

**NEW DURHAM BUDGET COMMITTEE
New Durham Town Hall
October 30, 2019, 7:00pm**

Final Approved 11-25-19

Present

Terry Jarvis, Chair of Budget Committee
Mark Sullivan, Vice Chair of Budget Committee
Ellen Phillips, Budget Committee
Joan Swenson, Budget Committee
Kenneth Fanjoy, Budget Committee
David Swenson, Board of Selectmen Representative

Also Present

Scott Kinmond, Town Administrator
Anina Soucy, Finance Manager
David Bickford, resident
Ron Uyeno, resident

Call to Order

Ms. Jarvis called the meeting to order at 7:02pm.

Ms. Jarvis stated three applications were completed for the vacancy on the committee and started with interviews of the applicants who were present.

Ms. Jarvis asked David Bickford, resident, to step forward to answer the following questions:

- 1- What is his municipal budgeting philosophy?
- 2- How would that be translated into the annual budget preparation?
- 3- What skills or knowledge will he bring to the Budget Committee if he is appointed?

Mr. Bickford replied that he is a fiscal conservative and that's a priority on needs as opposed to wants. He stated he has a good deal of background in local government budgeting including on the Board of Selectmen and served 16 years in the State legislature; he stated he was on the municipal and county government committee. Mr. Bickford stated he has also been a delegate to the county.

Ms. Swenson asked what Mr. Bickford's most difficult budget issue that he had to deal with and how did he handle it. Mr. Bickford replied one was when the Marsh Pond Dam sprung a leak; many people were upset and wanted it done sooner but there was a lot of work to get the funding. He explained that the state didn't do the repairs so it took more work to get it done. Mr. Fanjoy asked what he thinks is currently working for the New Durham Budget Committee and what could be changed. Mr. Bickford replied he doesn't

see a lot of change and what is missing is diversity, and bringing forward different ideas. Mr. Sullivan asked what skills Mr. Bickford brings that would help that. Mr. Bickford replied he has a background in other communities and knows how other towns do things, giving the example of Strafford which has privatized it's highway department. He stated its about knowing what the Town's needs are and what the options are. Mr. Fanjoy asked how Mr. Bickford feels about privatization with contractors who keep escalating the costs to where it becomes cheaper to have employees do the work. Mr. Bickford stated that can happen and you need to be prepared but isn't worried about that and suggested a truck or two that are privately owned. Mr. Fanjoy stated he's seen communities where the costs to get back into it are so high and he's not in favor of the privatization of Town departments.

Ms. Jarvis asked Ron Uyeno, resident, to step forward to answer the following questions:

- 1- What is his municipal budgeting philosophy?
- 2- How would that be translated into the annual budget preparation?
- 3- What skills or knowledge will he bring to the Budget Committee if he is appointed?

Mr. Uyeno replied that his experience is minimal but he has an interest and desire to be involved; he just trying to get into it and learn how it all works. His daily work philosophy is that everyone is responsible for their actions. He stated that since his knowledge is minimal, he would be asking questions and explained he currently manages a regional district for a service business with about 20 employees and a \$15 to \$16 million budget. Ms. Jarvis asked if he is involved in the budget preparation process. Mr. Uyeno replied he is responsible for reporting on profits and loss for his district and managing margins and expenses. Ms. Swenson asked what would be one of the more difficult budget problem he has dealt with and how he handled it. Mr. Uyeno replied his biggest challenge would be the constant turnover and staffing. Ms. Swenson asked his philosophy of the works style. Mr. Uyeno stated its collaboration and team work to work with customers. Ms. Swenson noted he has attended many meetings since indicating his interest. Ms. Phillips asked how he would handle a vote that conflicts with how he would want it to go. Mr. Uyeno replied that he tries to be respectful of others opinions and perspectives. Ms. Jarvis stated that when it comes to presenting the budget as a whole as a recommendation of the Committee, how would he handle questions. Mr. Uyeno replied he would tow the line, explaining its what was agreed upon as a committee. Ms. Swenson asked how long he has been with his current position. Mr. Uyeno replied he worked for the company in the 1990s, left and came back in 2010 and moved into management in 2012. Mr. Sullivan asked what he sees working or not working with the Budget Committee. Mr. Uyeno replied he doesn't have enough experience to know; he stated what he has heard as a resident is the concern about the tax base and things there needs to be good communication between the Board of Selectmen and committees with what is going on.

