to approve \$45,451 for Other Culture and Recreation. Motion carried – all in favor.

At this point, Chair Stevens thanked Mr. Favreau for coming to the meeting.

Chair Stevens moved on to the Welfare budget.

### **Welfare**

Ms. Canty said there used to be a Full-Time person in this Department, but now it is a Part-Time position, which is currently open, and that is why their bottom line number has decreased a bit. They plan on keeping this as a Part-Time position. Vice Chair Campbell asked

Mr. Dean if he is going to post this position. Mr. Dean passed out a report. He said his assistant, Sheri Riffle, has been filling this position. Ms. Riffle has created a couple reports based on activity in the Department. The report showed data for the workload in the Welfare/Human Services area since she took it over back in July 2015. There was a 25 hours/week position up through July where they had a retirement. Ms. Riffle has been doing the job for the past several months, and doing a great job at it. There have been no issues with people not being served. Mr. Dean said they are still in the fact finding stage before posting the job.

Mr. Ferraro said it was only a few years ago that Ms. Riffle went from Part-Time to Full-Time. He asked if Ms. Riffle fits this work into her normal work day, then why is there a stipend. He said this is part of an assigned task now, so there shouldn't be a stipend. Mr. Dean disagreed. He said Ms. Riffle is performing a job function that is out of her grade. Mr. Lennon said so within Ms. Riffle's hourly rate, there are some hours of that 40 that are done at a higher grade. Mr. Dean said yes. Mr. Lennon asked if there is a way to estimate how many hours are being done at a higher grade. Mr. Dean said he would say on average 10-15 hours/week. Selectman Chartrand said Mr. Dean is always looking for ways to create efficiency. Mr. Dean added that Ms. Riffle has a lot of drive and is very good at multi-tasking. If this holds, they would be looking at \$7500/year above her wage. They are budgeting \$33,554 for this position, so depending on how things work out, they could be looking at a savings. Mr. Ferraro said if it is decided a Part-Time person is needed, then Ms. Riffle's hours will be less than Full-Time. He said she has been so efficient she has worked her job down to a Part-Time position. Mr. Corey said if she can take two days per week away from what she is doing, something may be slipping through the cracks, or it wasn't there to begin with. Mr. Lennon said some good points have been raised, but said this is more of a 2017 issue. He said he does have confidence in Mr. Dean for finding more for Ms. Riffle to do if she doesn't continue with the Welfare position. Selectman Clement said Ms. Riffle is very good at what she does, but he doesn't think she has the background to do this position. He wondered if some Welfare needs are slipping through the cracks. He said this is not criticism to Ms. Riffle, but said they need something more sustainable. Mr. Corey said Ms. Riffle could be doing more administrative work. He said he'd like to see more efficiency in administration. He said he sees the BOS being handed information at the last minute and that there are some inefficiencies in general that Exeter needs to look at. Mr. Ferraro said from this point forward, whether they go with a Part-Time person or job-sharing, the money needed is in the budget. Mr. Kelly said there are times when the Town Manager is not in the office, and it would be nice to have Ms. Riffle in the office in his absence. He suggested they could cut down the Part-Time funds a bit if Ms. Riffle is going to continue doing the job, even if it is only for a few more months. Mr. Dean said they might be able to take some money out, but he said it is debatable. Ms. Canty said the subcommittee recommends leaving these monies in there.

**Motion:** A Motion was made by Mr. Ferraro and seconded by Mr. Zwaan to approve \$64,666 as the Welfare total. Motion carried –all in favor.

## **Agencies**

Ms. Canty said if you look at Ms. Riffle's report, you can look at what is happening in the town and who needs assistance.

Ms. Graney said they subcommittee has spent many hours going over every application submitted this year for the Warrant Article and they had some questions that Ms. Riffle helped out with. They looked at what the operating budgets were for these different agencies, what salaries and benefits were be given to top executives, and how much money that was going to the agencies was going to Exeter residents specifically. She said the subcommittee wants to keep the money that Exeter taxpayers donate on the Warrant Article in Exeter and the numbers they provided on their spreadsheet is a step in that direction.

Ms. Canty said there were some agencies where Ms. Riffle was unsure how they helped so the subcommittee had to dig deeper into those.

Chair Stevens asked the subcommittee how they came up with numbers, if they used a model or equation. He wondered how the three factors talked about by Ms. Graney allowed them to up with decreases in the budget. Ms. Canty said they subcommittee thinks that \$10,000 is an absolute max for any organization. She said they really tried to look at how many Exeter residents were being helped.

Mr. Ferraro said any administrative costs over 25% he would like to know about. He said if the agency's administrative costs are high, they are not providing services, they are fundraising. He asked about the organization CASA. Ms. Canty said it is only their second year to apply. She said their application was pretty sparse, and they aren't servicing anybody from Exeter. The subcommittee created a minimum also for the budget, of \$500.

