

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

MAY 23, 2022 6:30 PM

TOWN HALL AUDITORIUM

Approved June 27, 2022

MEMBERS PRESENT: Chairman Michael LaBranche, Vice-Chairman Christopher Wolfe (Remote), Roger Cady, Richard Lesavoy, Ned Carpenter, Brian Hickey, Danielle Honan, Town Council Rep Brian Ward

EXCUSED: School Board Rep Amy Tilton

AGENDA

Chairman LaBranche welcomed everyone to the May 23, 2022 Municipal Budget Committee Meeting and called the meeting to order at 6:30 pm followed by the Pledge of Allegiance.

Motion: Mr. Carpenter made a motion to allow Vice-Chair Wolfe to participate in the meeting remotely, seconded by Mr. Ward.

Vice-Chair Wolfe said he was not present due to illness; his wife was in the other room but he heard on confidentially on his headset.

Vote: Motion approved by a vote of 7-0

PUBLIC COMMENT

Chairman LaBranche opened Public Comment at 6:33 pm.

As there was no Public comment, Chairman LaBranche closed Public Comment at 6:34 pm.

NEW BUSINESS

Presentation by Rick Malasky on Fire Department

Chairman LaBranche said Rick Malasky will not be able to attend this evening due to an accident.

Town Financial Update – Town Manager Steve Fournier

Town Manager Steve Fournier gave a quick overview of end of April FY2022, and said the Town should be 85% through the Operating Budget. The current General Fund total of expenditures is 79%, same as last year, and total Operating Expenditures are 80% vs 81% last year. He said they are seeing impacts from inflation and higher markets with petroleum seeing increases in fuel costs, heat and gasoline, and an increase in telephone line expenses for which the Town will be going out to bid. Overall, they are under budget for the year.

Town Manager Fournier said revenues remain strong and the Town collected \$33,986,631, an increase of about \$2.8 Mil over last year, largely due to a tax revenue increase and increased Rooms & Meals taxes from the State; additionally the Town used its \$598,000 unassigned fund balance as anticipated; there was an increase in Building Permits, but Motor Vehicle Permits remained flat.

Town Manager Fournier said the Town did receive \$479,269 from ARPA Funds for Covid-19, with \$14,450 spent so far on personal protection equipment, virus spread mitigation efforts, cyber-security upgrades and pandemic-driven changes. The majority of the remaining funds will be used for stormwater management and additional cyber-security. He said budget-wise so far so good; started New Road Project to replace water lines and address stormwater issues.

Town Manager Fournier said a new Director of Planning & Community Development was hired and there will no longer be a Town Planner but a new fulltime Code Enforcement/Zoning Administrator. The Town is also advertising for a Town Engineer approved in the FY2023 Budget, and will be issuing an RFP for our facilities, especially this building. CIP asked that we rebuild, but it is more reasonable to renovate and put additions; Town also has the former Water Treatment Facility on Packers Falls Road and other available locations.

Mr. Lesavoy asked what the RFP was for and Town Manager Fournier said for a facilities study. Vice-Chair Wolfe said in the gas and diesel analysis the number of gallons used is not referenced, and our consumption rate could be used to calculate impact to the Budget. Mr. Lesavoy said he was sure energy costs were not budgeted which would be an upcoming budget question, with probably a \$30,000 impact just within a few months.

Town Manager Fournier said we are already seeing an impact with asphalt paving increases which means fewer roads will be paved this year and project bids are coming in much higher than anticipated. Chairman LaBranche asked how the Town purchases diesel and gasoline and if municipalities are responsible for taxation on those items. Finance Director Tappen said the Town goes through a process every 3 years with electricity due in December. He said the Town's fuel purchasing is done through Haffners based on Irving rack price which locks us in at a specific spot price. Town Manager Fournier said municipalities do not pay taxes regularly paid at the pump.

Mr. Lesavoy asked if ARPA money was used to offset any operating expenses and whether there would be more funds next year. Town Manager Fournier said he did not believe there would be more ARPA funds coming in. Finance Director Tappen said the Town got the first tranche of two from ARPA, and are allocating a good portion to stormwater projects and looking at cyber security at the Wastewater Treatment Facility. Town Manager Fournier said ARPA Funds cannot be used to offset Operating Expenses and are restricted.

