

CONWAY MUNICIPAL BUDGET COMMITTEE

Wednesday, January 12, 2022

Professional Development Center

Kennett Middle School, Conway, NH

Jim LeFebvre called the meeting to order at 6:30 PM. The following Budget Committee members were present: Chair Jim LeFebvre, Vice-Chair Peter Donohoe, Randy Davison, Bob Drinkhall, John Edgerton, John Colbath, Caitlin Hickey, Frank Jost, Dave Jensen, Terry McCarthy, Ellin Leonard, and Stacy Sand.

Bill Marvel was present and left at 6:36 based on an objection to his presence.

Absent: Erik Corbett

The pledge of allegiance was led by Mr. Edgerton.

Opening Remarks:

➤ **Chair LeFebvre** advised the board he accepted with regret Mr. Fougere's resignation effective January 11, 2022. Further suggesting with only four meetings remaining until the public hearings to not fill the seat currently, due to the time to get someone up to speed.

Questions / Comments:

▶ **Ms. Sand** suggested running an ad to see if there might be anyone interested. **Chair LeFebvre** noted he will do that.

➤ **Chair LeFebvre** followed up on an email he sent to the committee regarding recommending the School Board to conduct an evaluation of all roofs to determine when and what will need to be replaced or repaired.

▶ **Mr. Jensen moved, seconded by Mr. Jost to recommend Mr. Davison present the recommendation to the School Facilities Committee. Motion Carries. (12-0-0)**

➤ According to RSA 32:2 precincts that are not completely within the town do not have to report to the Municipal Budget Committee. North Conway and Conway Fire have elements outside of the town and therefore do not answer to the town on their budget.

➤ There will be a meeting at the Center Conway Fire on Thursday, January 13, 2022, at 5:00 pm to discuss possible consolidation of Center Conway, East Conway, and Redstone Precincts.

➤ Mr. Hounsell chair of the MWV Cooperative District Planning Board advised he is available to talk with the Budget Committee after January 26, 2022.

▶ **Mr. Drinkhall moved, seconded by Mr. Jensen to invite Mr. Hounsell to the January 31, 2022, meeting. Motion Carries. (12-0-0)**

3. Approval of Outstanding Minutes (1/3/2022 & 1/5/2022)

Mr. Jost moved, seconded by Mr. Jensen moved to approve the meeting minutes as amended from January 3 & 5, 2022. Motion Carries (10-0-2[Mr. Drinkhall and Ms. Leonard])

4. Town Overview update, as required. Detailed Review of:

A. Library - Dave Smolen, Library Director

➤ Proposed 2022 budget is \$570,386, which is a 2% increase and \$4,793 for a change in an employee's insurance plan. This budget was unanimously approved by the Library Trustees.

➤ In 2021 the library was awarded approximately \$70,000 in grants.

Questions / Comments:

▶ **Ms. Sand** asked if the increase in technology is for a new program and/or equipment. **Mr. Smolen** advised it is both as they need new laptops for several programs.

- 51 B. Finance - Kathy Golding, Finance Director
52 ➤ 2022 Proposed budget is up 2%, due to “earned benefits” being moved into this department.
53 (Earned benefits cover the buyout cost for retiring employees).
54 ➤ Health insurance increased due to the 10.73% increase in the rate.
55 ➤ Retirement increased due to the 3% increase.
56 ➤ The Tax Collector has been moved out of finance into Town Clerk.
57 ➤ The new software and its benefits were explained.
58 Questions / Comments:
59 ▶ **Mr. Donohoe** noted the amount spent as of December 31, 2021, is missing from the proposed
60 budget. **Ms. Golding** state she still has bills from 2021 coming in and once they are all in, she will
61 provide the information to the committee. She can produce a report promptly; however, it will not
62 be final numbers. **Chair LeFebvre** asked to have the final numbers by the January 31, 2022,
63 meeting. **Mr. Colbath** stated the committee does receive quarterly reports.
64
65 C. Employee Benefits
66 All line items in this department have been moved into each individual department.
67
68 D. Insurance - Kathy Golding, Finance Director
69 ➤ Workers Comp and Unemployment were moved into this department from Employee Benefits.
70
71 E. TANS usage - Kathy Golding, Finance Director
72 ➤ Remains at \$2,000
73 ➤ In 2021, money was borrowed to make a school payment while waiting for the tax rate, which was
74 paid back within 2 weeks and cost \$200 in interest.
75
76 F. Revenue(s) update - Kathy Golding, Finance Director
77 ➤ 2021 revenue came in higher than anticipated.
78 — Room and Meals tax increased for an additional \$250,000 in revenue
79 — Building Permits and recyclables have increased.
80 ➤ 2022 revenue is budgeted conservatively
81 Questions / Comments:
82 ▶ **Mr. Drinkhall** inquired why the interest on late tax payments has decreased. **Ms. Golding**
83 advised in 2019 a new law reduced the interest rate to 8% and after a lien is initiated it is down to
84 12%.
85
86 G. Police – Chief Mattei and Lt. Suzanne Kelley-Scott
87 ➤ The overall budget has increased by \$233,087 or 5.62%
88 ➤ Overall labor increase equals \$73,908 or 3.2%, representing a 3% contractual raise and a 2% cost
89 of living raise. A Carroll County wage assessment was conducted to determine equitable starting
90 pay, which was \$24.98/hour. Currently have 22 full-time sworn officers, with one at the academy
91 and one open position.
92 ➤ Overall benefit increase equals \$151,095 or 10.9%, representing a 10.9% increase in the health
93 insurance rate and 3% and 5.5% increase in retirement.
94 ➤ Operations decreased by \$3,345 or 1.3%, representing decreases in building maintenance (didn’t
95 remodel the booking room), decrease in training cost (more online training), and decrease in
96 uniform cost.
97 ➤ Vehicle costs increased by \$8,120 or 8.2%, mainly due to an increase in gasoline.
98 ➤ In the future, the plan is to add another officer and dispatcher.
99 Questions / Comments:
100 ▶ **Ms. Hickey** inquired if the officers were salary or hourly. **Chief Mattei** stated he and the
101 Lieutenant are the only ones on salary.

