**TOWN OF NEWMARKET, NEW HAMPSHIRE**

**BUDGET COMMITTEE Work Session #1 for the Town**

**November 17, 2014 6:30 P.M.**

**TOWN COUNCIL CHAMBERS**

MEMBERS PRESENT: Chair Amy Thompson, Vice Chair David Foltz, Russ Simon, Dale Pike, Drew Kiefaber, Meg Louney-Moore, William “Blue” Foster , Mickey Burns, Michael Lang, Craig Dionne, School Board Representative Mary Jane Hilton

EXCUSED: All Present

ALSO PRESENT: Town Administrator Steve Fournier, Town Clerk-Tax Collector Terri Littlefield, School Business Administrator Christine Blouin, Police Chief Kevin Cyr, Public Works Director Rick Malasky, Recreation Director Jim Hilton, Library Director Carrie Gadbois, Water & Wastewater Director Sean Greig, Ms. Ree Cooper and children from Linked Together

Interim Superintendent of Schools Dr. Michael J. Martin?

**AGENDA**

Chairman Amy Thompson welcomed all present and called the meeting to order at 6:30 pm, followed by the Pledge of Allegiance.

**LINKED TOGETHER JEANS CHALLENGE**

Chairman Thompson then welcomed Ms. Ree Cooper and the children of Linked Together. One of the children made a presentation of their recent efforts and offered a challenge to the Budget Committee.

Ms. Grace Lunney of Linked Together stated that they had been looking into the role of the Budget Committee of managing the budget without raising taxes too high. She said that as a group they were aware of the difficulty of budget work and made an offer to donate $10 K toward the School Budget. She added that to do this, they needed to beat the other schools at collecting jeans. As a group they had brainstormed ways to accomplish their goal using Facebook, letters to parents, flyers at school, posters in town and set up two contests at the Elementary School and the Junior-Senior High School. Ms. Grace Lunney then challenged the members of the Budget Committee to collect ten (10) pairs of jeans each by November 24, 2014, and thanked them for they attention.

Chairman Thompson made a motion for the Budget Committee to accept the challenge, and Vice Chair Foltz seconded. All committee members agreed unanimously.

Town Administrator Fournier announced that of the 53 schools competing, the children of Linked Together were currently in 9th place.

**OLD BUSINESS**

**Approval of October 27, 2014 Minutes**

Mr. Kiefaber made a motion to accept the minutes of October 27, 2014, and Mr. Simon seconded.

Several corrections were made to the minutes regarding name misspellings, and Chairman Thompson also pointed out that Craig Dionne needed to be included under Members Present.

Chairman Thompson then called for a vote to accept the minutes as amended and the motion passed, 10-0. School Board Representative Mary Jane Hilton abstained due to absence.

**NEW BUSINESS**

**SAU FY15 to Date Review (As of end of October)**

School Business Administrator Christine Blouin presented the committee with an end-of-October update for the School. She stated that she was working out encumbrances and was about 90% completed. She explained that some payroll fiscal enrollment and contracts were currently encumbered due to glitches in the InCode system, and that her report had been self-generated. Chairman Thompson asked when this might be completed, and School Business Administrator Blouin replied that she could not answer at this time, adding that they had only be made aware of the system problems in September. She also added that more glitches had arisen regarding how to close the old year and begin the new and the problems were being worked on by the IT Department.

School Business Administrator Blouin stated that the most noticeable change in the budget was in Salaries, as fifteen (15) teachers and caregivers had either retired or moved on. She stated that some newer teachers just starting their careers had been hired, plus a new position for a para-professional at the Elementary School. She added that savings in personnel benefits had resulted in a $250,000 surplus in the current school budget. She next addressed the Career Technical Institute line item used for tuition, stating that they had budgeted for 60 students but had 62 actual, due to increased enrollment. She stated that as a result the account was in the red by $9,500, which would be stretch into next year’s proposed budget. School Business Administrator Blouin then addressed the Projected Fund Balance for the school stating that some money left was currently not encumbered. Mr. Simon pointed out a million dollar discrepancy in several columns and asked whether this would be reallocated in the budget. School Business Administrator Blouin replied that their Trust Fund would be used here to pay for Fire and Life Safety. She stated that the School Board had allocated $500,000 to create a warrant article to put into a Trust Fund, with $100,000 going to School Repair & Maintenance in Special Education. Chairman Thompson asked if this would then show up as an expenditure, and School Business Administrator Blouin replied in the affirmative adding that totaling these items made up the difference from the original budget to the current budget. Mr. Simon then asked that a breakdown between the operating budget and the trust fund be provided for clarity, to which she agreed.