Ms. Jarvis noted they will be meeting weekly and asked if Mr. Bickford or Mr. Uyeno foresee a conflict with that. Mr. Uyeno replied he doesn't have a problem calling in if need be for one meeting time he has in December. Mr. Bickford stated he has no

conflicts. Mr. Swenson stated it is positive to see three individuals were interested and suggested also pursuing other boards and committees. Ms. Jarvis noted this appointment would only be until the end of the March 2020 elections at which point there will be a position on the ballot for a three year position. Mr. Sullivan stated that based on Mr. Bickford's answers, it would seem that it would require the Budget Committee to be a policy making and policy recommending board and asked if that's part of the committee's criteria. Ms. Jarvis stated the Board of Selectmen makes policies but the committee can make suggestions, as can other boards and committees. Mr. Sullivan stated it's difficult for him to make a decision without objective criteria which distinguished between the candidate. Mr. Swenson concurred and stated an election is much the same.

Mr. Fanjoy made a motion to nominate Ron Uyeno to the Budget Committee. Ms. Phillips seconded the motion. Discussion: Mr. Swenson stated both candidates bring unique skills to the committee and one has an extensive history with the Town, municipal and state government while another has significant independent business experience, and suggested that with this motion, the criteria of diversity and new perspective would be added. Mr. Sullivan stated he asked the question about policies and they know Mr. Bickford's positions but is concerned that in his opinion Mr. Bickford continues to push those beyond discourse that would be reasonable. **Motion passed, 6-0-0.**

Ms. Jarvis stated the Budget Committee is not bound by the Board of Selectmen appointment policy so this appointment will be effective immediately.

Ms. Jarvis asked Mr. Uyeno to come forward and issued the oath of office.

Mr. Uyeno joined the Budget Committee.

Mr. Swenson gave an update on the actions of the Board of Selectmen. He stated they outlined nine baseline concepts at the joint meeting and the Board of Selectmen tried to follow as best they could. Mr. Swenson stated that as of a week ago, the Board of Selectmen completed review of the entire operational budget and about 80% through the ETF and CRF accounts, which will be completed at the next Board of Selectmen meeting. He outlined some of the actions made, noting these were based on the input from the department heads and review of year-to-date expenditures, noting some modifications were made and there was a total 4.9% overall increase which was lower than the 5.5% increase which was recommended. Mr. Swenson thanked Town Administrator Kinmond and Ms. Soucy for their responsiveness and straightforward presentations.

Ms. Jarvis suggested amending the Agenda: to take the last budget to be reviewed and move it to the first, as there is one committee member present. The committee concurred.

Account 4583 – Town Historian

Ms. Jarvis stated the department requested amount for 2020 is \$200 and the Board of Selectmen recommend \$200. The 2019 Budget was \$500.

Cathy Orlowicz, Town Historian, stated she doesn't need to purchase flags this year but will need to purchase standards. She explained she would have a December purchase for replacement of binders for old photographs and documents. Ms. Orlowicz stated she has had a very busy year, giving presentations and handling genealogy requests from all over the country. Ms. Swenson asked how frequently flags need replacement. Ms. Orlowicz replied the flags are replaced yearly although the flags by Town Hall are replaced twice per year and noted she tries to get them all down for the traditional Memorial Day. Mr. Swenson noted in 2018, the Board of Selectmen approved some additional inventory of the flags and more flags will be requested next year. Mr. Bickford asked if they could get any of the stones cleaned. Ms. Orlowicz replied it's only done for those in perpetual care and suggested he talk to the forefathers.

Mr. Swenson made a motion to approve Account 4583 for the 2020 Budget, the amount of \$200. Mr. Fanjoy seconded the motion. Motion passed, 7-0-0.

Account 4130 – Executive Office

Ms. Jarvis stated the department requested amount for 2020 is \$217,398 and the Board of Selectmen recommend \$214,399. The 2019 Budget was \$204,707.

Town Administrator Kinmond gave an overview of the account lines and explains the variations between 2019 and 2020, noting there was some reconfiguring of the staffing at Town Hall. He stated this budget is also affected by wage increases, which took effect in 2019; there is also a slight increase in technology services. Town Administrator Kinmond noted there is a 7% increase in the health insurance line. Mr. Swenson explained the primary changes between the approved amount and the requested amount was reductions on lines 20-111 and 20-343. Ms. Jarvis asked Town Administrator Kinmond if the reduction of 68 to 70 hours for the recording secretary will mean other staff have to do minutes. Town Administrator Kinmond replied it's cheaper for him to have the secretary do the minutes as her hourly rate is significantly less than other staff in Town Hall. Ms. Jarvis stated she doesn't agree with reducing this line as it's the lowest hourly rate and it's beneficial to the committees and commissions to have the minutes done. Mr. Swenson explained the rationale used by the Board of Selectmen. Ms. Phillips suggested taking the reduction this year and see if funds end up having to be taken from elsewhere and look at it again next year. Ms. Jarvis asked if the Board of Selectmen has done the technology CRF. Mr. Swenson replied they added about \$7,000 to the requested amount to cover the reductions made in this account. Ms. Swenson asked about the line for office supplies and noted the year-to-date expenditure was low. Town Administrator Kinmond explained they wait to the fourth quarter to buy major expenses. Mr. Sullivan noted the lines with the most significant increases and overall increase is about \$10,000 or 5%; Town Administrator Kinmond explained this budget carries the entire IT infrastructure and maintenance and supports other Town departments and networks. Mr. Swenson stated he did an analysis at the end of last year's budget season, using all personnel costs/benefits, property liability, bonds and interest and it makes up roughly 67% of the Town's total budget. Ms. Jarvis noted the amount approved by the Board of Selectmen is \$9,692 more than last year but there were significant wage adjustments.