Mr. Gilbert said he is the former Chair of the Center for Non-Profits Board and so he felt the need to urge caution here about simplistic formulas. He is not saying what the subcommittee has done is not valuable, he just wanted to urge caution when looking at these numbers. Ms. Canty said that is why they went down to how many people these agencies are serving in Exeter.

Selectman Chartrand said this is the best analysis they've ever had. He thanked Ms. Graney and Ms. Canty for their work. He said he liked the idea of having a maximum and a minimum.

Mr. Zwaan said this is an uncomfortable topic because they are talking about welfare and people in need. He asked if there is some benchmark for a town should spend on welfare. He said he knows that is hard to answer, but it is where he would start. He also asked what the need is. He said larger agencies are inheritantly disadvantaged by their administrative overhead and the complexity of services they provide and he disagrees with setting a maximum.

Ms. Canty said the subcommittee's goal was not to trim the budget here. She said they were looking at how they could be fair to spread the money.

Mr. Zwaan asked if there are any benchmarks. Ms. Dean said the narrative was very good and the Exeter Resident's Served column is a great column. He said benchmarks are history, discussions BRC has had, and all of the different metrics that may have been tossed out there. Mr. Zwaan asked if there is any benchmark in terms of percentages or comparisons. Mr. Dean said he doesn't have that figure.

Mr. Ferraro said he would like to see the percentage overhead in future budgets. He also said there are always Citizen's Petitions.

Mr. Kelly said just because numbers were put on the spreadsheet in 2005, doesn't mean they were the right numbers. He said this analysis from the subcommittee is the best analysis they have gotten. He said they know they want to come in around \$100,000 for these agencies, so he would advocate going with the subcommittee's intuition.

Ms. Rowan agreed this is a terrific analysis. He said she would like to see a different standard being applied. She asked what the priorities of the town are. She said it's hard to get services for children. She is hesitant to cut very much on the agencies that have been supported on the Warrant Article in the past.

Vice Chair Campbell said he hopes the BRC would keep on track of the Exeter residents served. Richie McFarland for example. He said they have to look at the agencies too. He thinks some of the budget cuts are a little steep for one year. He also agreed that this analysis they received from the subcommittee is very thorough.

Ms. Hall said if they pursue personnel costs as part of their analysis, they might want to break them down more so they can see who is doing what.

Ms. Graney said through all of the different strategies they used, it all boiled down to helping Exeter taxpayers.

Mr. Gilbert said they can cut back on mental health services, but something else will pop up. He said it is all interconnected and is very complicated. He suggested perhaps thinking about changing the context of the application for next year.

Ms. Canty said on Ms. Riffle's report, she referred three people to Annie's Angels just last month, so they need to know there is room for new organizations. Mr. Dean said there are seven agencies that funds have been decreased, six agencies where funds have increased, and seven agencies that are level funded, just to put a perspective on this discussion.

Mr. Lennon said the net cut is 21%. He complimented Ms. Canty and Ms. Graney on their analysis. However, he did have some concerns about it. He said he is uneasy about setting a maximum and minimum. He wondered if they should ask if the number of Exeter residents served and the administrative costs should be the only factors to look at. He is concerned about cutting the only service dedicated solely to sexual assault and recovery by 41%. He said they have added to some agencies by a high percentage in cases where they have not asked for increases. He is also concerned about adding money to agencies that seemed to

be duplicating (covering the same kind of folks that need help). He thinks they have been generous to some agencies and not generous to others. He thinks they should send the agencies a message that times have changed and numbers are not automatic. He thinks they can do this without making huge cuts.

**Motion:** A Motion was made by Mr. Lennon and seconded by Vice Chair Campbell to do a legislative split of the difference and basically halve the cuts and halve the increases, to send a clear message. Mr. Ferraro said after the last several years they have been sending notices. He is in full agreement with the subcommittee. He thinks the analysis is a more systematic approach than what they currently have. Mr. Kelly said Mr. Graney and Ms. Canty have been crunching these numbers for the past three months. He said he cannot support the Motion. Mr. Lennon said the agencies have not gotten the message of they are asking for more money. He said the subcommittee has admitted that their numbers are arbitrary. Vice Chair Campbell said they have traditionally given \$100,000 to agencies. He said Mr. Lennon's Motion could bring the number to around \$104,000. Mr. Gilbert did some math, and the Motion would bring the number to around \$102,000. He feels Mr. Lennon's suggestion is a good one. Chair Stevens called the vote. Motion fails with 6-7 vote.

**Motion:** A Motion was made by Mr. Ferraro and seconded by Mr. Kelly to approve \$91,800 for this. Mr. Gilbert spoke against this, saying that is a 20% reduction. He said that does not do enough to meet the town's obligations. Chair Stevens called the vote. Tie vote 7-7. Mr. Ferraro said in an attempt to reach a compromise, they could up with a percentage to bring the budget total to \$100,000. Mr. Gilbert said if they put back 1/3 of the cuts, and cut the increases to ½, it would bring the number to around \$87,000.

