

Budget Recommendations Advisory Committee
October 22, 2021
8:15 AM
Town Offices, Nowak Room

Members Present: Bob Kelly, Chair; Christine Soutter, Vice Chair; Corey Stevens, Judy Rowan, Nancy Belanger, Chris Zigmont, Mark Fabian, Kathy Corson, Anthony Zwaan, Enna Grazier

Members Absent: Liz Canada

Others Present: Russ Dean, Melissa Roy, Doreen Chester, Lauren Zigmont, Niko Papakonstantis, Julie Gilman

Mr. Kelly called the meeting to order at 8:15 AM.

1. Assessing

Janet Whitten was present to discuss the Assessing budget. The assessed value of the town is up by \$40M. Residential has gone up because of new condos and subdivisions. Utilities change each year based on distribution and transmission. Solar Exemptions are tracked starting this year. Dr. Zwaan asked if we can go back and look at solar exemptions in previous years, and Ms. Whitten said we didn't assess them, so there's no value change.

Ms. Whitten said that the assessed value of mobile homes is only at about 65% of the market value of mobile homes; people are buying them at an excessive price because they are more affordable. Mr. Dean said we've talked about bringing them up to 100% in the future. Ms. Whitten said condos are undervalued at about 80%, and single-family homes are around 85%. To revalue them, it must go through Mr. Dean, then to the State to see if we can target just mobile homes and condos.

Ms. Corson asked if mobile homes and condos are easier to evaluate than a single-family home, because there are more similar records. Ms. Whitten said people have been renovating them without getting building permits, so we don't know the value until they sell. Dr. Zwaan asked if the sale price changes the assessed value, and Ms. Whitten said no. Mr. Dean said every five years is the target for revaluation. It was last done in 2019.

Mr. Stevens asked about the TIF. Are we talking about using the town's tax rate, not the overall tax rate? Mr. Dean said we take the overall value of TIF and multiply it by the total tax rate of the town. Those dollars go into the TIF fund and are used to pay off the TIF bond. We have made three out of ten payments. We can prepay the bond payments with no penalty.

Mr. Kelly said we looked last year at the average valuation, which is around \$300,000. Has that changed? Ms. Whitten said she hasn't looked but she would think that it has changed. Sales keep going up.

Dr. Zwaan said have talked about the tax rate of a given town, but it's difficult to compare one town to another. Does anyone compare the ratio of tax rate to money paid

out? Mr. Dean said the tax rate is a function of the valuation and the dollars to be raised. The tax bill YOY is what people look at, not the tax rate as related to valuation. Mr. Dean said the town's share of the tax rate is around 24% of the actual bill. People should look at what services the town is providing as compared to the rest of the bill. We're projecting the rate to be \$5.77 per \$1,000, a 14 cent drop.

Ms. Belanger said that all Departments looked at by this subcommittee have put back in the Education part. Line item 55180, Mapping, has an increase due to the number of buildings that need to be added. Line item 55200, Supplies, was reduced with Ms. Whitten's input from \$750 to \$500 due to the amount spent as of August. Line item 55224, Postage, has an increase. The post office had a 2 cents per piece of mail increase, and there's a questionnaire that is mailed to new owners, since people no longer go door to door due to Covid. We could put door knockers on houses but there was concern about people seeing the knockers for several days and knowing that the resident wasn't home. Mr. Kelly said supplies in Assessing have been over \$1,000 in the past.

MOTION: Ms. Belanger moved to decrease Assessing line item 55200, Supplies, from \$750 to \$500. Ms. Corson seconded. All were in favor and the motion passed 10-0.

Ms. Chester said there was a 1.6% increase in Health Insurance, where we had budgeted 7.5%. The new benefits number for Assessing is \$35,780. The new Assessing total is \$237,808.

MOTION: Ms. Belanger moved to approve the Assessing budget of \$237,808. Ms. Corson seconded. All were in favor and the motion passed 10-0.