Chairman Thompson asked whether regarding her projection for the rest of the school year, currently 3 ½ months in, she felt that expenditures were currently on track. School Business Administrator Blouin felt that the school was on track with trends comparable to last year. She offered to meet again with the Budget Committee in 2015 and provide a report on updated projections. Mr. Simon brought up Special Education as a significant variable in the School budget, and School Business Administrator Blouin replied that she had fine-tuned that budget due to its volatility in an attempt to remain cautious. She added that Special Education required transportation, also currently in the red, but that increased tuition funds provided balance, and they did not intend to move funds around.

Chairman Thompson suggested sometime in April of next year as a possible meeting date with School Business Administrator Blouin. Vice Chair Foltz stated that the review sessions for the School Budget had been set for December 22nd and January 5th, with the Public Hearing to be held on January 12, 2015.

**TOWN PROPOSED BUDGET FY16 (Work Session 1 of 2)**

**Presentation of the Town Administrator**

Town Administrator Steve Fournier thanked the Chairman and the members of the Budget Committee and opened with a slide presentation of the Proposed Operating Budget for the Town for the Fiscal Year Ending June 30, 2016, including all funds as well as potential warrant articles. He first addressed Economic Indicators, reviewing the changes in the Consumer Price Index which examines the cost of goods. He reported a 2% increase nationally which was the same as last year, with the New England region and Boston both up 1.8%. He next reported on Unemployment Rates stating that decreases were seen nationally, for the County, and for the State, with the Town of Newmarket currently at 2.9%. Town Administrator Fournier stated that the Tax Rate had been officially set at $25.75, with the largest portion being the School/Education and the smallest the County, which was set by County regulations. He stated that the reason for the increase was due to a 4.4% drop in the valuation of the Town. Mr. Simon questioned the increased valuation in some commercial properties, and asked for a possible breakdown. Town Administrator Fournier next showed a Ten-Year Tax Rate Comparison with the top line being the total, the second the School at $16.00/1,000, the third the Town at $6.22, followed by the State School and the County, adding that the money for the State School goes back to local schools. He added that this did not mean the tax bills went up, and that using last year’s valuation the Town tax rate would have dropped 12 cents. He stated that the Town Council, for the bottom-line budget, had proposed a total budget of $9,485,776, with an increase of 3.8% reflecting a total budget increase of $347,341. He added that Enterprise Funds (Water & Sewer) do not impact taxation and saw an increase of 15.28%,and Other Funds, including special revenue funds, seeing an increase of 2.37%. He provided a fund breakdown with the General Fund through taxation at 0.98%, Special Funds including Recreation Revolving, Library contributions, subsidies for solid waste removal, etc. up 1.4%, plus the Enterprise Fund. Town Administrator Fournier next provided a 3-Year Budget Comparison showing the difference in departmental funding requested, the proposed budget of the Town Administrator, and the budget agreed on by the Town Council. He then presented a breakdown of the budget by fund with the General Fund at 68%, the Enterprise Fund at 22%, and the Special Fund at 10%. A full breakdown of the allocation of the increased funds was provided, which included Workman’s Compensation, Legal, Police Equipment, Oil, Vehicle Maintenance, a Senior Center Coordinator, contribution to the Macallen Dam Capital Reserve Fund, Water Debt Service, a Waste Water Plant Operator, contribution to a Waste Water Capital Reserve, and a permit for a Non-Source Point Pollution Control Plan NPDES permit which is a legal obligation. Town Administrator Fournier added that some reductions had been made in social security, social services grants, and non-profit whose $10,000 allocation was eliminated from the budget as their non-tax status already provided enough of a contribution by the Town. The next slide showed the breakdown of Capital Reserve Fund contributions, which this year would be listed as separate warrant articles. Town Administrator Fournier added that the Budget Committee would either be recommending or not recommending these contributions, and that they would have no impact on taxes as the funds would be taken from the Fund Balance. He also added that two new funds not yet approved by the Town Council were being set up for Road Maintenance and a Town Master Plan. He stated that a projected total Revenue Budget increase was projected over last year with increases in General and Enterprise funds. He cautioned that the Tax Impact was an *estimate only* using all data currently available. He next provided the tax impact that would result if the current budget passed today: the gross appropriation of the budget, less revenues, with an added overlay equivalent to an emergency fund and credits for War Service, would result in a net Town Appropriation of $4,276,503. He stated that this figure, multiplied by the assessed value and divided by 1,000, equaled an estimated tax rate of $6.01, or a decrease of 21 cents over last year.

