

**TOWN OF NEWMARKET, NEW HAMPSHIRE
MUNICIPAL BUDGET COMMITTEE MEETING
PUBLIC HEARINGS**

JANUARY 9, 2023 6:30 PM

TOWN HALL AUDITORIUM

Approved January 30, 2023

MEMBERS PRESENT: Chairman Michael LaBranche, Vice-Chair Christopher Wolfe, Roger Cady, Ned Carpenter, Richard Lesavoy, Brian Hickey, Danielle Honan, School Board Rep Dan Smith, Town Council Rep Brian Ward

ALSO PRESENT: Town Manager Steve Fournier, School Superintendent Todd Allen, School Business Administrator Janna Mellon

Chairman LaBranche welcomed everyone to the January 9, 2023 Municipal Budget Committee Public Hearings for Town and School Budgets and called the meeting to order at 6:30 pm followed by the Pledge of Allegiance.

NEW BUSINESS

TOWN PUBLIC HEARING:

Town FY2024 Operating Budget

Chairman LaBranche stated that the Town FY2024 Operating Budget is \$16,240,017 and opened the Public Hearing for comments. As there were no comments, Chairman LaBranche said he would hold a Roll Call Vote to recommend or not recommend the Town FY2024 Operating Budget of 16,240,017 and opened the floor to discussion. As there was no discussion, Chairman LaBranche called the vote:

Motion: To recommend or not recommend the Town FY2024 Operating Budget of \$16,240,017.

Roll Call Vote: Brian Ward-recommend, Richard Lesavoy-recommend, Roger Cady-recommend, Chris Wolfe-recommend, Ned Carpenter-recommend, Brian Hickey-recommend, Danielle Honan-recommend, Dan Smith-recommend, Mike LaBranche-recommend.

The Town FY2024 Operating Budget of \$16,240,017 was recommended by the Budget Committee 9-0.

Town Warrant for Moody Point Upgrades Loan

Town Manager Fournier said there are issues with the Stormwater System in Moody Point; a loan of \$100,000 will be offset by a \$100,000 grant to pay back the loan to the State Revolving Loan Fund with no impact on the tax rate; Public Hearing not required. Mr. Lesavoy asked about the grant; Town Manager Fournier said the grant is from AARPA through DES; loan has to be approved by voters before applying for the grant.

As there were no further questions, Chairman LaBranche called the vote:

Motion: To recommend or not recommend the \$100,000 Loan for the AARPA Grant of \$100,000.

Roll Call Vote: Brian Ward-recommend, Richard Lesavoy-recommend, Roger Cady-recommend, Chris Wolfe-recommend, Ned Carpenter-recommend, Brian Hickey-recommend, Danielle Honan-recommend, Dan Smith-recommend, Mike LaBranche-recommend.

The Town Warrant for Moody Point Upgrades Loan of \$100,000 for AARPA Grant was recommended by the Budget Committee 9-0.

Mr. Cady asked that “no impact on tax rate” be added to the above Warrant.

Town Warrant for Police Collective Bargaining Agreement (CBA) Contract

Chairman LaBranche read the Warrant for the Police CBA Contract reached between the Town of Newmarket and the Police Benevolent Association Local 215 calling for following increases in salaries and benefits at current staffing level: FY2024 \$167,585 increase; FY2025 \$70,215 increase; FY2026 \$73,725 increase; and further to raise and appropriate the sum of \$167,385 for FY2024; article estimated to include \$0.17 of tax rate.

Town Manager Fournier said this is a 3-year contract; first year is \$3.50 increase for hourly and dispatch operators across the board; second and third year 5% increase. Unanimous vote by Town Council.

As there were no further questions, Chairman LaBranche called the vote:

Motion: To recommend or not recommend the Police CBA Contract as stated above.

Roll Call Vote: Brian Ward-recommend, Richard Lesavoy-recommend, Roger Cady-recommend, Chris Wolfe-recommend, Ned Carpenter-recommend, Brian Hickey-recommend, Danielle Honan-recommend, Dan Smith-recommend, Mike LaBranche-recommend.