2. Town Manager

Ms. Belanger discussed the Town Manager's budget. Docusign, which is included in line item 55058, Contract Services, had been removed from the Town Manager's budget. With some discussion that item is back in, but in the IT budget. The subcommittee recommended the Town Manager budget as-is.

Ms. Chester said the new benefits total for Town Manager is \$99,099. The total Town Manager budget is \$257,950.

MOTION: Ms. Belanger moved to approve the Town Manager budget of \$257,950. Ms. Corson seconded. All were in favor and the motion passed 10-0.

3. Tax Collection

Ms. Belanger said the Tax Collection budget was recommended as is. They had a savings this year from closing the lock box. Rachel goes to classes at \$2,000 a year, has 7 classes left to finish her BA. She has a 3.94 GPA. Mr. Dean said there was also a retirement in this department.

Ms. Chester said the new Tax Collection total is \$101,875.

MOTION: Ms. Belanger moved to approve the Tax Collection total of \$101,875. Ms. Corson seconded. All were in favor and the motion passed 10-0.

4. Human Resources

Melissa Roy, the HR Director, was present to discuss the Human Resources budget. Ms. Belanger said Ms. Roy talked to her about taking the HR Assistant Position from 29 hours part time to full time at 40 hours. This was an ask in 2017 when the HR Assistant position was created. The subcommittee recommends the change. The budget numbers include 3 months with this position at part time and 9 months of full time. Line item 55106, Office Equipment, addresses the need for a scanner in HR, since there are privacy/HIPAA concerns with sharing a scanner with another Department. Line item 55371, Reclassifications, will address four pending requests. This number has to be under HR because they're only requests right now. Mr. Kelly asked if the reclassification is granted, will the cost fall to the other budgets? Ms. Roy said yes.

Dr. Zwaan asked what the staffing is right now, and what it is proposed to be. Ms. Roy said 85-90% of her time is spent on HR, and 10-15% assisting the Town Manager. All of her wages are in HR. There is one part-time person, currently at 29 hours, looking to go to full time. That's the whole HR Department. Ms. Belanger said it's only been a few months since the HR Director/Assistant Town Manager position was created, and Ms. Roy is focusing most of her time in HR. We figured we'd look at that each year. The Assistant position was created in 2018, and the BRC recommended that as a part-time position. From our subcommittee meeting this year, we see the need for full time.

Ms. Roy said she thinks the Department is going in the right direction. We have to focus on improving records retention and consistency in supporting the employees' evaluation process. She would like that to go electronic. If there were improvements made and this position were full time, the Department would function efficiently.

Mr. Dean said the town has 130 full time employees, plus 30 regular part time, and about 100 seasonal employees, as well as retirement questions and benefit issues. Even two people would be stretched to some degree. Ms. Roy said she'd rather ask for incremental expansion and come back later if necessary.

Mr. Stevens said they should explore the HR solutions out there before coming back for more employees. Ms. Roy agreed, mentioning for example employees filling out forms online. There may be a request for additional software support. Finance has been an amazing partner in moving the Department forward.

Mr. Kelly asked if we have a bulk purchasing program for equipment. Mr. Dean said we try to work together on purchasing where we can. Mr. Kelly asked regarding the reclassifications, can we see the approved changes in the various budgets next year to explain the increase in the wages?

Ms. Chester said the new benefits total in HR is \$49,458. The new HR total is \$172,959.

MOTION: Ms. Belanger moved to approve the HR total of \$172,959. Ms. Soutter seconded. Ms. Corson voted nay and the motion passed 9-1.

5. Town Moderator

Ms. Belanger said the Town Moderator budget depends on the number of elections each year. This year there will be three elections. There's a budget for a special deliberative session if needed. There was no benefits change.

MOTION: Ms. Belanger moved to approve the Town Moderator budget of \$1,130. Ms. Soutter seconded. All were in favor and the motion passed 10-0.