**Departmental Budget Presentations**

Chairman Thompson requested that specific questions be held until each department overview was completed. Mr. Simon proposed a general question asking if revenues were equal to expenses, since the Enterprise Fund and Water & Sewer were also included in the budget but had no tax effect. Town Administrator Fournier replied that it was legally the responsibility of the Town to review those budgets as well as the Recreation Revolving Fund. Mr. Simon said that it would be nice to see revenues/expenses for Enterprise and Special Funds broken out, and questioned the two missing warrant articles. Town Administrator Fournier replied that these must first be approved by the Town Council and that the Budget Committee did not have authority over warrant articles, but could only recommend or not recommend. Chairman Thompson pointed out the warrant articles do have an impact on the tax rate at the time the funds were collected. It was decided to proceed through the budgets by department, and Town Administrator Fournier added that he would hold Benefits for the next meeting when Interim Finance Director Matt Angell would be present.

**Town Council:** Town Administrator Fournier cited an increase in the budget of 1.31% due to an added part-time Salary for the Recording Secretary.

**Town Administrator:** Town Administrator Fournier reported an increase of 0.48% due mainly to salary changes resulting from the merit pool distribution, and that he would discuss this under the Benefits portion.

**Finance Department:** Town Administrator Fournier reported an overall increase of 0.9% due to a decrease in elected officials and an increase in salaries, as the Town Treasurer was no longer considered to be an elected official. Chairman Thompson felt a percentage budget year to budget year would help clarify the changes rather than actuals.

**Town Clerk-Tax Collector:** Town Administrator Fournier reported a decrease in this department of 2.57% mainly in Advertising as well as some elected officials. He said that Town Clerk-Tax Collector Terri Littlefield was present to answer any questions. Chairman Thompson referred to the actual expenditures for FY14, and Town Clerk-Tax Collector Littlefield replied they had been heavy, adding the vacancy caused by the resignation of the town clerk. Town Administrator Fournier stated all of FY14 had an acting Town Clerk-Tax Collector, new in March of that year. He added that Town Clerk-Tax Collector Littlefield had determined that a change be made in the number of employees, from 3 Fulltime and 1 Part-time to 2 Fulltime and 2 Part-time, which had resulted in a budget reduction. Mr. Foster raised a question regarding Equipment Purchases for which no funds were expended last year, yet the same amount was again being budgeted, asking whether any equipment purchases were planned. Town Clerk-Tax Collector Littlefield replied that no Capital Reserve Funds were available for equipment purchases and the $2,500 in funds was saved for emergencies.

**Employee Benefits:** Town Administrator Fournier reported a 1% decrease in Employee Benefits, and asked that specific questions be held for the next meeting with the finance director. He stated that they had found that FICA included Police and Fire, who do not receive social security benefits, and a sizeable reduction had been made. He pointed out an increase in Workman’s Compensation due a change in the carrier. He added that Merit had been reduced to $35,000 which was closer to actuals, but that the funds were transferred to individual employee salaries. He stated that Health Care costs predicted an increase of 8.5% due to guaranteed rate increases, but that they would be receiving a refund from the Health Trust which could be used if necessary. Mr. Simon raised a question regarding the $35,000 budgeted for the Merit Pool, and Town Administrator Fournier said there had been an increase from actuals due to the social security and property liability situation. He added that $17,000 was for retirement, $35,000 for Merit, and $6,000 for Health Insurance. Mr. Simon asked for the reason for the

jump in property liability. Town Administrator Fournier replied that the Town had a new carrier with new rates and that he would redo the numbers for the next meeting, adding the new carrier had done a complete insurance review.

