

**WORKGROUP OF THE
EXETER BUDGET RECOMMENDATIONS COMMITTEE
MEETING June 10, 2015**

In attendance:

Corey Stevens, Chair
Phil Johnson
Anthony Zwaan
Frank Ferraro

Allan Corey
Peter Lennon
Bob Kelley
John Gilbert

- Meeting opened at 6:10 PM.
- Important for Budget Recommendations Committee (BRC) and subcommittees to get information at least 48 hours in advance of meetings, including meetings with Department heads, to allow time for consideration and development of questions. Agreed to put this expectation forward to Town Manager/Finance Office.
- Agreed to eliminate formal presentations by departments to the full BRC. All Department budget presentations will be made during the subcommittee/ Department meetings. Department presentation materials and narratives should be made available in hard copy to the respective subcommittee at least 48 hours in advance of such meetings.
- Agreed to make clear the expectation that subcommittees will:
 - be responsible for a thorough review/analysis of their budget element;
 - be responsible for completing a narrative report including Departmental attachments at least 48 hours before meeting at which to be discussed (distribution of report to full BRC and to Town Manager); and
 - be responsible for presentation to full BRC their portion of budget; Department leaders are requested to attend the full BRC meeting to answer questions rather than to present their full budget.
- Agreed to communicate to Department leaders that they are present to answer questions posed by the full BRC within which they can make a pitch for any special concerns. Department leaders, therefore, need to plan to make their best pitch at subcommittee level.
- Agreed there is diminishing return in focusing on line by line commentary. Consider establishing some criteria for discussing a given line, e.g., <\$500 change from prior year or line item less than some number.
- Reviewed and agreed on information-gathering requirements and suggested modifications to the Budget Recommendations Committee process (attached). Agreed to circulate as template to Town Manager and ask for transmittal to Department heads.
- Agreed that Selectboard participation in full BRC meetings is useful to get background on budget, and for providing specific facts not otherwise known to the BRC – Chair needs to guide Selectboard involvement in the process.
- Agreed that prefer to develop the budget based upon Department asks adjusted by BRC judgment for reasonableness, rather than starting with an agreed upon target number with Selectboard.
- CIP process modifications:
 - Agreed that Town Manager/Departments will be asked to provide a schedule of future debt service associated with all CIP requests, as well as existing debt service. This schedule should be provided in advance of the budget review process.
 - Agreed that department-specific CIPs should be reviewed in the subcommittees. Subcommittee report will be on operating budget and the combined debt service schedule for all of the items in the CIP for that department.
 - Agreed to then have a CIP-focused meeting of full BRC where subcommittees present their recommendations for the individual department-specific CIP along with an analysis

of the long-term debt impacts. As with discussion of operating budgets, Department leaders are requested to be present to answer questions, but not to make presentations.

- Agreed to recommend that Town Manager be asked to present the long-term debt implications for CIP items along with the existing debt schedule for consideration by Town.
- Adjourned at 8:20 PM.

**NOTIONAL MODIFICATIONS TO BUDGET RECOMMENDATIONS COMMITTEE
PROCESSES**

The following suggestions are respectfully submitted for discussion in an effort to enhance the Exeter Budget Recommendations Committee's (BRC) effectiveness during the annual budget deliberations process.

IMPROVE INFORMATION GATHERING AND ASSESSMENT:

- (1) All Departmental budget narratives should be submitted to the BRC not later than (NLT) the availability of Version #1 of the budget tables; major changes or corrections to the Narratives since their original submission to the BRC should be briefed during Subcommittee briefings, and should be passed on to the Full Committee by the Subcommittee.**
- (2) Updated line item expenditure numbers and tables for the current FY should be submitted to the BRC at the end of September and October, and in mid-November, during the budget process; tables should identify both expenditures and encumbrances.**
- (3) Separate from the budget, the Finance Department should provide a table showing, by line item, the last five fiscal years of actual expenditures and percent of expenditures at the end of each fiscal year.**
- (4) NLT submission of Version #1, the BRC should receive a list of transfers greater than \$1,000 from one line item to another line item in the current FY, along with a brief explanation of the need for each transfer.**
- (5) At the beginning of the Subcommittee process, each Subcommittee should receive a detailed snapshot of each major revolving fund within its jurisdiction, and each Subcommittee should ask the Town departments to inform it of any major changes to the fund during the budget review process.**