6. Town Clerk

Town Clerk Andie Kohler was present to discuss the Town Clerk Budget. Ms. Belanger said the subcommittee recommended the Town Clerk budget as is. Line item 55058, Contract Services, is about the same, although the Department moved to equipment leases. Last year the BRC discussed not putting money into line item 55199, Office Equipment Maintenance, but Ms. Kohler asked us to re-evaluate and put the money back in that line item.

Mr. Stevens said some lines were not spent in 2020. Line item 55049, Computer Supplies, wasn't spent last year or this year. Ms. Kohler said she waits until the end of the year to buy ink cartridges. Regarding line item 55241, Records Retention, Ms. Kohler said \$5,000 was given back to the General Fund this year, but it was supposed to be restored next year. We will only spend \$38 this year but will be back to spend next year. Mr. Stevens asked if we could encumber the \$5,000 this year and reduce the 2022 budget. Mr. Kelly asked if it could be \$1,000 next year. Ms. Kohler said restoring one book costs \$2,500.

MOTION: Ms. Belanger moved to change line item 55241, Record Retention, to \$2,500. Mr. Kelly seconded. All were in favor and the motion passed 10-0.

Ms. Kohler mentioned she would be looking to retire in about six years. Ms. Belanger said that Ms. Kohler has a training and succession plan in place.

Ms. Chester said new benefits total for the Town Clerk is \$121,432. The new Town Clerk total is \$374,334.

MOTION: Ms. Belanger moved to approve the Town Clerk total of \$374,334. Ms. Grazier seconded. All were in favor and the motion passed 10-0.

7. Elections

Ms. Belanger said the Elections and Town Moderator budgets are static. There was no update on when to replace the election machines.

MOTION: Ms. Belanger moved to approve the Elections total of \$25,003. Dr. Rowan seconded. All were in favor and the motion passed 10-0.

8. Planning

Town Planner Dave Sharples was present to discuss the Planning budget. Ms. Belanger said the Sustainability Advisory Committee was created following a Citizens Petition requesting a full time Sustainability Coordinator. Through our last two years of budget, the Town Manager added to Mr. Sharples' workload to coordinate with that committee to develop the Coastal Resilience grant and work plan, as well as a sustainability needs assessment and gap analysis. The subcommittee feels that they've done everything we've asked them to do. Instead of hiring a separate Sustainability position, the recommendation is for the Natural Resource Planner, Kristen Murphy, to go full time and have her absorb the Sustainability and Energy workload.

Ms. Soutter asked if that means we're giving Sustainability a part time person. Mr. Kelly said it's not new, since Mr. Sharples is taking that work on now. Ms. Belanger said the \$5,000 stipend for Mr. Sharples to do that work is prorated through March, and would offset Ms. Murphy's increase. We would have to ask her to compartmentalize her time between Natural Resources and Sustainability. Ms. Soutter said she wants it to be clearly defined with the Sustainability Committee what Ms. Murphy's role is. Ms. Belanger said it's to move forward with Sustainability efforts, not that the Committee gets 20 hours a week of Ms. Murphy's time. Ms. Grazier said Mr. Sharples has already owned those efforts and can delegate and define them. Mr. Sharples asked if the BRC has the Sustainability job description, which describes that it will provide support to their committee but the committee doesn't dictate what the position will do. He will manage that. Mr. Zigmont, a member of the Sustainability Committee, said he thinks it's been a great relationship so far. Mr. Sharples said Ms. Murphy is working 27.5 hours as the Natural Resource Planner, or maybe 27 with her unpaid vacations. That would leave 12-13 hours a week for sustainability tasks.

Dr. Rowan said if there are infrastructure bills passed in Congress, would Mr. Sharples need more time to pursue grant opportunities there? Mr. Sharples said when he started working for the town, he worked with three committees: the Planning Board, Technical Advisory, and RPC technical advisory. Now he's working with 11 Committees. In the six years he's been here, he's gotten over \$800,000 in grants for the town. The more stuff he has to do, the less time he has to get funding. Ms. Soutter said Mr. Sharples catches grants coming in, but to write them well takes time. We should do anything we can to help free up his time.