Mr. Sullivan made a motion to approve Account 4130 for the 2020 Budget in the amount of \$214,399. Ms. Phillips seconded the motion. Motion passed, 7-0-0.

Account 4140 – Town Clerk

Ms. Jarvis stated the department requested amount for 2020 is \$145,225 and the Board of Selectmen recommend the same amount. The 2019 Budget was \$107,708. Town Administrator Kinmond explained this reflects a staffing change for the Town Clerks office as well as in the Finance Office and Welfare Office. He stated the Deputy Town Clerk position would be changed from a part time 32 hour a week job, to full time with 40 hours per week, as additional responsibilities will be added as well as the demand for the office. Mr. Swenson explained the rational by the Board of Selectmen in distributing duties to improve productivity and flexibility within Town Hall staffing. Town Administrator Kinmond explained the difficulty in having this position remain part time. Mr. Uyeno asked if Town Administrator Kinmond expects overtime hours in other departments to be decreased. Town Administrator Kinmond replied the only built-in overtime is during elections and employees adjust their hours to make up for different times. He noted that since he came in 2016, the Town Clerk revenues have increased nearly \$50,000 per year. Mr. Swenson noted this is the only account with the percentage of increase reflected.

Ms. Phillips made a motion to approve Account 4140 for the 2020 Budget in the amount of \$145,225. Ms. Swenson seconded the motion. Motion passed, 7-0-0.

Account 4150 – Financial Administration

Ms. Jarvis stated the department requested amount for 2020 is \$134,158 and the Board of Selectmen recommend the same amount. The 2019 Budget was \$133,393. Town Administrator Kinmond explained the increase is due to wages approved in 2019. He explained he also recalculated the actual costs of the health insurance to reflect the 10% paid by the employee.

Mr. Sullivan made a motion to approve Account 4150 for the 2020 Budget in the amount of \$134,158. Mr. Fanjoy seconded the motion. Motion passed, 7-0-0.

Account 4152 – Assessing

Ms. Jarvis stated the department requested amount for 2020 is \$103,915 and the Board of Selectmen recommend the same amount. The 2019 Budget was \$91,833. Ms. Jarvis asked about line 340 and confirmed this increase is due to being the fifth year of the assessing contract. Town Administrator Kinmond confirmed that is correct. Mr. Swenson stated they have done significant upgrades of software and hardware for assessing, and the account reflects training for staff.

Mr. Fanjoy made a motion to approve Account 4152 for the 2020 Budget in the amount of \$103,915. Ms. Swenson seconded the motion. Motion passed, 7-0-0.

Account 4240– Building Inspector

Ms. Jarvis stated the department requested amount for 2020 is \$48,822 and the Board of Selectmen recommend \$48,822. The 2019 Budget was \$44,906. Mr. Swenson explained the rational of the Board of Selectmen and Town Administrator Kinmond explained the changes in personnel and staffing. He also presented a comparison with other communities as well, noting many have this position as full time and explained the work involved particularly with court cases and violations.

Mr. Sullivan made a motion to approve Account 4240 for the 2020 Budget in the amount of \$48,822. Ms. Swenson seconded the motion. Motion passed, 7-0-0.

Account 4411 – Health Officer

Ms. Jarvis stated the department requested amount for 2020 is \$2,379 and the Board of Selectmen approved the same amount. The 2019 Budget was \$2,379. Ms. Jarvis asked if the water testing has been completed. Town Administrator Kinmond replied that is done at the end of the season and expects it to be done in the next month.

Mr. Swenson made a motion to approve Account 4411 for the 2020 Budget in the amount of \$2,379. Ms. Phillips seconded the motion. Motion passed, 7-0-0.

Account 4441 - Welfare

Ms. Jarvis stated the department requested amount for 2020 is \$17,204 and the Board of Selectmen approved \$17,204. The 2019 Budget was \$17,002.

Ms. Swenson made a motion to approve Account 4441 for the 2020 Budget in the amount of \$17,204. Mr. Fanjoy seconded the motion. Motion passed, 7-0-0.

