

TOWN OF NEWMARKET, NEW HAMPSHIRE

BUDGET COMMITTEE

October 24, 2016 7:00 PM

TOWN HALL AUDITORIUM

Approved November 28, 2016

MEMBERS PRESENT: Chairman David Foltz, Vice Chairman Daniel V. Smith, William "Blue" Foster, Michael "Mickey" Burns, Jeff Raab, Meg Louney-Moore, Dan Hill, Ashley Bowley, School Board Rep Mike Kenison

EXCUSED: Town Council Rep Toni Weinstein, Craig Dionne

ALSO PRESENT: Town Administrator Steve Fournier, School Superintendent Meredith Nadeau.

AGENDA

Chairman Dave Foltz welcomed everyone to the Budget Committee Meeting of October 24, 2016 and called the meeting to order at 7:00 pm, followed by the Pledge of Allegiance.

OLD BUSINESS

Approval of the Minutes of September 26, 2016

Ms. Louney-Moore made a motion to approve the minutes of the Budget Committee Meeting of September 26, 2016, which was seconded by Mr. Raab.

Chairman Foltz polled the Committee and the minutes of the meeting of September 26, 2016 were approved by a vote of 9-0.

NEW BUSINESS

FY2016 FINANCIALS UPDATES

Chairman Foltz stated that Town Administrator Steve Fournier and School Superintendent Meredith Nadeau present this evening, and that the new School Finance Director would be starting tomorrow.

Town Tax Rate FY2017

Town Administrator Fournier stated that the current tax rate was set on October 17, 2016 at \$25.45/1,000, and said the Town would see a tax rate increase of \$0.49. He said the Town Rate saw an increase of \$0.22 to \$6.24, the Local School Rate was up \$0.31 to \$15.72, the State School Rate was down

\$0.06 to \$2.40, and the County Rate was up \$0.02 to \$1.09. He said the Assessed Value of the Town had risen from \$722,476,271 in 2015 to \$731,700,728 for 2016.

REVIEW BUDGET TIMELINE FOR FY2018 – TOWN & SCHOOL

Town Timeline

Town Administrator Fournier stated that currently the Town Council was reviewing his proposed Town Budget for FY2018 which was due November 15, 2016. He said the last possible date for the Public Hearing for the Town was January 10, 2017 and the last possible date for the Public Hearing for the School was January 17, 2016 for Bonds & Notes as well. He said the Town Budget would be presented to the Budget Committee the Monday after Thanksgiving on November 28, 2016. He said the first year of the bond payment on the Waste Water Treatment Facility was included in the FY2018 Budget.

Chairman Foltz said the Budget Committee would start the Town Budget Review on November 28th, with the second review on December 5, 2016. He stated that the Public Hearing for the Town was scheduled for December 12, 2016 and said they would also need time for the School. Town Administrator Fournier said they may need to come back for any petition warrant articles.

School Timeline

School Superintendent Meredith Nadeau said she would provide the School Budget to the Budget Committee by November 28, 2016 and would start the School Budget on December 5th with the Warrant Articles on December 19, 2016. Chairman Foltz said the Public Hearing for the School would be between January 7th and January 13th, and said the Budget Committee could meet on a day other than Monday if necessary to give the School as much time as they needed. Superintendent Nadeau said that her Financial Director would be starting tomorrow, and said the decision had been made to do a Renovation/Addition to both the Elementary School and Junior-Senior High School. Chairman Foltz said he would meet with Superintendent Nadeau for any questions next week and to work out a schedule. Mr. Raab asked if the End-of-Year budget for the School for last year was available, and Superintendent Nadeau said she could get a copy.

CIP Committee Update – Dan Smith

Mr. Dan Smith stated that the Town Administrator Budget was a lot closer to what was voted on last year for CIP. He said the recommendation had been \$2 million and Town Administrator Fournier had put forward \$590,000. He said that Fire Safety and some other things were cut. He said the biggest requests were from Public Works Capital Reserve for a roof, Stormwater, and the Fire Department. He said there was technically nothing controversial in the Capital Reserves and said the CIP presentations had been a learning process for everyone involved. He pointed out that the recommendations of the CIP Committee were non-binding.

2016 Meeting Schedule/January 2017

Chairman Foltz stated that he would meet with School Superintendent Nadeau next Monday to work out a schedule. He said they needed to make sure they had the information for the Bond Hearing, and said they would shoot for January 9, 2017 for the School Budget Hearing with the Deliberative Session on February 4, 2017.

School Facilities Committee Update - Mike Kenison

Mr. Kenison said they had gotten prices from Eckman Construction as they needed a figure to put on their Warrant Article of the maximum price they would pay. He said if it was approved in March, there would be more charges for materials, etc. He said that a local engineering firm would look at the existing systems and costs and figure a total cost for a more efficient system. He said there was more potential for gain at the Elementary School. He said the financing program described to the Facilities Committee would allow a bond amount to be potentially lowered by installing the equipment and paying it off over time. He said if the program could be worked out, it would be reflected in the Bond amount.

Chairman Foltz said that fiscally they had made the choice he expected and asked if there were any questions. Mr. Kenison said that building the new school at \$49 million was up against the Bond Cap of \$51.5 million. He said that people were worried about disruptions during construction, and said they might look at Pelham, NH as an example. He said both schools needed new systems for plumbing, wiring, HVAC, and windows. He said it was a substantial project and there was some limit to flexibility with the renovation/addition option. Mr. Hill asked about the additional square footage, and Mr. Kenison said it would be 54,000 square feet at the High School with a new 2-storey wing, a new science wing, a courtyard, and athletic facilities being added. He said the acquisition of the McGrath property had been huge for the Elementary School. Mr. Raab asked if they had a percentage that the costs might go up or down, and Mr. Kenison said there were areas for substantial savings but they did not know at this point.

Mr. Raab asked what was left for the School Board to decide and Mr. Kenison said the amount of the Bond Article. He said the warrant article language was statutory, and said he would appreciate the advice of the Budget Committee on this as well. He said only 2 firms qualified for bonds. He stated that they were also looking into a program through the US Department of Agriculture for pre-payment. Mr. Foster asked if they requested a waiver for the Elementary School, and asked if all the new spaces would be compliant. Mr. Kenison said they had not asked for a waiver, and that if the school was properly approved by the NH Department of Education, accreditation would not be affected. Mr. Kenison stated that out of fiscal responsibility he could not have recommended a new school and felt they needed to get this done. Mr. Hill asked if the decision for the addition/renovation for the School had been unanimous by the Facilities Committee. Mr. Kenison said there was one absence but the decision was unanimous for those present and voting.

Right-to-Know Law

Chairman Foltz reviewed the Right-to-Know Law, and said if a majority of a Board was discussing any issue online it would be considered a Public Meeting and the public would be entitled to be informed about the discussion. Mr. Smith asked about the scope, and Chairman Foltz said it included any conversation going on about something in Town where a decision was being made. He said the last time a decision was made on the School it had divided the Town tremendously. Mr. Kenison said the process had been transparent and they needed to keep it that way. Mr. Burns thought it was good advice and that they should be careful what they said as individuals. Chairman Foltz said their voices were needed for a healthy debate representing their legislature and their board, and asked that they keep things transparent and stay safe.

OTHER BUSINESS

Next Meeting

Budget Committee
October 24, 2016

The next Budget Committee meeting will be held on November 28, 2016.

Adjournment

Mr. Foster made a motion to adjourn the meeting which was seconded by Mr. Hill. The Committee approved the motion unanimously, and the meeting was adjourned at 8:00 pm.

Respectfully submitted,

Patricia Denmark, Recording Secretary