Dr. Zwaan said he doesn't understand what the Sustainability Committee's output is. What does it buy us as a town to dedicate a full-time employee to an advisory committee? Mr. Kelly said there are some committees that have required a lot of oversight. A volunteer committee can't just go ahead and do things without having town staff buy-in, since there's no mechanism for funding. Mr. Sharples helps Sustainability and Facilities stay focused on something that the town wants to be involved in, and ensures that we can afford any results that come out of it. Ms. Murphy has done fantastic work with the Conservation Commission and getting the town's natural resources lined up. Dr. Zwaan asked what the committee is getting us in terms of grants and other results. Ms. Grazier said there's a movement in our community to move sustainability work forward. This is not adding a full-time position, it's adding 13 hours to a person who's been dedicated to the town. Ms. Soutter said she supports this work. When the BRC comes back next year, she wants to hear that Mr. Sharples is not on 11 committees. We need to free up his time for grants.

Mr. Sharples said the committees are not driving his work. Their goals are similar to what the town wants to do. There are federal mandates coming down that the town needs to address. Mr. Kelly said the Economic Development Commission was stagnant, so we created an Economic Development Director position, which has been successful.

Mr. Zigmont said that the committee was intended to advise and support the Planning Office and Select Board on sustainability. They help identify things in the CIP or elsewhere that need a different perspective.

Ms. Belanger said Line item 55289, Studies, at \$5,000 was unspent as of August, but is anticipated to be spent on a zoning analysis Housing Advisory/RPC project with Horsley Witten. The Housing Advisory Committee started in 2015 but added new goals this year. The RPC needs to update their housing assessment.

Ms. Belanger said there is a \$2,500 line item for Sustainability, 55384, which has not traditionally been spent, but the subcommittee recommends leaving it with the coordinator position change. Mr. Kelly said that money was to offset the fact that we didn't have a coordinator, so we may want to reassess it. Ms. Belanger said we should have funds available to pursue grants. Mr. Kelly said the budget has an unspent grant matching item as well. Ms. Belanger said that's for Planning; this is adding things to Planning. Mr. Stevens said they should leave it and see next year whether Ms. Murphy spent it. Ms. Corson suggested cutting the Sustainability expense in half, since we're adding the position and it wasn't spent. Mr. Zigmont said he wouldn't want to put someone in that position and limit their ability to go after grants, but the money isn't tied to a specific proposal, so he could go either way. Dr. Zwaan said last year this would have been easy to cut. This year we're potentially looking at stimulus or infrastructure legislation, so you could make the opposite argument. Ms. Soutter said it's a small dollar amount, and if it's not needed it won't be spent.

Ms. Gilman said the HDC is looking at a grant and may need to arrange some matching funds.

Ms. Belanger said line item 55200, Office Supplies, looks like it's overspent, but the money was encumbered from last year. Ms. Chester said it was a \$2,500 encumbrance, it's not overbudget, we only spent \$605 out of \$2,000.

Ms. Chester said the new benefits total is \$40,307. The new Planning total is \$271,096.

MOTION: Ms. Belanger moved to approve the new Planning total of \$271,096. Ms. Soutter seconded. All were in favor and the motion passed 10-0.

Ms. Belanger said for Conservation line item 55088, Dues, the subcommittee recommended increasing by \$50 to \$1,200 to pay an increase in one of the dues from \$850 to \$900.

MOTION: Ms. Belanger moved to increase Conservation Line Item 55088, Dues, to \$1,200. Ms. Soutter seconded. All were in favor and the motion passed 10-0.

Ms. Chester said the new Conservation Commission total is \$10,089.

MOTION: Ms. Belanger moved to approve the Conservation Commission budget of \$10,089. Ms. Soutter seconded. All were in favor and the motion passed 10-0.

Ms. Belanger said that the Historic District Commission budget is recommended as-is at \$2,825.

MOTION: Ms. Belanger moved to approve the HDC budget of \$2,825. Ms. Soutter seconded. All were in favor and the motion passed 10-0.