The Town Warrant for the Police CBA Contract was recommended by the Budget Committee 9-0.

SCHOOL PUBLIC HEARING:

Warrant Article 2: School FY2024 Operating Budget

Shall the School District vote to raise and appropriate as an Operating Budget the sum of \$26,652,895; if defeated Default Budget shall be \$25,943,895; Operating Budget does not include appropriations of any other Warrant. Total Operating Budget offset by estimated federal grants/revenues of \$700,000 and estimated \$421,000.62 in Local, State & Federal Child Nutrition Revenue, leaving a Net Operating Budget of \$25,531,051; the amount of \$1,121,062 will not be raised by taxes.

Warrant Article 2 if passed estimated to result in an increase of \$3.07 over previous year’s School Tax Rate of \$19.78, resulting in new estimated tax rate of \$22.85; if defeated Article 2 estimated to result in an increase of \$2.36 over previous year for a School Tax Rate of \$22.14.

Chairman LaBranche opened the floor to Public Comment on Article 2; seeing none opened floor to questions; seeing none he called for vote:

Motion: To recommend or not recommend School District Warrant Article 2 for an Operating Budget of \$26,652,895 and Default Budget of \$25,943,895.

Roll Call Vote: Brian Ward-recommend, Richard Lesavoy-recommend, Roger Cady-recommend, Chris Wolfe-recommend, Ned Carpenter-recommend, Brian Hickey-recommend, Danielle Honan-recommend, Dan Smith-recommend, Mike LaBranche-recommend.

School Warrant Article 2 for FY2024 School Operating Budget of \$26,652,895 and Default Budget of \$25,943,895 was recommended by the Budget Committee 9-0.

Warrant Article 3: School FY2024 CBA Contract

Shall the School District vote to approve the cost items included in CBA reached between Newmarket School Board and Newmarket Support Staff Association, calling for following increases in salaries and benefits at current staffing levels: FY2023-2024 increase of \$284,630; FY 2024-2025 \$86,205 increase; FY2025-2026 \$74,280 increase. Estimated tax impact of Article 3 is \$0.28.

Chairman LaBranche opened the floor to Public Comment on Article 3; seeing none he opened the floor to Budget Committee questions.

Vice-Chair Wolfe asked how many employees this was affecting. Superintendent Todd Allen said there are currently 46 members in that unit. Vice-Chair Wolfe said then on average approximately \$5,000 per person first year, then drops to \$2,000 and \$1,800.

Chairman LaBranche called the vote for School Warrant Article 3, FY2024 CBA Contract for Support Staff.

Motion: To recommend or not recommend School District Warrant Article 3 for FY2024 CBA Support Staff Contract at increases stated above.

Roll Call Vote: Brian Ward-recommend, Richard Lesavoy-recommend, Roger Cady-recommend, Chris Wolfe-recommend, Ned Carpenter-recommend, Brian Hickey-recommend, Danielle Honan-recommend, Dan Smith-recommend, Mike LaBranche-recommend.

School Warrant Article 3 was recommended by the Budget Committee 9-0.

Warrant Article 5: School Improvement Capital Reserve Fund

Shall the School District raise and appropriate \$162,110 to be added to the School Improvement Capital Reserve Fund previously established and authorize use of amount from June 30, 2023 Fund Balance available for transfer on July 1; amount represents part of interest earned on temporary investment of Bond Proceeds transferred to General Fund on June 30, 2023, with no amount to be raised by taxation.

Chairman LaBranche opened the floor to Public Comment on Article 5; seeing none took questions from Budget Committee.

Mr. Cady said the impact of voting for this Article is zero; voting against it is minus \$0.16 from tax rate. He said he felt with increases in general in the Operating Budget, increases in labor costs with new contract the Town would do better to return the money to taxpayers to lower the tax rate. Superintendent Allen listed upcoming Capital Projects which will deplete the current Capital Reserve balance. Councilor Ward asked how the Improvement Fund would be divided.

Business Administrator Janna Mellon said there are two funds: School Repair and Maintenance Trust Fund with \$639,683 and School Capital Improvement Fund with balance of \$530,791.45 with \$353,649 encumbered for Elementary School window project; Superintendent Allen said it is a matter of replenishing the School Improvement Capital Reserve Fund.

