

WEARE FINANCE COMMITTEE MEETING 1-10-19

1. The Weare Finance Committee met on Thursday 10 January at 6:30pm at the Town Offices. All Committee members were present. Also present were Administrator Bolton, Finance Administrator Rouse, Police Chief Sean Kelly, Public Works Director, Ben Knapp, and all members of the Board of Selectmen.
2. Business. The purpose of the meeting was to continue budget briefings for proposed Town Warrant Articles. Chief Kelly and Public Works Director Knapp briefed the Committee on police and highway budgets and warrant articles.

A. Highway.

1.) Highway Operating Budget. Proposed 2019 budget is \$1,424,995, which is a 5.7% increase over the 2018 approved budget of \$1,357,079. The default budget is \$1,340,697, which is a 1.2% decrease from 2018. Primary drivers increasing the proposed budget are \$42K for gravel road maintenance, \$19.7K additional for fuel, \$10K additional maintenance, and \$7K in wage increases as result of last year's approved warrant article. The maintenance increase reflects actual costs to support an aging fleet; over \$100K was spent in 2018 despite having only \$75K available as a line item. As a result other planned expenses, for example cutting edges, were deferred to support basic maintenance. Fuel reflects an increase in this year's price. Gravel road maintenance has historically been funded out of the annual road reconstruction warrant article; the Board of Selectmen has elected to move this into the proposed operating budget as a recurring annual cost. The road reconstruction articles would be specific to paved road maintenance and reconstruction. Some Committee members questioned whether this was a wise strategy, given that some residents living on gravel roads may be less likely to support road reconstruction warrant articles including this year's large bond article.

2.) Transfer Station Operating Budget. Proposed 2019 budget is \$407,732, which is a 9.2% increase over the 2018 approved budget of \$373,359. The default budget of \$373,246 is flat versus 2018. Primary drivers increasing the proposed budget are \$15K for glass crushing and substantial contract increases and adjustments for trash removal. The glass crushing was formerly in the road reconstruction article; crushed glass can occasionally be used in gravel road maintenance/rebuild. The same comments apply as per the \$42K in the Highway budget.

3.) DPW Wage Increase (\$26.8K ó 9 month cost). Highway Department is non-union. Article would increase wages by \$1/hour. This would be in addition to the proposed 3% increase for non-union town employees in a separate warrant article. The Highway Director feels this is necessary to boost wages of department personnel to be more competitive with private and public sector wages in the area. The Department has had 3 of 12 employees leave this year, although all positions have been rehired with current wage scales.

4.) 10 Wheel Plow Truck (\$215K). Highway is still dealing with an aging fleet, trying to recover from six years of no plow truck purchases between 2009 and 2014. Purchase of a 10 wheeler this year would replace a 2002 International 6 wheeler with over 11000 operating hours and considerable rust. The 10-wheeler is the preferred choice for improved capacity for more efficient sanding/plowing operations. The 10-wheeler also will avoid the recurring axle/spring issues in the 6 wheelers.

5.) Skid Steer (\$70K). Taxpayer impact would be \$50K with \$20K of offset from the transfer station capital reserve fund. Skid steer is the workhorse at the transfer station; current equipment is a 2005 New Holland. Past warrant articles to replace same have not passed. Equipment is failing at an increasing rate. Leasing a replacement costs \$1200/week which was done in early January 2019 for 2 weeks while the current unit was down.

6.) Capital Reserve for Road Reconstruction (\$1). Highway Director proposes establishing this fund for more efficient use of Road Reconstruction monies. These funds, which have historically been approved

by voters, must be used in the same calendar year. Highway Director would like to have the ability to have a small amount of remaining funds held till late in the year and potentially carried over in case of failed culverts/road failures before the next year's budget is approved.

7.) Road Reconstruction (\$480K). Up to \$285K is anticipated to be received from the State with the remainder funded by local property taxes. Article has had high historical support for town road maintenance. However, even with this funding level the town is falling further behind in maintaining its roads. A separate bond warrant article is being proposed to curb the downward trend.

8.) Road Reconstruction Bond. (\$2.5M). Article would approve a \$2.5M bond to be paid back over ten years. Extensive research by the CIP Chairman and Highway Director estimated 7.6M needed to bring town roads up to "green" status. Approving this bond in conjunction with the continued annual approval of the traditional warrant article for road reconstruction would get us back on track. Shim and overlay costs are \$75K-\$100K per mile; total road reconstruction is \$225K per mile. Approving this article would provide upfront \$\$ to repair roads before they continue to require total reconstruction, resulting in a bigger bang for the buck in the future. Funding now takes advantage of lower bond interest rates, lower asphalt prices and lower potential contract costs due to volume of work. Article will require a three-fifths vote to pass.

