

1  
2  
3  
4  
5  
6  
7  
8 **TOWN OF NEWMARKET, NEW HAMPSHIRE**  
9 **TOWN COUNCIL BUDGET WORKSHOP SESSION II**

10 **OCTOBER 26, 2016 7:00 PM**

11 **TOWN COUNCIL CHAMBERS**

12 **Approved November 16, 2016**  
13  
14

15 **PRESENT:** Council Vice Chairman Phil Nazzaro, Councilor Dale Pike, Councilor Toni Weinstein, Councilor  
16 Kyle Bowden, Councilor Amy Burns

17  
18 **EXCUSED:** Council Chairman Gary Levy, Councilor Amy Thompson  
19

20 **ALSO PRESENT:** Town Administrator Steve Fournier, Interim Finance Director Matt Angell, Public Works  
21 Director/Fire Chief Rick Malasky  
22

23 **AGENDA**  
24

25 Vice Chairman Phil Nazzaro welcomed everyone to the second Budget Workshop Session of October 26,  
26 2016 and called the meeting to order at 9:07 pm, followed by the Pledge of Allegiance.  
27

28 Vice-Chair Nazzaro stated that there were 2 excused absences. Town Administrator Steve Fournier said  
29 he had questions from Councilor Thompson which he would read as they came up.  
30

31 **PUBLIC WORKS ADMINISTRATION**

32 Public Works Director Rick Malasky stated that there were no big increases for Public Works  
33 Administration and he had budgeted for a normal winter, proposing an increase of 4.95%. He said some  
34 things had been pushed off to help with budget issues in other departments. Town Administrator Fournier  
35 said that Councilor Thompson had asked for a possible reduction of \$10,000 for Overtime, as \$47,000 was  
36 spent in FY2013, \$58,000 in FY2014, and \$75,000 in FY2015. Public Works Director Malasky said he usually  
37 spent pretty close to the \$50,000. Councilor Pike asked if doing more paving would drive overtime, and  
38 Public Works Director Malasky said that overtime for longer hours could be made up at the end. Town  
39 Administrator Fournier explained that the policy had changed from straight overtime to flex-time.

Councilor Weinstein said that with the overtime figures presented she would not feel comfortable reducing the line-item.

Town Administrator Fournier said Councilor Thompson had also requested possibly reducing General Supplies to \$7,000 from \$8,000. He said they had budgeted \$8,000 last year and spend \$980, and for FY2016 they budgeted \$6,500 and spent \$5,528. Interim Finance Director Matt Angell said they spent \$8,854 in 2015 and \$8,400 in 2014, but spent only \$4,244 in 2013. Public Works Director Malasky recommended a \$500 cut in General Supplies to \$7,500, which was approved by the Council.

#### **ROADWAY & SIDEWALK**

Public Works Director Malasky said the increase in Roadway & Sidewalk from \$155,000 to \$175,000 was for asphalt for paving. He said he was also looking for more in Equipment Lease, which was used for hiring outside equipment for the summer months. He said the \$3,000 in Curbside Weed Control was for the granite curbing throughout Town, and Town Administrator Fournier said he had cut this as only \$950 had been spent the past 2 years. He explained that the Sidewalk Construction line-item had been zeroed out last year and he had reduced the department request of \$90,000 to \$45,000 mostly for Bennett Way. Public Works Director Malasky said he had been looking to extend the project all the way up to finish that circle.

Councilor Weinstein asked what other sidewalk projects were planned, and Public Works Director Malasky said he had some requests for a sidewalk on Grant Road but there was an issue there. Town Administrator Fournier explained that Grant Road residents had petitioned to not have their sidewalks maintained in winter. Vice Chair Nazzaro asked if there was a liability issue. Town Administrator Fournier said he had just become aware of the situation and had recommended the Public Works Department to plow them next year.

Councilor Pike asked if the cost of a project was increased if it was done in pieces. Public Works Director Malasky felt there would only be a cost savings with granite curbing. Councilor Burns asked if there was any concern with cutting Asphalt to \$155,000, and Town Administrator Fournier said the Road Plan stipulated that they only fund at \$155,000 each year and they already had a Road Capital Reserve Fund which was increased by \$50,000. Councilor Pike brought up the point that they did not know how long oil prices would last and that anything they could do for the roads now made sense. Town Administrator Fournier said another way would be to increase the Capital Reserve Fund contribution and offset it with Fund Balance. Public Works Director Malasky said he also had the Municipal Transportation Fund for paving, and Interim Finance Director Angell said there was approximately \$230,000 currently in the fund.

#### **STREET LIGHTING**

Town Administrator Fournier stated that there was no change to the Street Lighting budget.

#### **BRIDGES & GUARDRAILS**

Public Works Director Malasky stated that he had requested \$8,000 to do some guardrail repairs on Ash Swamp Road and Langs Lane, which was reduced to \$4,000. He said there was a large culvert on Langs Lane which had no guardrail and there had been a serious accident there last year. Councilor Bowden

asked where the repairs would be on Ash Swamp Road and Public Works Director Malasky said at the bridge near Prices Garage.