Chairman LaBranche called for the vote for School Warrant Article 5 for \$162,110 to be added to the School Improvement Capital Reserve Fund.

Motion: To recommend or not recommend School District Warrant Article 5 to add \$162,110 to the School Improvement Capital Reserve Fund using Fund Balance.

Roll Call Vote: Brian Ward-recommend, Richard Lesavoy-not recommend, Roger Cady-not recommend, Chris Wolfe-recommend, Ned Carpenter-recommend, Brian Hickey-recommend, Danielle Honan-recommend, Dan Smith-recommend, Mike LaBranche-not recommend.

School Warrant Article 5 was recommended by the Budget Committee 6-3.

Warrant Article 7: to Establish an Insurance & Benefits Expendable Trust Fund

Shall the School District vote to establish an Insurance & Benefits Expendable Trust Fund under provisions of RSA 198:20-c to meet cost of unanticipated insurance and employee benefit expenses and to raise and appropriate \$50,000 to be placed in said fund; sum to come from June 30, 2023 Fund Balance; further to name School Board as agents to expend funds; no amount to be raised from taxation.

Chairman LaBranche opened the floor to Public Comment on Article 7; seeing none opened floor to questions.

Mr. Cady asked what this fund would be used for and the rules for withdrawing money from the fund. Superintendent Allen said based on yearly insurance Guaranteed Maximum Rate (GMR) for this year estimate was for 8-10% increase but final increase came in at 11.8%, \$41,000 more than budgeted; a fund like this would allow flexibility for School Board to determine if they can absorb additional costs or use this fund to minimize impact on taxpayer.

Chairman LaBranche called for the vote on School Warrant Article 7.

Motion: To recommend or not recommend School District Warrant Article 7 to establish an Insurance & Benefits Expendable Trust Fund and add \$50,000 to said fund using fund balance.

Roll Call Vote: Brian Ward-recommend, Richard Lesavoy-recommend, Roger Cady-recommend, Chris Wolfe-recommend, Ned Carpenter-recommend, Brian Hickey-recommend, Danielle Honan-recommend, Dan Smith-recommend, Mike LaBranche-recommend.

School Warrant Article 7 was recommended by the Budget Committee 9-0.

Warrant Article 6: Discontinue CRF/Trust Funds

Shall the School District vote to discontinue the following CRF/Trust Funds with remaining funds to be transferred to General Fund: Expansion of School Trust Fund with estimated balance of \$49.07; School Construction and Renovation Fund with estimated balance of \$100.32.

As there were no questions Chairman LaBranche called the vote:

Motion: To recommend or not recommend School District Warrant Article 6 to discontinue the Expansion of School Trust Fund and School Construction & Renovation Fund.

Roll Call Vote: Brian Ward-recommend, Richard Lesavoy-recommend, Roger Cady-recommend, Chris Wolfe-recommend, Ned Carpenter-recommend, Brian Hickey-recommend, Danielle Honan-recommend, Dan Smith-recommend, Mike LaBranche-recommend.

School Warrant Article 6 was recommended by the Budget Committee 9-0.

Municipal Budget Committee Public Hearings
January 9, 2023

Town Manager Fournier said the date for Deliberative Session is February 4, 2023; meeting tomorrow to determine the order; will be held here in Town Hall Auditorium. He said he will have documents for the Budget Committee to sign.

Chairman LaBranche said the only thing left for the Budget Committee is to review minutes and asked if the board wanted to meet January 30, 2023 as there would be no February meeting. Mr. Smith said that would be after the deadline for Petition Warrants should there be any. The Budget Committee agreed to hold the January 30th meeting.

MEETING MINUTES – Review at next meeting

ANY OTHER BUSINESS

Next Meeting: January 30, 2023

ADJOURNMENT

Mr. Cady made a motion to adjourn the meeting, seconded by Mr. Carpenter; all in favor 9-0.

Chairman LaBranche adjourned the meeting at 7:08 pm.

Respectfully Submitted,

Patricia Denmark, Recording Secretary