9.) Bridge Improvement (\$105K). This is the third installment of \$\$ to be added to the Bridge Improvement Maintenance Fund. It is needed to ensure the town has sufficient matching dollars (20%town/80%state) to repair our three red listed bridges (River Road Bridge/ Lull Road Culvert/ Francestown Rd Culvert) when the State offers the go-ahead. If town matching funds are not in place, we lose and the State moves on to someone else.

B. Police.

1.) Police Operating Budget. Proposed 2019 budget is \$1,600,375 which is a 7.4% increase over the 2018 approved budget of \$1,490,176. The default budget of \$1,524,535 is a 2.3% increase over 2018. Primary drivers increasing the proposed budget are fuel price increases (\$9.6K), dispatch contract increase (13.6K), prosecutor contract increase (\$16.8K), approved officer salary increases by contract (\$18.7K), overtime increase (\$15K), Chief salary (\$6.5K) disparity between actual paid under contract and default approved by voters, and one time expenditure of \$17.9K for vacation/bonus accruals to Chief Kelly when he leaves in April. Historically the Police Department has expended under \$1.4M each of the past 3 years; this has been due primarily to full time officer positions being fully funded but never at full complement. Additionally there is a part time secretary position per CBA that has not been filled over the past two years, yet is fully funded in both the proposed and default budgets.

2.) Animal Control Operating Budget. The proposed budget is \$16,042 vs 2018 approved of \$14,700. The difference represents meeting/seminars for a prospective ACO to attend if and when hired. We have operated without the ACO position being filled for over a year. Police Officers have responded to animal calls as needed. There were over 350 calls for service involving animals last year. The ACO is a part time position, paid by call. The Police Chief states the low pay is making it difficult to fill the position. A separate warrant article would address increasing compensation for the ACO.

3.) Police ACO (\$12K for 9 months). As stated above this would increase the pay for the expected number of hours required for an ACO. Reasoning is as previously stated.

4.) Police SRO (\$49.6K for 9 months). The SRO position is listed in the Town and both School warrant articles. Costs will be shared between the school district and town. All three ballot measures must pass to be approved. To avoid public misconception, the Chief clarified the primary purpose of the position is relationship intervention with students (be it another "go to" resource for early intervention when problems exist). The position is not a school safety officer, like a bank guard. The chief answered numerous other questions. If a cruiser were not available the SRO would be dropped off and picked up by patrol units. Like any other police officer, the SRO would work for the Police Chief (one boss). During school vacations the SRO would be available to the PD for duty. Once hired as SRO, that

officer would remain SRO even if the PD had other vacant positions. He/she would only be pulled off SRO only for an incident involving an emergency. It was also noted that the Police Contract would allow current officers to receive preference in hiring for any SRO position.

5.) Full Time Officer ó 1 (\$49.5K for 9 months). Article requests funding for another full time officer to try to bridge the gap of no town coverage between 3 and 7AM. The Chief stated depending on State Police to cover (on a handshake) this period is living with a false sense of security. The Troop B officer called to respond may be an hour away (e.g. I-93 Salem). While the calls may be few during this time, when you do have a domestic/weapon related incident or a major accident, the Town is not in a position to respond in a timely manner. Noting that we currently have one vacancy there was some question whether adding another position would really give us 24 hour coverage. Additionally, if the position was approved, there would be an impact on future budgets, where a position is fully funded in the operating/default budgets, yet may not be filled. When asked his hiring priority between SRO and FT Officer, Chief Kelly advised FT in short term, SRO in long term.

6.) Police Cruiser ó 1 (\$47.4K). Article would purchase an additional Dodge Charger. This would continue the planned replacement program to upgrade a fleet that at its worst required over \$56K in annual maintenance fees ó that number is now slightly below \$20K annually with the purchase of 4 cruisers in the last 2 years. These four cruisers now cover the brunt of patrol in town with an occasional supplement by one of the older cruisers.

3. Administrative.

- A. Next Committee meeting is Wed 16 Jan 630pm at the Town Offices to make preliminary recommendations on school budgets.
- B. 3 Jan Draft Minutes. Approved with the following addition to para 2-C-1 Fire Operating Budget ó additional driveró ðand \$15K for an additional \$1/hr stipend raise for EMT/Firefightersö.
- C. 8 Jan Draft Minutes. Approved with the following changes: para 2j; Govt Bldg Maint ó change language from ðcontract is expected to be awarded in the springö to ðcontract has been awarded with work expected to begin in the spring.ö

4. Adjournment. The meeting adjourned at 10:15pm.

Bill Anderson
Secretary

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