## **BUILDINGS & GROUNDS**

Town Administrator Fournier stated that Buildings and Grounds saw an increase of 14.67% with the largest under Fulltime Salaries. He said he was proposing a new position for a Director of Facilities and that the Council should have received a memo outlining the reasoning. He said logistically they would probably get a draft of an understanding with the School similar to the one for the financial position. He said he did not know what the hours would be or what it would be on an annual basis. He said they were looking at a personnel cost for an individual of \$110,000, with \$65,000 for salary and the rest benefits. He said the School would reimburse the Town in accordance with a formula at approximately 64% of that or \$70,000. He said that the remaining 36% or \$39,000 would be the responsibility of the Town. He explained that in FY2018 there would be a 95% savings from hiring a shared Finance Director, and the remaining 5% would come from other areas of the budget. He said there would also be a \$70,000 revenue from the School contribution.

Town Administrator Fournier stated that he had done a quick estimate of the buildings in the Town and School according to assessed value. He said the Town had approximately \$25-\$26 million in facilities with no one person dedicated to supervising them. He said it was currently a hodgepodge of the Public Works Director, the Building & Grounds Director, the Finance Director, and the Building Inspector. He said there needed to be one person to come up with RFPs, which the Finance Director was currently doing. Councilor Pike said he supported having a Facilities person and he felt it would result in a higher quality of services. Town Administrator Fournier said Councilor Thompson had asked about the increase in Heat for the Senior Center, and Public Works Director Malasky said that was a new one that they had taken on.

Vice-Chair Nazzaro said the fulltime equivalent for Buildings & Grounds was 2,000 hours but that some of the work was not occurring. He asked what they were reducing in terms of positions elsewhere when work was being repurposed. Town Administrator Fournier said the Finance Director spent a significant amount of his time issuing bids and doing bid documents. He said the Building Inspector did a lot of Buildings & Grounds reviewing and needed to spend more time on inspections and code enforcement. Vice-Chair Nazzaro said he wanted to make sure they were adding labor in terms of tasks. Councilor Weinstein pointed out that they were not looking for a fulltime position but only one-third. Councilor Pike said they were looking for a certain level of analysis for projects and they needed to have someone looking more comprehensively. Vice-Chair Nazzaro felt it would benefit the community if they looked at a more scientific approach to how they staffed their organizations. Councilor Pike said he felt there was some urgency around this position, and Councilor Weinstein said they needed to put something in place now and put it in the budget in order to fully form the plan. Councilor Burns said it was also recommended in the MRI report, and she felt the opportunity was in place and it was the right time to do it.

Town Administrator Fournier questioned Heat & Oil for Youngs Lane with \$39,000 budgeted and \$27,000 spent, and for the Town Hall with \$26,000 budgeted and \$21,000 spent and asked about bid prices. Interim Finance Director Angell said that bid prices for this year were less but that they might go back up to last year's levels. Town Administrator Fournier recommended reducing Heat & Oil for the Town Hall from \$24,000 to \$22,000, and for Youngs Lane from \$35,000 to \$30,000, for a total \$7,000 savings which

was approved by the Council. Councilor Weinstein asked about the increase for Elevator Maintenance, and Interim Finance Director Angell said the contract had gone up. Town Administrator Fournier explained that Town Clock Maintenance was for the lease from the church to house their clock.

Councilor Pike asked about the timeline for the Facilities Person, and Town Administrator Fournier said he would like to have the Budget for it approved first so the funds were there. He said the Budget would be approved in March, but the School had already funded the position at \$50,000 for this year. He said it would be a Town position and the hiring committee would be set up in accordance with the Town Charter. Vice-Chair Nazzaro pointed out that this would be a change in their structural organization which the Council would have to approve, and Town Administrator Fournier said they would need an ordinance to amend the Administrative Code. Councilor Pike asked if they could proceed with the ordinance process, and Town Administrator Fournier said he was looking to have the first reading of the ordinance by the November 16<sup>th</sup> meeting to be adopted at the first meeting in December, but he needed to create the department first. He said his hiring priority right now was to fill the vacancy in the Recreation Department by January 1<sup>st</sup>.

#### **CEMETERY**

Town Administrator Fournier said that Councilor Thompson had questioned the big increase in Part-Time Salaries. Interim Finance Director Angell said the \$14,321 was to have a position at 26-week seasonal as the department needed additional time to get their work done. He said they would start earlier in the spring and work later in the fall. Vice-Chair Nazzaro pointed out that they only spent \$7,592 in FY2016. Town Administrator Fournier suggested reducing it back to the FY2017 amount of \$11,050 which was approved by the Council. Vice-Chair Nazzaro asked about Contracted Services and Town Administrator Fournier said it was to replace a gate. Vice-Chair Nazzaro asked about using the trust fund, and Public Works Director Malasky said new items had to be in the operating budget. Town Administrator Fournier asked how much was in the Trust Fund for this cemetery, and Interim Finance Director Angell said he could not match the Trust to a cemetery name. Town Administrator Fournier questioned adding \$5,000 to this line item without knowing the amount in the Trust Fund.

