Budget Advisory Committee Meeting, October 10, 2022

The meeting was called to order at 4:02 by Mark Canfield. In attendance by staff was GM Ron Beard. Committee members present were Mark Canfield, Dave Spinney, Ron Diefenbach, and Ned McElroy (via Zoom). There were no guests.

The minutes of the 5/31/22 meeting were read, no corrections were made, and the minutes were accepted by all.

Mr. Canfield presented the 2023 Budget Season Calendar. Meetings will be held Mondays at 4:00 p.m. The goal is to provide on December 15th the committee's recommendations to the commissioners. Attached is a document containing the dates, goals and objectives. Mr. Canfield reviewed the document and discussion was held on several points.

The commissioners and management are working very hard on streamlining the process of financial reporting to help the budget process. The department leads are already starting to put together their goals for the next year. WEA board members will be invited to the meetings of November 7 and 14 to discuss the data compiled from the past year and to apportion the percentages as accurately as possible. Mr. Spinney commented the calendar is very aggressive but feels the goals can, and need, to be met and the various parties involved have a road map now with the process being better defined from the last years.

Mr. Canfield asked if there were any volunteers for the chair of the budget committee and expressed interest in staying in the position. Mr. McElroy nominated Mr. Canfield and all voted in the affirmative.

Variances in the 2022 budget and actuals were discussed using over 10% and over $5,000 as benchmarks. Concern was expressed that looking at it this way does not look at the offsetting lines that are under. Mr. Diefenbach expressed that overall expenses are in great shape. Recreation is the most concerning, but the new RSA/RMA agreements and the implementation is now better understood for the upcoming year.

Capital preservation projects are moving along albeit slowly, mainly due to the difficulty in obtaining services and supplies. Paving, repairs due to water intrusion, and some HVAC work has been done, and the salt shed will be done before winter. Mr. Canfield expressed concern on whether or not forecasting expenses has been as accurate as we need them to be, for example, staffing expenses. The committee does need to keep in mind the budget we present needs to be acceptable to the community. The community recognized the amount of catching up that had to be done at the annual meeting, but there will be interest in seeing results. Ron B. stated we need to manage the community as a business using the tools that are available to us.

WEVD is at favorable variance to budget by $110,000. There is a need to have better coding of expenses (not using the misc line so much). The misc entries will be analyzed by Ron B. Road maintenance needs to have a plan developed to make use of monies put aside. The new truck has been purchased and is being outfitted. Tennis court resurfacing is underway.

With regards to the water department, the money being generated by the new billing system and what the plans are to use that money needs to be discussed. The water department is still short an employee but they are actively advertising for the position. Water collections have been very good and Allison Smith was commended for her work in collecting the fees.

The meeting was adjourned at 5:35, October 10, 2022.

Respectfully submitted by,
Denise Bujalski

2023 WEVD Budget Season Calendar
Meetings held Mondays a 4:00 PM

Committee Goal
December 15: Committee makes formal recommendations on the budget to the Commission

Oct 10
Objective: evaluate financial report's variances to budget (over/under 5%) and to identify possible causes. List variances by major department and communicate these to the department leads for further investigation and explanation at a future meeting date.
Discuss budget percentage change targets and goals for 2023
Financial Reports ending September 30th (this will require serious effort to input all incurred expenses and revenues collected)

Oct 24
Objective: Meet with Road and Water Lead, discuss status of the current budgets, outline plans for addressing both favorable and unfavorable variances, and discuss the opportunities and challenges they see for 2023. Discuss budget percentage change targets and goals for 2023

Oct 31
Objective: Meet with Building and Maintenance Leads, discuss status of the current budgets, outline plans for addressing both favorable and unfavorable variances, and discuss the opportunities and challenges they see for 2023. Discuss budget percentage change targets and goals for 2023

Nov 7 and 14
Objective: Meet with General Management, discuss the status of the current budgets, outline plans for addressing both favorable and unfavorable expected variances, update with the most current completed month (October?) financials, and discuss the opportunities and challenges management sees for 2023. Of particular interest will be the variable cost estimates for utilities, how and why they might be apportioned between WEVD and WEA. We should have historic facilities use data such as 2022 hours of operation, number of clients served, and include special events descriptions held which may have exceeded normal operating hours and expected facilities use such as kitchen operation. Heating (BTUs) and cooling costs for the community center and pool and hot tub operating and heating expenses should be calculated. We want these assignments to be as accurate as possible and substantiated in order for all to understand what is behind the recommended percentages. How do these data driven apportionments compare to the 2022 apportionments? This is an important meeting and should have WEA Board members present. The committee should seek agreement with WEA on the percentage assignments based on the supplied data.

Nov 28
Objective: Review the first draft of the FY budget and assess appropriateness of the planned expenditures based on previous meeting discussions. Leads may be present to defend their positions if necessary. WEA may be present to continue discussion on utility cost apportioning if agree was not reached in the prior meeting.

Dec 5
Objective: Review the final proposed budget and determine consensus of the committee members on recommending the budget.

Dec 12
Objective: Assemble committee's formal recommendations for delivery to the commission.