Ms. Belanger said the Heritage Commission budget of \$893 is recommended.

MOTION: Ms. Soutter moved to approve the Heritage Commission budget of \$893. Mr. Stevens seconded. All were in favor and the motion passed 10-0.

MOTION: Ms. Belanger moved to approve the Renewable Energy budget at \$1. Ms. Soutter seconded. Mr. Kelly asked what this is for. Mr. Dean said it's for a grant match for something the Energy Committee might be interested in. Mr. Kelly asked if we need it to be separate from the Planning grant matching. Ms. Belanger said we don't know where Ms. Murphy is going to go with this. Mr. Kelly asked them to add a note about potential grant matching to this line. Mr. Dean said we have a grant in a capital reserve fund for renewable energy, so this is to transfer money from that fund to the General budget if we have an expense. All were in favor and the motion passed 10-0.

Ms. Belanger said the Zoning Board of Adjustment budget of \$4326 is recommended as-is.

MOTION: Ms. Belanger moved to approve the Zoning Board of Adjustment budget of \$4326. Ms. Corson seconded. All were in favor and the motion passed 10-0.

Ms. Belanger said the CIP includes a \$25,000 request for a Bike and Pedestrian Master Plan, which was deferred from the 2020 budget. This would be a formal needs assessment. It's part of our Master Plan, and the data will help future grants. The subcommittee recommends this work. Ms. Soutter asked if there's a plan in funding to implement what comes out of that study or to get matching grant funds. Ms. Belanger said we don't know what our needs are until the assessment is done.

Dr. Rowan said she would like to hear how this relates to traffic to and from the train station area. Mr. Sharples said it's a town-wide Master Plan, not just for recreation, but for day to day errands as well.

Mr. Stevens said next year's project is Complete Streets, can those initiatives be combined? Ms. Corson said they seem like they could be a group. Mr. Sharples said these were getting to \$25,000 which has been deferred for years. Complete Streets would be at \$100,000. Mr. Zigmont said Complete Streets is treated very separately from recommendations for improvements. He wouldn't want to see it all get cut if it gets bundled together. Ms. Grazier said we've had studies before that failed on the ballot. Lumping these projects together could cause them all to fail. Mr. Kelly asked Mr. Sharples to think about how these could be grouped. Ms. Soutter said we should position it for the voters so that the results will be clear.

Dr. Zwaan asked if this has been done since Mr. Sharples has been here, and Mr. Sharples said no. Dr. Zwaan asked if it's a requirement in the Master Plan, and Mr. Sharples said it's an action item. Dr. Zwaan asked when the town's Master Plan will be updated from 2018, and Mr. Sharples said the State recommends every 5 - 10 years. Many of the action items from the previous plan we're working on now.

Kristen Murphy was present to discuss the Raynes Farm CIP. Ms. Belanger said the Raynes Barn project will cost \$249,600, but the actual request is for \$100,000, since the Conservation Commission would commit \$50,000 of their funds and they are looking to get \$100,000 from LCHIP.

Ms. Murphy said when you're not successful in getting an LCHIP grant they have a meeting with you afterwards to go through weak points. We heard that we didn't sell the town's vision for the property, so this year we've been focusing on how we will use Raynes Farm in the future. There's \$5M available in funding and only \$6M worth of applications this year, so that's a good ratio to be applying. Last year LCHIP had half the money available of the total from the applications. The project got a letter of support from the Facilities Committee.

Mr. Kelly said the previous request was for \$214,000, why the increase? Ms. Murphy said there's a difference in cost of materials. We also hired a different contractor to put together our repair plan. He has been successful with LCHIP applications in the past. He keeps the historical design in mind as he does repairs. He had a different approach to stabilizing the foundation.