**Code Enforcement:** Town Administrator Fournier cited a budget increase of 7.9%, which was in line with actual expenditures. He reminded the Committee that comparisons were to actuals from two (2) years ago which made a significant difference and that building permits do not offset expenses.

**Direct Assistance/Welfare:** Town Administrator Fournier reported that essentials such as Heat and Medical could not be eliminated from the Direct Assistance budget. He added that they had reviewed Rent and were able to make reductions there by following stricter guidelines. Chairman Thompson pointed out that a process is available for setting up the agency of first resort, and that Town Welfare was not necessarily primary. She added that policies and procedures are in place with case workers for referrals.

**Assessing:** Town Administrator Fournier reported a decrease of 4.3% in the Assessing budget, which was slightly higher that what was actually expended. He stated that this was due to getting more hours from the Assessor Group under contract with the Town. He then provided a synopsis of the budget process in which department heads present their budgets to the Town Administrator for review and discussion; the Town Administrator then presents the budget to the Town Council who then present to the Budget Committee, allowing for many readings. Chairman Thompson emphasized that asking questions for more clarification may answer more questions in preparation for the deliberative session.

**Legal:** Town Administrator Fournier reported an increase in the Legal budget of 6.67% to $80,000. He stated that this was the amount negotiated in the contract, though there would still be legal expenses above this amount such as the Cable Franchise negotiations. He felt that the budget was cleaner since retaining Attorney John Ratigan. Mr. Simon asked if the contract was long term, and Town Administrator Fournier replied that the contract was up next year but would be re-negotiated. He added that he could technically go to fund overlay for any lawsuit.

**Planning:** Town Administrator Fournier reported an increase of 0.78% in the Planning budget, all due to salary redistribution and updating the Tax Maps. He added that $1,000 would be maintained yearly for updating these as the Tax Maps had not been updated for five (5) years.

**Conservation Commission:** Town Administrator Fournier reported no increase in the Conservation budget, as they had no recording secretary for part of the year.

**Economic Development:** Town Administrator Fournier reported an overall increase of $1,000 from last year and this year as well. He stated this was partly due to uncertainty in the planning for next year, adding that a consultant was being hired to review some parcel developments and devise a strategy for marketing. He stated that the next step would not be known until this one was complete.

**Debt Service:** Town Administrator Fournier stated that there had been a decrease of 6.78%, adding that the debt must be paid. Chairman Thompson questioned the reason for the $100,000 and he replied that it was for land purchased in early 2000 for conservation for which a bond was taken out. Mr. Kiefaber clarified that it was a bonded amount to be paid off over 20 years at $100,000 per year, with a constant principal and dropping interest amount for the purchase of multiple properties. Town Administrator Fournier added that at that time communities were taking out blanket bonds to purchase properties for

conservation. Mr. Simon asked if this was the only outstanding debt, and Town Administrator Fournier replied that remaining town debt was being paid from a TIP fund.

**Information Technology:** He next reported a decrease in the IT budget of 4.36% with an approximate $6,000 difference in actual expenditures. He added that they would try to get more money for tech items in that department.