Town Government in Newmarket

Town Manager Fournier said the form of government in Newmarket is unique and gave a quick overview. He said there are 4 basic types of government in New Hampshire: (1) Strong Mayor/Board of Aldermen elected to set city policy; (2) Council/Manager: Council as elected legislative body, hire a professional CEO to run community; (3) SB-2: Select Board elected as governing body, may appoint Town Administrator, Town Meeting is legislative body; (4) Select Board/Traditional Town Meeting: voters elect Select Board as governing body, may appoint a Town Manager, Town Meeting serves as legislative body and meets annually to approve Warrant Articles.

Town Manager Fournier said Newmarket is unique because we still have a budgetary-only Town Meeting with budget still going before the voters and to the Municipal Budget Committee. He said Town Councils are not Select Boards and share authority with the Town Manager; Town Charter and State Law say Council has all powers of a city council except to adopt the budget; all actions and laws of a city apply to a Town Council.

Town Manager Fournier said the Town Charter was adopted in 1991 and outlines how our government is set up. The Town Council cannot get involved in the day-to-day operations of the Town, which is the role of the Town Manager, who appoints all department heads and proposes the budget in CIP to Town Council. The Town Council makes policy and the Town Manager and staff carry it out; The Council adopts all laws of the Town and has budgetary control and authorizes transfers of funds. The Town Manager has financial responsibility, approves manifests for payments and payroll with Town Treasurer appointed by Charter.

Town Manager Fournier said the Budget Committee authority is set out by Charter and State Law with the purpose of assisting voters (legislative body) in the spending of public funds; recommends and amends an annual budget, reviews bond issues, and recommends or does not recommend budget passage; they are not an audit committee but are there to oversee monies being expended. He said all staff contacts should be funneled through the Town Manager; what the Budget Committee does with the Town is different from the School which is an independent operating under State Law vs a Charter.

Mr. Cady asked if there was an audit committee, and Town Manager Fournier said there is not but there is an independent auditor who provides an audit to the Council and to myself and Council reviews the audit and any recommendations made. He showed an organizational chart of the Town with the Town Council at the top, then the Town Manager followed by Department Heads.

Discussion of Right To Know

Town Manager Fournier said a recent law provided the ability to participate in meetings remotely due to COVID; at present a quorum of the body must be physically present and it has to be reasonably impractical for a member to attend and must be alone in the room; you cannot call in for every meeting.

Right to Know: Town Manager Fournier said when a quorum of a body has been convened that is a Public Meeting where minutes have to be taken and the public is allowed to attend but does not have the right to speak (not a Public Forum); comments should be on agenda topics and time-limited. Town business should not be discussed on Social Media and when a Committee member hits "reply all" to a conversation that is an illegal meeting, and sequential communication and debate should be held in a Public Meeting.

Mr. Lesavoy asked about the Town audit and the issue of the Budget Committee not receiving the recommendations that were made. Town Manager Fournier said the recommendations could have involved personnel matters, and Finance Director Tappen said the letter from the auditors was addressed to the Town Council and Town Manager only. Town Manager Fournier said personnel information could be redacted and the recommendations sent to the Budget Committee if they so wished. Chairman LaBranche asked about determining a quorum and Town Manager Fournier agreed it is based on the number of members on a given board at that moment.

Chairman LaBranche said the Budget Committee will be meeting with the Town again in August and asked that Rick Malasky attend if he is available; if not then Police Chief Jordan.

MEETING MINUTES

Approval of Meeting Minutes of March 28, 2022

Motion: Mr. Cady made a motion to approve the Meeting Minutes of March 28, 2022, seconded by Mr. Hickey.

Vote: Motion approved by a vote of 6-0 with 2 abstentions.

Approval of Meeting Minutes of April 11, 2022

Motion: Mr. Cady made a motion to approve the Meeting Minutes of April 11, 2022, seconded by Mr. Lesavoy.

Vote: Motion approved by a vote of 7-0 with 1 abstention

ANY OTHER BUSINESS

Brian Ward stated that the Lamprey Arts & Culture Alliance in the Mill Space is in desperate need of someone to go through their books and anyone interested should contact John Herman.

Chairman LaBranche said the Budget Committee will be on an every-other-week schedule with the Town and the School, and the next meeting will be discussion of School Financials on June 27, 2022. He said the Committee will be off in July and resume in August with Town year-end review; the Committee agreed to meet August 29, 2022.

Next Meeting: June 27, 2022 at 6:30 pm in Town Hall Auditorium.

ADJOURNMENT

Mr. Cady made a motion to adjourn the meeting, seconded by Mr. Carpenter, all in favor 8-0.

Chairman LaBranche adjourned the meeting at 7:20 pm.

Respectfully Submitted,

Patricia Denmark, Recording Secretary