**Motion:** A Motion was made by Mr. Ferraro and seconded by Mr. Gilbert that they take the subcommittee's recommendation and reduce the cuts by 1/3 and reduce the additions by ½, which would give them a total of about \$97,550. Mr. Corey said they are just throwing numbers out now, when the subcommittee has looked deep into their numbers. Chair Stevens called the vote. Motion passes – 9-5 vote.

Chair Stevens said they have a CIP items to discuss which would replace financial software.

### **Financial Software CIP**

Ms. Ravell said seven years ago she converted to MuniSmart. She said they thought they would have the software for a long time. She said last year Harris announced they would not be continuing to upgrade the product. There are issues with speed. She named off multiple other issues they have had. She has been waiting for four months for a certain report which is needed. She said Harris is unsure how long it will take to have a new product. She fears they will not have the support the upgrade of the current software. She is also concerned how long Harris is taking to deliver the report for the lock box.

Mr. Ferraro said he had questions related to what other NH communities have made the change from MuniSmart. He said it looks like 35 communities have converted. He said they

would be better off dealing with MuniSmart and putting money into it with dedicated personnel.

Mr. Corey said he thinks MuniSmart has to be replaced. He said it is very cumbersome and slow. Chair Stevens asked Mr. Corey if he saw any limitations when he was Treasurer. Mr. Corey said he didn't see any dropping of numbers, but said it ultimately needs to be replaced.

Mr. Dean said he thinks this is a good project. He said it is important that finance has the appropriate tools to function well. His largest fear is waking up halfway through the fiscal year and have the company phase out.

Ms. Hall spoke for her subcommittee, and said they did support this software purchase. She added this would not just service the Finance Department, but it would serve the whole town.

Mr. Johnson said MuniSmart is a Canadian company. He said their biggest interest is not New Hampshire and our local needs. He said they need to stay up to date with all the things going on like payroll and Water/Sewer correspondence. He said they have little choice but to get a new system.

Mr. Ferraro said all the issues with MuniSmart are tagged back to the support of Harris, not the system. He asked what other towns have converted to and if other towns have years of experience on a different system. He asked for a track record. Mr. Dean answered they would emphasize on the length of time a company has been around in the RFP. He added he doesn't think they will see much variability in the cost by looking around to different companies.

Mr. Lennon asked if they need to have the money approved before issuing an RFP. Mr. Dean said no, but it would cut out a lot of work if it was approved first. Mr. Lennon asked how long they would end up paying for both the current MuniSmart and the new system. Ms. Ravell answered no more than one year. Mr. Lennon asked what the conversion fees might be. Ms. Ravell said she has not gotten those numbers yet. Mr. Lennon said they need to know more about this before they buy into it. He thinks it is a bit premature to sign the town up for \$250,000 for this now.

Mr. Corey asked Ms. Ravell if she has a solid idea for features. Ms. Ravell said yes, adding there are two forms of report writing.

Mr. Ferraro said data transfer conversion is going to be a significant cost. He said it takes a lot of man hours to do this and it should be built into the total cost and it is not. He asked what the SAU and Rockingham County uses for a system. He said he heard the SAU uses MuniSmart. Ms. Ravell said Rockingham County uses Munis.

Ms. Hall said she didn't think they needed to send a number to the BOS, but they should vote on this in principal to recommend to the BOS. Chair Stevens said historically they make a recommendation with a number. Mr. Dean added that a piece of this is going to be picked up by Water/Sewer.

Chair Stevens said he feels this is a potentially good project. He asked if they can get the conversion costs within the next week.

Mr. Zwaan asked if conversion is rather expensive, will it change the reality of what they are dealing with. He said they all know they are going to have to move on with this. He said he would feel better about reaching out to other towns for comparisons.

Mr. Dean said the conversion question is a good one that they should answer. He said in regards to the schedule, an RFP would be on the street within 60 days of a March approval and it would be Sept/Oct before they found a vendor and begin scheduling the conversion process. Mr. Ferraro suggested also finding out what system the SAU uses.

**Motion:** A Motion was made by Mr. Gilbert and seconded by Mr. Zwaan to table this matter until they get more information on conversion costs and some other localities that have made that switch and possibly whether the SAU is interested in doing something. Motion carried – all in favor.

Chair Stevens said the next time the BRC would meet is November 18, 2015, to discuss Water/Sewer budget and CIPs.

**Motion:** A Motion was made by Mr. Gilbert and seconded by Mr. Zwaan to adjourn the meeting at 9:49pm. Motion carried – all in favor.

Respectfully Submitted,

Nicole Piper, Recording Secretary