9. Code Inspection and Enforcement

Doug Eastman was present to discuss the Inspection budget. Ms. Belanger said Mr. Eastman now has a smartphone. The Electrical Inspector retired and the position remains vacant, but the subcommittee didn't want to cut that budget in anticipation of the position being filled. The subcommittee recommended the budget as-is. Mr. Eastman said he's been working on filling the position but it keeps falling through. Regarding building permits, since the pandemic the amount of work that's taken place has been incredible. People are spending money on their homes and properties. Revenues have doubled from last year. Estimated costs of construction are at \$55M. PEA and Exeter Hospital have big projects. Subdivisions are being proposed and some have already been approved.

Ms. Chester said the new benefits total in Building Inspection is \$80,355.

MOTION: Ms. Belanger moved the Building Inspection benefits total of \$80,355. Dr. Rowan seconded. All were in favor and the motion passed 10-0.

Ms. Chester said the new Code Inspection and Enforcement total is \$279,695.

MOTION: Ms. Belanger moved to approve the Code Inspection and Enforcement total of \$279,695. Dr. Rowan seconded. All were in favor and the motion passed 10-0.

10. Economic Development

Darren Winham was present to discuss the Economic Development budget. Ms. Belanger said the subcommittee recommended the budget as-is. Hopefully Mr. Winham will complete his certificate program this year. Dr. Rowan asked about the certification. Mr. Winham said he took all the possible courses online, now he has to go and complete the course. He took a few things out of the budget to accommodate.

Ms. Chester said the new benefits total is \$50,822. The total Economic Development budget is \$153,283.

MOTION: Ms. Belanger moved the Economic Development total of \$153,283. Ms. Grazier seconded. All were in favor and the motion passed 10-0.

Dr. Zwaan said there is \$70M of enhanced value in the TIF, which is due to Mr. Winham's work. The deliverables on the position have shown that it was a good decision. Mr. Dean said putting someone as the point person for the TIF has been a great benefit in the town.

Ms. Belanger said Mr. Winham has worked with the Housing Advisory Committee, which opened up the conversation with local businesses on the need for workforce housing both locally and regionally.

11. Other General Government

MOTION: Ms. Belanger moved to approve the Select Board budget of \$20,606. Dr. Rowan seconded. All were in favor and the motion passed 10-0.

MOTION: Ms. Belanger moved a \$1 placeholder for Transportation. Ms. Corson seconded. All were in favor and the motion passed 10-0.

MOTION: Ms. Belanger moved to approve \$80,000 for the Legal budget. Ms. Corson seconded. Mr. Stevens asked for a year to date spend on that item. Ms. Chester said through 10/15 it's at \$61,941. Dr. Zwaan abstained and the motion passed 9-0-1.

MOTION: Mr. Kelly moved to approve \$891 for the Trustees of the Trust Funds. Mr. Stevens seconded. All were in favor and the motion passed 10-0.

Mr. Dean said that in Debt Service, the Great Dam study from 2008 is falling off, and Salem Street Utility improvements project is coming online. There are decreases in interest that deal with maturing bonds, and an additional interest payment in the debt service for Salem Street. The net difference is \$11,287 or a 0.8% increase.

MOTION: Mr. Kelly moved the Debt Service budget of \$1,385,502. Ms. Belanger seconded. All were in favor and the motion passed 10-0.

MOTION: Mr. Kelly moved to approve the Miscellaneous budget of \$4. Ms. Belanger seconded. All were in favor and the motion passed 10-0.

Mr. Kelly said he would leave Vehicle Replacement until the meetings with Departments, such as Police.

MOTION: Mr. Kelly moved the Cemeteries total of \$1. Ms. Soutter seconded. All were in favor and the motion passed 10-0.

Mr. Kelly asked Mr. Dean to discuss Capital Outlay. Mr. Dean said we pay monthly to have GPS monitoring in town vehicles. This helps us track vehicle use statistics. Mr. Stevens asked how the data is used to inform operations. Mr. Dean said we and the partner company look at it. If we have an accident, we can place a vehicle at

a particular location, which helps with insurance. The Parks and Rec Director uses the info to work on the route management of his staff.

MOTION: Mr. Kelly moved to approve the Capital Outlay of \$4,251. Ms. Belanger seconded. All were in favor and the motion passed 10-0.

