

**TOWN OF NEWMARKET, NEW HAMPSHIRE
BUDGET COMMITTEE
TOWN PUBLIC HEARING**

December 18, 2017 7:00 PM

TOWN HALL AUDITORIUM

Approved April 2, 2018

MEMBERS PRESENT: Chairman Daniel V. Smith, Vice Chairman Jeff Raab, Dave Foltz, William "Blue" Foster, Michael "Mickey" Burns, Trevor MacDonald, Dan Hill, Joan LaRochelle, School Board Rep Elizabeth McKinney

EXCUSED: Ashley Bowley, Town Council Rep Toni Weinstein

ALSO PRESENT: Town Administrator Steve Fournier, Police Chief Kyle True

AGENDA

Chairman Dan Smith called the December 18, 2017 Newmarket Budget Committee Town Public Hearing to order at 7:00 pm, followed by the Pledge of Allegiance.

OLD BUSINESS

Approval of the Minutes of December 11, 2017

Chairman Smith stated that they would review and approved the minutes of the Budget Committee Meeting of December 11, 2017 at the January 8th meeting.

NEW BUSINESS

FY2018/19 Town Budget Public Hearing

Town Administrator Steve Fournier presented the Town FY2018/19 Operating Budget. He started with the Tax Rate and said they would be discussing the Town portion which was 23%. He said a 5-year comparison of the tax rate showed the Town staying pretty level from 2013 through 2017. He said the Assessed Value of the Town was \$757,803,033, and said this meant that for every dollar spent on the tax rate they could raise \$757,803, a significant increase over last year. He said next year would be the statistical update of the Town and said they were at 80% right now for property values.

Town Administrator Fournier stated that the Town Council was recommending a Budget of \$12,042,731 or an increase of 4.57%. He said most of that was going to the General Fund which was \$525,933, the Enterprise Funds decreased \$52,768, and all other funds saw an increase of \$621,101. He said the General Fund was \$7,622,607 or 63%, Special Revenues \$1,155,086, and Enterprise Funds \$3,265,038. He said the increases included New Financial Software \$54,000, Software Maintenance \$27,130, Sidewalk Construction \$45,000, new Operational Repairs line \$75,000, Solid Waste Contract \$19,000, and Recycling Contract \$38,000.

Town Administrator Fournier said that the Town Council increased the amounts contributed to the Capital Reserve Funds as well. Contributions to funds included: \$100,000 for Public Works, \$250,000 for Building Improvements, \$260,000 for Roadway Improvements, \$50,000 for Stormwater Management, \$50,000 in the Macallen Dam Fund, \$50,000 for Fire Department Equipment, \$26,000 for Police Vehicles, \$10,000 for Police Dispatch, and \$2,000 for the Veterans Memorial Trust, 300th Anniversary Trust \$2,000, Library \$10,400, and Recreation Facilities \$15,000 for a total of \$810,400.

Town Administrator Fournier stated that some projects planned for the year included \$146,000 for a Dump Truck and \$160,000 for a Sweeper for Public Works, Facilities upgrades of \$15,200, Tiger Hose repairs \$21,500, Town Hall façade work \$38,600, Town Hall furnace \$89,750, Fire Radio \$45,000, a Police Cruiser \$45,000, and Fire Base Radios \$20,000, for a total of \$1,052,100 worth of projects. He said they also considered Revenue, which was money generated mostly from Motor Vehicle Registrations that offset Town expenditures. He said they were anticipating a total Revenue Budget of \$7,427,656, and said the Fund Balance at the end of the year was healthy.

Town Administrator Fournier said the estimated Tax Impact was based only on data as available today, and said the estimated Tax Rate was \$6.33/1,000 if the Town Council Budget passed. He said the Average Home Value was \$280,000 with the current Town portion of the tax bill \$1,727 annually. He said they proposed \$1,772 annually or an increase of \$45.00 annually.

Town Default Budget

Town Administrator Fournier said that if the proposed budget did not pass the Default Budget would be \$11,632,790 or \$409,941 less than proposed and \$115,991 higher than the FY2018 Budget. He said funds removed were contributions to Capital Reserve Funds and the increase was a contractual obligation.

Police Contract

Town Administrator Fournier stated that the Police Contract between the Town and the New England Police Benevolent Association was a 5-year deal with \$0.13 impact in the 1st year, a flat \$2.25 increase for years 1 and 2, and a 3% increase for years 3, 4, and 5. He said the salary for 2019 and 2020 would be \$98,003, for 2021 \$34,562, for 2022 \$35,599 and \$36,667 for 2023. He said the Police Chief asked to address the Committee and the public.