#### **VEHICLE MAINTENANCE**

Town Administrator Fournier said there was a decrease in Vehicle Maintenance of 1.69%, and Public Works Director Malasky said this was from savings in fuel and gasoline. Councilor Pike asked about Gas and Diesel Fuel which were both were driven by oil prices, and said that the combined total for FY2016 was approximately \$30,000 but they were budgeting \$49,000 in FY2018. Town Administrator Fournier suggested reducing Gasoline from \$14,000 to \$10,000 and Diesel Fuel from \$35,000 to \$30,000 for a total cut of \$9,000, which was approved by the Council.

#### **FIRE & RESCUE**

Town Administrator Fournier said there was an increase of 5.09% for Fire & Rescue and that the Fire Chief had requested a 21.38% increase. Fire Chief Malasky said the biggest change in the Fire Department was that the call volume increase continued to rise. He said he was looking to increase Per Diem shifts for weekends in Part-Time Salaries from summer months only to year-round. He said he had staffing issues with calls for services and training was up in order to keep people certified for EMS licenses. He said the Fire Department budget was tough to maintain as the costs were driven by calls.

Town Administrator Fournier pointed out that there were also revenues from ambulance calls. Fire Chief Malasky stated that they were still covering the Town with just 2 fulltime people and the rest were all on-call volunteers and the numbers were dwindling.

Councilor Weinstein questioned Equipment Maintenance as they had gone over the budget in FY2016. Fire Chief Malasky said this was for portables, radios, pagers, etc., but that they had purchased new Air-Paks. Councilor Weinstein asked if the \$15,000 would be sufficient for Equipment Purchases and Fire Chief Malasky said they did not spend in FY2016 as he was asked to hold the line. Town Administrator Fournier said there was also a Capital Reserve Fund and that a \$50,000 contribution was already approved.

Councilor Pike asked what the next step would be if they felt they were asking too much of their volunteers in the Fire Department and said he wanted to make sure they did not overstress the system. Vice-Chair Nazzaro said that was part of why he supported adding money to Part-Time Salaries. Fire Chief Malasky said they were really busy over the last few months but were doing a pretty good job of covering the calls. He stated that they had also just put a new ambulance in service.

#### **EMERGENCY MANAGEMENT**

Town Administrator Fournier said the Emergency Management budget was up 53.85%. He said they were including \$1,500 in General Supplies to try to get a grant to start updating their Emergency Management Plan, which had not been updated for at least 5 years.

#### **SOLID WASTE**

Town Administrator Fournier said that Solid Waste saw an increase of 4.61%. He said the Council did approve the new contract for Recycling and MSW, with a 5.26% increase for Recycling and 1.23% for MSW. He said the rest was Post Closure Landfill Tests which needed to be done yearly. He questioned the \$25,000 jump in supplies, and Public Works Director Malasky said it was for purchasing new trash bags and recycle bins which were offset by revenue.

#### **GRANTS**

Town Administrator Fournier stated that there was an increase in Grants of 16.04%. He said Festival Support had been cut in years past and the Recreation Department requested that it be put back in as they were trying to spearhead a festival run by the community.

#### **SOCIAL SERVICES GRANTS**

Town Administrator Fournier stated that there was a 0.64% increase in Social Services Grants, adding \$1,000 for a Child Advocacy Center, \$1,000 for a grant for the Cross Roads House in Portsmouth, and \$4,000 for Richie McFarland. He stated that it was a thorough process and that organizations needed to apply to the Town for funding and provide financial statements. He said that Linked-Together did not apply for funds this year as they were solvent and did not need assistance. Councilor Weinstein commented that Richie McFarland was a huge benefit to children under the age of 3 in the community who needed special services, and Town Administrator Fournier explained that he had reduced the line-item for what the Town could afford.

**TOWN BUDGET FY2018**

Town Administrator Fournier said that all the reductions made brought the General Fund Budget to \$7,128,151, Special Revenues to \$1,060,520, and the Enterprise Fund to \$3,323,206. He said the General Budget was reduced from \$11,581,761 to \$11,508,877 and the \$0.09 tax impact would be a 1.44% increase on the tax rate using this year's net assessed valuation. He said that the next step would be a resolution to adopt the FY2018 Budget with this number at the next meeting. He said the Town Budget would go to the Budget Committee on November 28, 2106, and it looked like December 12<sup>th</sup> for the Town Public Hearing.

Vice-Chair Nazzaro said he would not be at the next meeting and the resolution would go on the ballot as being adopted by the Town Council with a vote of 6-0. Town Administrator Fournier said the budget had to be submitted by November 15<sup>th</sup> and that an amendment to the resolution could be requested later. He said they also had to come up with a Default Budget for the Council, which would be last year's budget minus any new expenditures.

Councilor Weinstein stated that November 1<sup>st</sup> was Candidates Night at 7:00 pm in the Auditorium for local political candidates.

**NEXT MEETING:** The next regular Town Council meeting would be held on November 16, 2016.

**ADJOURNMENT**

Councilor Weinstein made a motion to adjourn the meeting which was seconded by Vice-Chair Nazzaro.

The second Town Budget Workshop was adjourned at 8:25 pm.

Respectfully submitted,

Patricia Denmark, Recording Secretary