Mr. Kelly said that regarding Payroll Taxes and Benefits, Ms. Chester said the Health Insurance reserve is now zero. There was a change in the buyout line item 52140, which was changed to \$156,457 for insurance buyout. The total is \$157,681, which was lowered because of the reserves being allocated to each department.

MOTION: Ms. Belanger moved to approve \$157,681 for Payroll Taxes and Benefits. Mr. Stevens seconded. All were in favor and the motion passed 10-0.

Ms. Chester said the Unemployment total is \$2,416.

MOTION: Mr. Stevens moved to approve the Unemployment budget of \$2,416. Ms. Corson seconded. All were in favor and the motion passed 10-0.

Ms. Chester said Worker's Comp is at \$250,370.

MOTION: Ms. Belanger moved the Worker's Comp budget of \$250,370. Mr. Kelly seconded. All were in favor and the motion passed 10-0.

Ms. Chester said Insurance is at \$72,746. There was a 5% increase in the bills YOY.

MOTION: Ms. Belanger moved the Insurance budget of \$72,746. Dr. Rowan seconded. All were in favor and the motion passed 10-0.

Ms. Chester said the total Benefits & Taxes is at \$483,213.

MOTION: Ms. Belanger moved total Benefits & Taxes at \$483,213. Dr. Rowan seconded. All were in favor and the motion passed 10-0.

Ms. Belanger said there was no total Planning and Development number approved. Ms. Chester said \$722,208.

MOTION: Ms. Belanger moved the total Planning and Development budget at \$722,208. Dr. Rowan seconded. All were in favor and the motion passed 10-0.

12. Information Technology

Andy Swanson, the IT Director, and Steve Bailey, the Network Administrator, were present to discuss the IT budget. Ms. Grazier said this Department services all of our other Departments. Some increases represent staffing changes, changes in compliance, and maintenance and upgrade of equipment. Line item 55048, Software, the actual number is \$30,400. Mr. Swanson said there was a \$14,200 purchase, but that's not an ongoing cost; it will be half that in subsequent years.

MOTION: Ms. Belanger moved to change line item 55048 to \$30,400. Dr. Rowan seconded. All were in favor and the motion passed 10-0.

Ms. Grazier mentioned a change in line item 55058, Contracting Services, for network penetration testing. Mr. Bailey said after doing security research, he found a Homeland Security benefit which will provide us with free network penetration testing, website scanning, and vulnerability testing, so we can take \$5,000 off that cost. Ms. Grazier said the proposed budget is \$8,000. Dr. Zwaan asked if there are any consequences that will be created by accepting these services, and Mr. Bailey said no, there's a contract and there shouldn't be anything unexpected.

Mr. Stevens asked about the IT audit. Ms. Belanger said it was provided to the subcommittee, but the Town Manager needs to decide what to put out to the public. Mr. Stevens said he'd like to hear what came of the audit and why we're attacking it all this year. What is the plan? Mr. Swanson said his budget this year is lower than it's been, other than adding a person. We have to refresh the servers at \$50,000, which needs to be done every five years or so. There was an unexpected expense of \$12,000 to make MUNIS work correctly. Without those, the budget is much lower. Mr. Kelly asked if the audit is only an internal document so far, and Mr. Swanson said that he and Mr. Dean have been discussing it.

MOTION: Ms. Belanger moved to change line item, 55058, Contracting Services to \$8,000. Ms. Grazier seconded. All were in favor and the motion passed 10-0.

Ms. Grazier said that Internet Services has changed from the packet number. \$25,593 is the correct number. The difference is allocated to Water/Sewer.

Dr. Zwaan asked if line item 55059, Internet Services, is access to the internet, ie Broadband, or does it include other subscriptions in addition to DocuSign? Mr. Swanson said Google Workspace is on that line. Everyone who works for the town has to have a town email address. Ms. Belanger said the MyExeter app is being discontinued because people weren't using it. There's a new SMS service for the town. There will be an effort to train more people on DocuSign, and decide next year whether to keep it or cancel. Mr. Stevens said it makes sense with HR wanting to do electronic documents.

