

Budget Recommendations Advisory Committee  
Kick-Off Meeting of FY 2023 Budget Review  
August 10, 2022  
6:30 PM  
Nowak Room, Town Offices

Members Present: Bob Kelly, Chair; Christine Soutter, Vice Chair; Andrew Elliott, Eduardo Contreras, Kathy Corson, Enna Grazier, Judy Rowan, Anthony Zwaan, Liz Canada, Christopher Zigmont [remote via Zoom]

Members Absent: None

Others Present: Assistant Town Manager Melissa Roy, Finance Director Corey Stevens, and Select Board members Niko Papkonstantis, Nancy Belanger, and Julie Gilman.

Mr. Kelly called the meeting to order at 6:30 PM. He called for a moment of silence for former BRC member Anne Surman.

1. Member Introductions
2. Nomination and Election of Chair and Vice-Chair

**MOTION:** Dr. Rowan nominated Bob Kelly for Chair. Ms. Soutter seconded. The motion passed 8-0 [Ms. Canada and Mr. Zigmont were not yet present].

**MOTION:** Mr. Kelly nominated Chris Soutter as Vice-Chair. Dr. Rowan seconded. The motion passed 8-0 [Ms. Canada and Mr. Zigmont were not yet present].

3. Town Manager Report

Finance Director Corey Stevens said at the last election, the three operating budgets - General, Water, and Sewer - each passed with a 72% approval rating. Three collective bargaining agreements passed, for Police, Fire, and SEIU, which went into effect July 1. There were three bond issues, for Webster Ave, 10 Hampton Road, and Westside Drive Sewer Improvements, all of which passed. All of the warrant articles passed, except for the DPW garage. We bonded 10 Hampton Road and the groundwater exploration project for \$2.25M with a 10 year bond at 2.63%, a slightly higher rate than in past years. We made the lease purchase of Engine #5 and the SCBA equipment, \$965,000 at 3%. The State is starting up the State Aid Grant Funding again for debt relief on the WWTP, for \$18M overall. Mr. Kelly asked if that's used to pay off principal. Mr. Stevens said he did not know, but would follow up. Ms. Corson asked if that could be stopped by the State, and Ms. Roy said any State funding is not a guarantee, but we're looking good for now. Mr. Contreras asked if we could find out how this compares with other projects awarded.

Mr. Stevens said we received the second tranche of ARPA funds, \$800,000, for a total of \$1.6M. There are recommendations in the BRC packet on what to fund from

ARPA: the Winter Street BMP at \$42,000; Pickpocket Dam at \$185,000; \$420,000 for Squamscott Sewer Siphons; \$30,000 for the wage and reclassification study; \$4,800 for PeopleGIS, the Great Bay Nitrogen General Permit, IT purchases, and the Munis transition, for a subtotal of 863,000.

Liz Canada arrived at this time. Chris Zigmont also signed in via Zoom.

Ms. Roy said we've also received the State ARPA, as well as additional funding. The Webster Ave Pump Station project received \$1.5M in Congressional Directed Spending from Senator Shaheen's office, plus \$325,000 loan forgiveness. We're working on the easements for this project. 10 Hampton Road was purchased, and we submitted for a CBDG grant for \$150,000 and requested \$270,000 through Senator Shaheen for HVAC updates. The Westside Drive project we expect to be in the CIP in FY23 for construction. We were ranked #2 in FY22 on the stormwater infrastructure list, so we could be eligible for alternative funding. The Facilities Condition Assessment bids were higher than expected, so the Facilities Committee re-evaluated the project and it's going out to bid again. For Raynes Barn, Kristen Murphy had an RFP in March, but it didn't receive any responses. She put it out again and received only one bid. We're looking to do a bid for only structural work instead. In FY23, we'll be looking at the Public Safety Building, with a cost to be determined. We're presenting D&E for a new surface water treatment plant, which is also on the list for alternative funding. There are also proposals for groundwater source development, intersection improvements, and Planet Playground.

Mr. Kelly said there have been some public meetings about the Safety Complex. He'll be working with Mr. Papakonstantis and Mr. Dean to have a presentation for the BRC in October.

Dr. Zwaan asked if the committee will get a summary of the numbers. Ms. Roy said yes, we can have it ready for the next meeting.

Dr. Rowan asked about the Facilities Assessment. Ms. Roy said we put together an RFQ, and the response to complete all the services was more expensive than we'd hoped. The committee is trying to re-evaluate the scope of services. Ms. Gilman said a warrant article was approved for \$45,000, but the RFP, which was looking at almost all buildings in town, had bids of \$250,000 - \$600,000.

Mr. Stevens said in FY22, the General Fund budget was \$20.4M. As of June 30, there was spending of \$8.6M or 42%, which is in line with prior year spending. It's less than 50% because of timing and debt service payments. There were some open positions in departments. For revenue, permits were down. There were more building permits issued, but the cost of construction value was lower than last year. The Water Fund budget was \$4.2M and had spent \$1.6M or 37%, which is in line with prior year. Staffing was also an issue in Water/Sewer, which had 6 open positions. In the Sewer Fund, operating revenue was up. There was a rate increase of 19.8% last year. Mr. Kelly said it was recommended to adjust rates every year, even if just by 1%, to keep up with increases. This year, we don't have to do that, since we planned ahead last year. Mr. Dean suggested taking \$50,000 out of reserves so we don't have to do a rate increase this year. Mr. Stevens said the bottom line revenue is tracking just like last year.

Dr. Zwaan asked about energy costs relative to budget. Ms. Roy said she doesn't have the info, but she expects that there would have been increases.

4. Meeting dates

Mr. Kelly said the official budget kick-off will be September 26, when Mr. Dean will go through the budget. Then there will be Subcommittee meetings scheduled. The General Government all-day meeting is the third week in Oct. Other meetings are in the evenings, dealing with the Departments as shown. We need a quorum of 7 people to make decisions. Nov 17 is the CIP meeting. The Public Safety Complex is the next big project in town, and we will likely have a separate meeting in October to discuss that.

5. Other Business

Mr. Papakonstantis said the Select Board is grateful for the BRC's volunteer work. This budget vetting and recommendations to the Select Board are important to the community. The Public Safety complex will be a big-ticket item. It will hopefully add value to our community for decades. Personnel problems are happening across the country in municipalities. It's hard to retain and hire good people, given the economy and the fact that they can make more money elsewhere. We need to reclassify where appropriate.

6. Adjournment

Mr. Kelly adjourned the meeting at 7:21 PM.

Respectfully Submitted,  
Joanna Bartell  
Recording Secretary