

Finance Advisory Committee Meeting Minutes: December 4, 2023

Present were:

Dennis Howe, Chair, FAC
Lou Alvarez, BOS
Mitch Gluck, FAC
Matt Hatcher, Fire Dept
Gary Somero, Chief, Fire Dept
Jason Somero, BOS
Shawn Talbot, Chair, BOS
Joe Woodworth, FAC

Fire Development Budget

The team reviewed the draft Fire Department Budget.

- Dennis reviewed the personnel expense summary in detail.
 - 2024 reflects the change from some stipends to hourly wages
 - Chief noted that change was a huge morale boost; paying those that show up for calls as opposed to distributing stipends across the whole Department
 - Stipends remain for extra jobs; jobs that are mostly voluntary but necessary
 - This reflects a \$5,692.36 increase over 2023; \$7,362.48 with a 3% COLA (not approved).
- Chief Somero reviewed expenses, line-by-line.
 - A few updates to the budget were available, and updated live
 - Education/Training was increased from \$5,720 to \$6,110 due to inflation
 - Gear cleaning, under Equipment Repair, Maintenance has been added (15 sets at \$138 each). This helps minimize potential respiratory damage, and the team felt this was appropriate for the safety of the Department.
 - Vehicle maintenance also saw inflationary impacts. The 2024 budget proposal will reflect \$21,585.
 - Southwest Fire Mutual Aid dispatch services were increased by 8%, up to \$61,044.84.
 - Travel has been increased to \$2,000 – mostly due to training classes. The Fire Department was overspent in 2023 (\$2,878.71 to date spent on \$1,000 budget). Matt and Chief Somero believe \$2,000 is reasonable.
 - Electric utilities were estimated at \$4,941.64. The FAC had calculated \$6,000. Decided to budget for \$5,500.
 - Fuel was budgeted for \$3,000, based on using the State fuel depot (shed).
 - The Fire protection budget was increased from \$500 to \$800. Chief Somero had personally funded \$300 in 2023, and the BOS felt that the \$800 is money well spent. Chief Somero personally meets with students to educate them on fire safety.
 - The propane budget was predicted to be \$11,000 for 2024. After discussion, the team felt a budget of \$8,000 may be more appropriate based on consumption of \$6,457.30 to date. It was noted that the NH Department of Energy estimates ~8% increase in 2024.
- Generator Maintenance
 - The Fire Department did not budget for generator maintenance. This effort should occur annually, and budgeted in the General Buildings department (as a central source).

Capital Investment Plan

- Dennis provided a summary of the material presented last week at the FAC meeting.
- In summary, the FAC is ready to work with the BOS and Department heads to adjust the models for out-years.
- A few comments:
 - The CIP needs to be updated more frequently than 10 years; biennial review was suggested. It was noted that the current model allows for 3, 5 or 10 year windows.
 - The CIP model can be used for one-time capital improvements in addition to the rotational model used for vehicles.
 - Adjustments to replacement “due dates” for specific vehicles to ensure investment smoothing for outyear requirements.
 - The Planning Committee continues to have the primary responsibility. The FAC can assist with the technical/financial support requirements.
 - The team discussed lease vs buy options; lease offers some attractive options
 - The FAC will need guidance on the “way ahead” for full CIP integration with the Planning Board Master Plan.
- ClearGov
 - The team discussed the ClearGov capital planning offering.
 - ClearGov develops software for municipal budget management and offers a capital expense planning tool. Joe met with ClearGov to understand their offering, and the capability of the capital planning module. A couple notes:
 - The capital planning module is product-ready, and in-use by several municipalities.
 - A module, identified as Transparency, allows the public to set up an account and review capital requests.
 - Department Heads can enter requests themselves, update progress, etc.
 - There is an annual charge for both the Capital and Transparency modules.
 - Additional discussion is needed before any purchasing decisions can be made.

Scheduling Meetings

- Reviews are required for Police, DPW and Town Offices.
- It was suggested that the BOS consider meeting with Parks & Recreation, Planning Board, and Zoning Board of Adjustments.
- Dennis to work with the Town Administrator to schedule future review

Additional discussion

- The BOS had requested the FAC develop a ground-up budget (a zero-based budget)
- Jason questioned whether what the FAC delivered was a zero-based budget.
- Comments included:

- The Master Budget file, reviewed with the BOS, is the compilation of individual zero-based budgets.
- The Fire Department budget, reviewed during this meeting, was predominately a zero-based budget in that:
 - The PowerPoint file provided a summary of all purchases and expenses rolled up to the account number
 - This PowerPoint file justifies how the requested budget optimizes costs and expenses.
 - Although not all pennies are allocated (there remain some generalized expenses based on predictions such as mileage), the FAC felt that the Fire Department budget was a solid example of zero-based budgeting.

Meeting Adjourned

The meeting was adjourned at 9:10pm.