Ms. Belanger said there's an increase in line item 55270, Software Agreement, from \$8,000 to \$9080. We need to add \$1,000 for switches.

MOTION: Ms. Belanger moved to increase line item 55270, Software Agreement, to \$9080. Dr. Rowan seconded. All were in favor and the motion passed 10-0.

Ms. Grazier said line item 55703, Computers, reflects the increased capital cost. Prices are up 30-35%.

Ms. Chester said the new IT Benefits total is \$60,577.

Dr. Rowan asked how the new IT system for Police and Fire is working, and if Mr. Swanson is still involved with those Departments. Mr. Swanson said it has its challenges. We started archiving email this year; the PD wants out of that program, but

they're now working with Aristotle insight and don't know whether they're in or out. He works with their people sometimes, but they didn't understand how to put our systems management and antivirus on the machines over there.

Ms. Chester said the new IT Total is \$386,748.

MOTION: Ms. Belanger moved the IT total of \$386,748. Dr. Rowan seconded. Mr. Stevens said he'd like to see proposed IT budgets for the next few years. Ms. Belanger said because this audit happened, they were trying to prioritize immediate needs. There were 12 recommendations, and these three were the biggest and most important. Next year, we will have more clarity. All were in favor and the motion passed 10-0.

Mr. Swanson said next year, Mr. Bailey will be leading the budget presentation. He [Mr. Swanson] is planning to retire sometime in 2023.

13. Finance and Treasurer

Ms. Belanger said line item 55058, Contract Services, increased by \$5,000 due to a GASB evaluation done every two years. Line item 55270, Software Agreement, has a 6.3% increase per year for MUNIS. Line item 55308, Travel Reimbursement, has an increase of \$1,000, for training for employees. The subcommittee recommended the budget as-is.

Mr. Stevens asked if the Software budget of \$6,746 is all MUNIS. Ms. Chester said yes. The prior year this line was at \$2,775, but that should have been allocated more. There's only a 5% increase YOY on the entire contract, it's just the allocation piece that is different.

Ms. Chester said the new benefits total for Finance is \$127,350. The overall Finance total is \$348,982.

MOTION: Ms. Belanger moved to approve \$127,350 for Finance, Dr. Rowan seconded. Mr. Stevens asked if the Department is looking at any future year changes or integrations. Ms. Chester said a large MUNIS upgrade is happening next year. Mr. Kelly asked about the lifespan of finance software. Ms. Chester said we had MUNISmart for about 10 years; we would still be with it if they hadn't stopped supporting it, but she doesn't see that happening with this company. The program can be cloud-based, but that's too expensive, so we're still hosting it internally. All were in favor and the motion passed 10-0.

Mr. Dean said there is no change in the Treasurer budget. There was a question about getting a Deputy Treasurer. The Treasurer is an elected position, and we may want to look at appointing that position instead of electing it at some point, since it's a very important position handling millions of dollars of allocations. Ms. Belanger said there are no prequalifications other than being a resident to running for this position. Mr. Dean said Sue Penny, the current Treasurer, does a very good job. We would appoint her if possible. Dr. Zwaan asked why it's an elected position, and Mr. Dean said in the RSAs, we have to get a town vote to change it to be appointed.

Ms. Chester said the Trustee of the Trust Funds is not going to run again, so we're looking for another candidate to run.

MOTION: Ms. Belanger moved to approve \$9,792 for the Treasurer and Trustee of the Trust Funds Budget. Dr. Rowan seconded. All were in favor and the motion passed 10-0.

Ms. Belanger said the subcommittee asked about the last time the Select Board had a raise. It may be worth considering next year.

14. Calendar

- a. The next BRC meeting is Wednesday October 27th at 6:30 PM.

15. Adjournment

Mr. Kelly adjourned the meeting at 12:15 PM.

Respectfully Submitted,
Joanna Bartell
Recording Secretary