- 102 ▶ **Chair LeFebvre** inquired of the situation with the SRO. **Chief Mattei** explained why the
- 103 decision was made to pull the SRO position and why the decision was made to restore the SRO
- 104 position.
- 105 ▶ **Mr. Drinkhall** asked if restoring the SRO position would require hiring another officer. **Chief**
- 106 **Mattei** stated right now it will take call volume off the day shift and when fully staffed it will not
- 107 be an issue.
- 108 ▶ **Mr. Jensen** inquired if the radio tower is fully functional. **Chief Mattei** advised it went fully
- 109 operational January 2021 and provides better coverage.
- 110 ▶ **Mr. Davison** noted the approximate \$73,000 revenue because of parking tickets, finger printing,
- 111 and purchase of accident reports.

112 H. Patriotic Purposes – John Eastman, Director of Parks and Rec.

- 113 ➤ Memorial Day and Veterans Day remain flat.
- 114 ➤ 4th of July is up \$5,000 as result of an increase in the cost of fireworks.

115 5. Old Business

116 A. Default Budget Update

117 **Chair LeFebvre** stated the default budget committee along with Diane Ryan met with Ms.

118 Golding and Mr. Holmes worked on the default budget and anticipate one more meeting to finalize

119 everything.

120 **Mr. Jensen** clarified the additional 2% wage increase was part of the default budget.

121 B. TH responses to CMBC January 3, 2022, questions to Town Staff

122 ➤ **Mr. Colbath** stated he was asked to have a general discussion with the Board of Selectmen

123 regarding capital reserve or bonding in times of inflation. After a lively discussion with the Board

124 of Selectmen, an answer was not determined. During times of rising inflation interest rates on

125 bonds also increases. **Mr. Holmes** stated there are pros and cons to either approach. The balance

126 in the capital reserve accounts will have less buying power as inflation continues and when

127 bonding the interest rate increases and cost more. When seeking to get a purchase approved by the

128 voters it is easier with the capital reserve account as the money is already there. With a bond there

129 is a limit on the amount that can be borrowed, a 60% vote is required, it creates a rollercoaster

130 effect in the budget, and it could be difficult to get passed. A solution is to carry as little balance

131 in the capital reserve accounts from year to year so not to lose the buying power.

132 ➤ **Mr. Holmes** discussed Mr. Marvel’s inquiry on closing the landfill, noting it is a condition of the

133 permit that money be put aside timely and available for closure of the landfill. Mr. Colbath stated

134 because of the aggressive recycling program the landfill has not been utilized to what was

135 anticipated. However, it is creating a sludge problem that is creating instability in the landfill and

136 might require the purchase of a sludge dryer.

137 C. Other Issues

138 **Chair LeFebvre** advised the non-profit packets will be ready shortly.

139 6. New Business:

140 **Chair LeFebvre** asked for the board’s opinion related to coverage by the Conway Daily Sun. A

141 discussion ensued.

- 142 ▶ **Mr. Jost moved, seconded by Mr. Jensen to authorize Chair LeFebvre to speak to the editor**
- 143 **and let him know the committee would love to have a representative at the meetings. Motion**
- 144 **Carries. (12-0-0)**

145 A discussion ensued regarding committee members and public participation remotely through Zoom. Ms.

146 Towle will reach out to Mr. Richard and Ms. Day to discuss the use of the school equipment and the

153 town's Zoom account. Chair LeFebvre will reach out to Valley Vision to determine the ability to stream
154 the meeting live on Facebook.

155

156 7. Public and Media Questions/Comments:

157 **Lisa Towle, Center Conway**

- 158 ▶ What was the hourly rate the new janitor was hired at? **Mr. Holmes** stated the rate is \$17/ hour and a
159 6-month probationary period.
- 160 ▶ Is the 2.5% decrease in the Parks and Rec budget related to 3-months of the director's salary being
161 put into the executive budget? **Mr. Eastman** stated 3 staff members will be moving up in positions
162 and pay but is still below his rate of pay.
- 163 ▶ During the presentation on January 3,2022, it was noted the STR were "done", is there a resolution?
164 **Mr. Holmes** stated it is far from over and his comment was related to the last bill of 2021, which was
165 covered with an additional \$5,000 being moved from Welfare into the Legal budget.
- 166 ▶ Along with the discussion of inflation, has there been discussion related to increasing employee
167 salaries across the board. **Mr. Holmes** stated within the limitations of the salary matrix they have
168 budgeted for a 4% increase in salaries.
- 169 ▶ Is it possible to present a multiyear salary history by either name or initials to see increases over the
170 years like the school presents? **Mr. Holmes** stated they could provide up to 3-years of salary history.
- 171 ▶ Has there been any discussion with the school to consolidate the purchase of heating fuel? **Mr.**
172 **Holmes** stated in the past they were unable to come to an agreement and routinely do better than the
173 school. Further suggesting the discussion continue on January 31, 2022, with Mr. DegliAngeli.

174

175 8. Adjournment

176 **Mr. Edgerton moved, seconded by Mr. Colbath to adjourn the meeting at 8:13 PM. Motion**
177 **Carries.**

178

179 Respectfully Submitted,

180 *Lisa E. Towle,*

181 Recording Secretary