**TOWN OF NEWMARKET, NEW HAMPSHIRE**

**BUDGET COMMITTEE**

**MAY 19, 2014 6:30 P.M.**

**TOWN COUNCIL CHAMBERS**

MEMBERS PRESENT: Chair Amy Thompson, Russ Simon, Drew Kiefaber, “Blue” Foster, Michael Lang, Meg Louney Moore, Mickey Burns, Craig Dionne, Town Council Rep Dale Pike, School Board Rep Mary Jane Hilton

EXCUSED: Vice Chair David Foltz

ALSO PRESENT: Town Administrator Steve Fournier

**AGENDA**

Chair Thompson called the meeting to order at 6:32 p.m., followed by the Pledge of Allegiance. She announced that Mr. Foltz had been excused from the meeting, and since there was a light agenda with no votes anticipated, he had decided not to participate remotely. She welcomed Mary Jane Hilton as the School Board Rep to the Committee.

**OLD BUSINESS**

**Approval of April 7, 2014 Minutes**

Mr. Kiefaber moved to accept the minutes of the April 7, 2014 meeting. Mr. Simon seconded. There was no discussion. Motion passed 9 – 0 – 1, with Ms. Hilton abstaining as she had not been present at the meeting.

**Additional Budget Law Books**

Chair Thompson said that a couple of Budget Law Books had been located, and she had expected them to be available at the meeting for new members. She suggested that members check with the Town Office.

**Review of Right to Know Law Workshop of April 30th**

Mr. Dionne stated that there seemed to be no repercussions for non-compliance with the law. Town Administrator Fournier clarified that under State law, a member of a board who releases information from non-public session can be removed from office. There is no public recall of elected officials in New Hampshire, but a member may be removed by a vote of peers. Although rare, an official may be removed by the courts. He added that usually a violation of the Right to Know Law occurs without malicious intent, but due to lack of knowledge and can be curbed by bringing the possible violation to light. Mr. Wright noted that no decisions/motions could be made in what was not officially a meeting, but if made would not be valid. I was also necessary for boards to understand what a quorum was. Chair Thompson suggested that the workshop be held annually and be open to other boards and the public. Town Administrator Fournier said his intent was to hold three workshops each year: Right to Know Law, Government 101, after the new Charter took effect, and Municipal Budgeting 101.

**Budget Law Training Workshop**

The Budget Law Training Workshop was tentatively scheduled for August. Town Administrator Fournier would try to arrange for the NHMA to present the workshop on a Monday as the Budget Committee’s monthly meeting date. Other boards and the public would be invited.

The make-up of the CIP Committee would change on July 1st when the new Charter took effect: one representative each from the Town Council, Budget Committee and Planning Board; 2 members at large appointed by the Council, with one representative of the School Board invited to serve. The Committee normally meets in August and completes its work in mid-September. The new Charter is available on line, and will be printed and distributed when it takes effect.

**NEW BUSINESS**

**Meeting Attendance Protocols**

Chair Thompson asked that members contact her in advance if they would attend a meeting or be unable to attend to have the absence excused. Four consecutive unexcused absences would be grounds for dismissal from the Committee.

**Set Policy for Remote Meeting Attendance**

Members would have to give sufficient notice if they wanted to participate in a meeting remotely so that the technology could be set up. The past Budget Committee had agreed to allow remote participation, but it was felt that the present Committee should decide whether to adopt this policy. There was agreement that members would continue the policy and would like advanced notice that someone would be calling in. State RSA sets the criteria for remote meeting attendance by speaker phone or Skype: the Committee has to agree at the beginning of that meeting that the member may participate; the member has to state it would not be reasonably possible to attend the meeting; the member has to state he is alone in a room; the member may vote, but is not considered part of the quorum; every vote has to be by roll call; the member’s comments must be audible to the Committee and the public.