Police Chief Kyle True stated that the Police Contract was important for retention. He said the Town had 13 fulltime police officers of which 5 were eligible for retirement. He said officers ranged from 1 year on to 18 years on, and his concern was being able to retain officers with 5-10 years on the force as they were the future leaders of this community. He said he participated in a New Hampshire Pay Study this

year across 69 towns which showed Newmarket officers significantly below median pay for the State, for the Seacoast, and specifically for Rockingham County. He said in comparison Newmarket officers were 16.89% below the median for the Town, 15.84% for the County, and 16.34% for the Seacoast. He said one of his officers was 25.33% below the median with 6 years on the force, and said it was incumbent on the Town to retain those officers.

Questions: Ms. McKinney asked what the average starting pay was for Newmarket officers and for other officers. Police Chief True said the State-wide average was \$20.93/hour and the Town currently hired at \$18.75/hour, with Rockingham County at \$20.64/hour and the Seacoast \$21.59/hour. Vice-Chair Raab asked how the increases would place Newmarket in compared to the median. Police Chief True said he could not speak about negotiations, but the theme was to bring the officers up to the median over a 5-year term.

Chairman Smith asked if the median would move over that 5-year period, and Police Chief True said it would. Mr. Foster asked about the average length of time for a contract, and Police Chief True said it would depend on the community. Chairman Smith asked how they would attract good talent if they were paying below average. Police Chief True said right now pay was what attracted employees. He said when he hires officers they also sign a 3-year commitment with him to stay, as a lot of money was invested in them. He said it cost approximately \$90,000 to hire someone and train them in the first year. He said Newmarket also offered the ability to get advanced documented training.

Ms. McKinney asked what was entailed in getting someone on the force. Police Chief True said first they advertised then reviewed test results from Great Bay Community College to find a good fit for the Town. They then had oral boards followed by a physical agility test and a second round of oral boards, had a meeting with him, and went through a rigorous background investigation. He said once an offer was made a polygraph test was administered and a medical exam. Once hired they need to completely outfit the officer and provide his equipment. The officer would then go into field training with a field training officer who was also answering calls for service at the same time. When an opening occurred at the Police Academy they were sent for 16 weeks of training followed by field training in Newmarket.

Chairman Smith asked if it were uncommon to hire a seasoned officer away from another Town, and Police Chief True said it would be hard to hire a seasoned officer at \$18.75/hour. Mr. Foster asked if the contract allowed for expansion of the police force and Police Chief True said that could be discussed in the future, but that his first priority was the contract to retain officers. Mr. Foltz mentioned that a few years ago a promotion was actually a step back in pay, and asked if the contract would help address that as well. Police Chief True said it did but that officers who could work overtime made more money.

PUBLIC COMMENT

Chairman Smith opened the floor to Public Comment at 7:21 pm.

As no one from the public came forward, Chairman Smith closed Public Comment at 7:21 pm.

Mr. Hill made a motion to approve the FY2018/19 Town Operating Budget which was seconded by Vice-Chair Raab. Chairman Smith polled the Committee and the FY2018/19 Town Operating Budget was approved unanimously by a vote of 9-0.

Ms. McKinney made a motion to approve the Police Contract which was seconded by Ms. LaRochelle.

Discussion: Ms. McKinney said it was a great presentation and said Newmarket invested money in these officers and needed to pay them. Mr. Burns said it was not just the cost of hiring new officers, but that continuity was also lost. He said that could not be replaced through just training alone. Ms. LaRochelle asked if this particular contract could be increased to keep it competitive. Town Administrator Fournier said it was a 5-year agreement and could only be opened up if both parties agreed for some major issue. Mr. Foltz felt the Police Force was underpaid and this was long overdue, and said he was glad to see they were beginning to take steps to remediate the problem.

Town Administrator Fournier said all of the Town employees are really hard-working and enjoyed working here. He said other towns of similar size have a greater turnover in their Police Departments, and said he would not want to lose officers in Newmarket because of the money factor.

Chairman Smith polled the Committee and the Police Contract was approved unanimously by a vote of 9-0.

OTHER BUSINESS

Next Meeting: Chairman Smith said the next Budget Committee meeting would be held on January 8, 2018 and would be the School Budget Public Hearing.

ADJOURNMENT

Ms. McKinney made a motion to adjourn the meeting which was seconded by Mr. Foltz.

The motion to adjourn was approved unanimously by a vote of 9-0, and the meeting was adjourned at 7:28pm.

Respectfully submitted,

Patricia Denmark, Recording Secretary