Account 4153 – Legal Expenses

Ms. Jarvis stated the department requested amount for 2020 is \$15,000 and the Board of Selectmen approved the same amount. The 2019 Budget was \$15,000. Ms. Phillips asked the rational behind the amount. Mr. Swenson explained there are potentially a couple court cases with ZBA as well as code violations.

Mr. Fanjoy made a motion to approve Account 4153 for the 2020 Budget in the amount of \$15,000. Ms. Swenson seconded the motion. Motion passed, 7-0-0.

Account 4191 – Planning Board

Ms. Jarvis stated the department requested amount for 2020 is \$6,152 and the Board of Selectmen approved the same amount. The 2019 Budget was \$5,252. Ms. Jarvis stated the Planning Board signed a contract and are in the process of encumbering the monies for the impact fee ordinance review. She also noted that looking back at history, about 60 to 70% of the budget was spent. Town Administrator Kinmond explained the impact fee ordinance review contract is about \$4500 and the maps will be \$1900. He also explained the line for advertising as there are state statutes regarding deadlines for posting public hearings and meetings.

Ms. Phillips made a motion to approve Account 4191 for the 2020 Budget in the amount of \$6,152. Mr. Sullivan seconded the motion. Motion passed, 7-0-0.

Account 4192 – Zoning Board

Ms. Jarvis stepped down for this discussion, as she is chair of the Zoning Board. Mr. Sullivan, vice chair, took her place for this discussion.

Mr. Sullivan noted there is about a \$600 increase, which appears to be mostly for postage due to increased mailings. Mr. Sullivan stated the department requested amount for 2020 is \$1,991 and the Board of Selectmen approved the same amount.

Mr. Swenson made a motion to approve Account 4192 for the 2020 Budget in the amount of \$1,991. Mr. Fanjoy seconded the motion. Motion passed, 6-0-1. Ms. Jarvis abstained.

Account 4196 - Insurance

Ms. Jarvis stated the department requested amount for 2020 is \$53,632 and the Board of Selectmen approved the same amount. The 2019 Budget was \$54,250.

Ms. Swenson made a motion to approve Account 4196 for the 2020 Budget in the amount of \$53,632. Mr. Sullivan seconded the motion. Motion passed, 7-0-0.

Account 4612 - Conservation

Ms. Jarvis stated the department requested amount for 2020 is \$1,795 and the Board of Selectmen approved the same amount. The 2019 Budget was \$1,795. Ms. Jarvis noted the historical expenditures ranges from 30 to 40% unspent, but any remaining funds go to the Conservation Fund. Mr. Sullivan explained the water quality line is always expended and they like to keep the conference line retained in case anyone wants to attend further training.

Ms. Swenson made a motion to approve Account 4612 for the 2020 Budget in the amount of \$1,795. Mr. Sullivan seconded the motion. Motion passed, 7-0-0.

Account 4711 – Principal on Long Term Notes and Bonds

Ms. Jarvis stated the department requested amount for 2020 is \$55,000 and the Board of Selectmen approved the same amount. The 2019 Budget was \$55,000.

Ms. Jarvis made a motion to approve Account 4711 for the 2020 Budget in the amount of \$55,000. Ms. Phillips seconded the motion. Motion passed, 7-0-0.

Account 4722 – Interest on Long Term Notes and Bonds

Ms. Jarvis stated the department requested amount for 2020 is \$7,357 and the Board of Selectmen approved the same amount. The 2019 Budget was \$10,932.

Mr. Fanjoy made a motion to approve Account 4722 for the 2020 Budget in the amount of \$7,357. Mr. Uyeno seconded the motion. Motion passed, 7-0-0.

Account 4722 – Lease Payment

Ms. Jarvis stated the department requested amount for 2020 is \$38,000 and the Board of Selectmen approved the same amount. The 2019 Budget was \$38,000. Mr. Swenson explained this is for the second year on the SCBAs.

Ms. Swenson made a motion to approve Account 4722 for the 2020 Budget in the amount of \$38,000. Mr. Fanjoy seconded the motion. Motion passed, 7-0-0.

Account 4723 – Interest on TAN

Ms. Jarvis stated the department requested amount for 2020 is \$1 and the Board of Selectmen approved the same amount. The 2019 Budget was \$1. Ms. Jarvis this is to keep the line open.

Ms. Swenson made a motion to approve Account 4723 for the 2020 Budget in the amount of \$1. Mr. Uyeno seconded the motion. Motion passed, 7-0-0.

Mr. Swenson suggested postponing approval of minutes to the next meeting. The committee concurred.

Next Meeting

November 6, 2019, 7:00pm, New Durham Town Hall

Adjourn

Mr. Swenson made a motion to adjourn. Mr. Fanjoy seconded the motion. Motion passed, 7-0-0.

The meeting was adjourned at 9:07pm.

Respectfully Submitted,

Jennifer Riel, Recording Secretary