**Town FY14 Expenses and Revenues to Date**

REVENUES: As of the end of April, with 83% of the year complete, 97% of revenues had been collected. Motor vehicle revenues were higher than estimated, even though the estimated figure had been raised. Interest on taxes owed was lower, meaning that more taxes had been collected. Interest on investments showed a slight rebound over previous years. Building permits were up 50%, or $20,000, over estimates because of various projects. This included Planning Board fees of about $13,000. The refund of overpayments to LGC could offset increases in health insurance, or go into the General Fund, depending on how the Town wished to use the funds. Currently, the Town receives State Room and Meals Tax fund and Gas Tax funds, both of which came in higher than estimated. Gas Tax funds are designated for road work. When the new gas tax takes effect in July, the Town should receive an approximate, additional $20,000. Projections for end of the year revenues were not complete at this time, but it was expected the Finance Director would have figures for the Council by its second meeting in June. Surplus revenues go to the General Fund at the end of the fiscal year.

Surplus revenues for Water and Sewer stay within the departments. The Recreation Revolving Fund would go into effect on July 1st. Solid Waste was able to roll back funds toward bag purchases, but the Town subsidized the Fund. The Library has to turn over unexpended funds to the Town, but could designate some to its Trust Fund for capital purchases. The School would turn funds over a certain percentage back to the Town.

EXPENSES: With 83% of the fiscal year complete, approximately 80% of the budget had been spent. Health insurance was running slightly higher because of status changes, while the retirement contribution was running lower because of attrition and staff changes. The new contribution rates for FY16 had not yet been received, and much would depend on the result of a Supreme Court case which could limit the contribution of union employees, depending on the interpretation of the terms of a “contract”, and shift that share to municipalities. Welfare was running lower than estimated at 39%. The road and sidewalk budget, including salt and equipment maintenance, was approximately $50,000 over budget because of the winter storms. However, overtime for the department was at $6,600 because of flex scheduling.

Town Administrator Fournier said it would be interesting to see what the health, property and liability insurance would be for FY2016, now that all were with the same company. However, he did not expect a large impact. He anticipated that the next year’s budget would be as level as possible, but cautioned that this became more difficult every year. Miscellaneous receipts on page 3 of the revenue budget, at 1995% above projections, most probably referred to the sale of surplus property. Town Administrator Fournier would get the specifics. The Town also had a deeded condo on the market for approximately $150,000. He said that at this point in the year, they looked at the bottom line, and closer to the end of the year, transfers could be made. Revaluation was progressing and the firm was working on details of the affect of commercial property leasing figures/income, which is a factor in setting assessments. Approved Capital Reserve funds are normally moved into the funds once a year. However, the $10,000 for storm water management had not been moved over as it was expected to be spent.

**School FY14 Expenses and Revenues to Date**

Committee members had received the School report and recap sheet by email. However, since School Business Manager Christine Blouin was unable to attend the meeting it was decided to table discussion. Members were asked to review the material and send any questions to the Chair before the next meeting so she can compile them and send them to Ms. Blouin. As the School reports differ in format from those of the Town, it was important that Committee members become familiar with the material. It was emphasized that the Committee could not do anything about the present year’s revenues, but questions could be asked about where the District stood thus far. Other questions could be about understanding the format.

Mr. Foster asked who would be driving the budget and what the process would be with the Superintendent and Elementary School Principal leaving at the end of June. Ms. Hilton would bring the question up at the School Board meeting the following evening. The coming year’s budget had been approved, and there were people on board who were familiar with the budget process which would provide some continuity. It was expected that deadlines would be met. The Committee could discuss terminology that the School uses when meeting with Ms. Blouin, along with the difference between the current and original budget and the system of reallocation and revised expenses within the total budget figure. Staff and departments have the discretion to move funds between line items within a category/department. The Committee discussed the way that reallocations were reported in the budget.

**OTHER BUSINESS**

Chair Thompson verified that she had current email addresses for members and asked that if contact information changed that she be informed.

**Next Meeting and Agenda Suggestions**

Mr. Foster moved that the Committee not meet in June and Ms. Louney-Moore seconded. Motion passed unanimously, 10 – 0.

The next meeting was scheduled for 6:30 p.m. on Monday, July 28, 2014. It was thought that the Committee could go over the FY2014 budget at that time and more up-to-date figures would be available. Chair Thompson asked that any members with further suggestions for the agenda contact her. Actual year-end figures would not be available until a later date, and tentatively would be on the September agenda. The Budget Workshop would be held in August.

**ADJOURNMENT**

Mr. Simon moved to adjourn and Mr. Lang seconded. Motion passed unanimously and the meeting adjourned at 7:40 p.m.

Respectfully submitted,

Ellen Adlington, Recording Secretary