**Police:** Police Chief Kevin Cyr reported the major line item changes in the Police budget. He stated that Mileage was up due to increased travel to courts, but added there that this was mostly offset by reimbursement from the State any time an officer uses his own vehicle for work purposes. Chairman Thompson asked if the reimbursement comes back directly into that line item, and Police Chief Cyr replied that it was returned to the general fund as it was not revolving. He next addressed the Equipment line item with $12,000 allocated for the purchase of body cameras for all officers. He stated that the money was not in CIP and would be a one-time expense, adding that the cost also covered storage capabilities for the videos. He reported an increase in the Gas line item and $3,000 being added to Animal Control for a police canine to offset food costs for the animal which had previously been donated. He stated that the dog would only be used for drug detection and search and was not an attack animal. In response to a question from Chairman Thompson as to whether the dog was exclusively owned, he replied that it had been purchased and resided with one of the officers. Mr. Simon raised a question regarding Equipment Lease and Police Chief Cyr replied the funds were allocated for a records program for a Police Department annual maintenance agreement. Chief Cyr explained that the computer program would communicate with State Police for vehicle and criminal records and maintain updates for the Dispatch Center.

**Public Works Administration:** Town Administrator Fournier reported an increase of 0.2% in the Public Works budget, mainly for uniforms.

**Roadways & Sidewalks:** An increase of 0.65% was reported for Roadways & Sidewalks. Town Administrator Fournier stated that the department had requested $345,000 for paving, which he had reduced to $125,000, adding that the Town Council had proposed a warrant article to create a Capital Reserve fund for road maintenance. He said that any unused funds would stay in the account, but as part of the operating budget it would be spent. He stressed the need to allocate more money for paving and that he would update the road service management report this year. Mr. Simon pointed out that they were already over budget for the year and Town Administrator Fournier agreed saying they were done for the year. Mr. Pike added that funding was lean even with the Capital Reserve funds and that the Council hoped to devise a steady-state plan regarding priorities. Vice Chair Foltz agreed with the need for a constant plan, and Town Administrator Fournier pointed out that some roads had already gone from resurfacing to reconstruction due to improper maintenance. Chairman Thompson questioned the Engineer line item and Town Administrator Fournier replied that it was for MS4 non-source pollution, due to run-off into drains east of I93 and that an engineer was needed to draw up a plan on how to address this. Public Works Director Rick Malasky added that it was a work in progress.

**Street Lights:** No change was reported in the budget for Street Lighting by Town Administrator Fournier, but he added that any street lights out should be reported as the Town paid for the lights whether they were on or off.

**Bridges/Signs:** Town Administrator Fournier reported that this budget had been eliminated.

**Buildings & Grounds:** Town Administrator Fournier reported a 4.91% increase for Buildings & Grounds, mostly due to the cost of providing oil for all the facilities. Mr. Simon mentioned that for Building Maintenance and Roads, the dots were never connected from the CIP for emergency and strategic repairs versus maintenance costs at $125,000. Town Administrator Fournier replied that the CIP for roads had not yet been created and building funds of $390,000 were for emergencies and starting renovations. Mr. Simon felt that the CIP reserves were weak and needed to be built up in certain areas, and then questioned budgeting for mosquitoes as it comprised 15% of the budget. Public Works Director Malasky replied the funds were used for spraying, and Town Administrator Fournier added that this also covered a larvacide for grubs plus testing. Public Works Director Malasky, in response to a question posed by Chairman Thompson, stated that the department had not yet been billed for the mosquito spraying.

**Cemetery:**  No increase was reported in the Cemetery budget.

**Vehicles:** Public Works Director Malasky reported an increase of 13.9% for Vehicles, which had been previously underfunded and out-sourced. Chairman Thompson asked how to compare previous out-sourcing to doing in-house for the new budget year. Public Works Director Malasky replied that previously they had received a FEMA grant which offset outlays due to emergency events such as Hurricane Sandy and the blizzard. Mr. Simon questioned Equipment Maintenance outside of vehicle costs, and Public Works Director Malasky replied that these funds covered parts and replacements. Mr. Foster asked whether vehicle maintenance for recreation should instead be pulled from their revolving fund. Town Administrator Fournier replied that the funds were used for summer and senior programming.

**Fire Department**: Public Works Director Malasky reported the budget for Fire had decreased 4.8%, mainly from training and staff development, due to an increased call volume. Town Administrator Fournier clarified the title “Fire Department” really no longer applied and would be better defined as an Emergency Services center. Mr. Simon questioned the $25,000 for Equipment Purchases and the regularity of the expense. Public Works Director Malasky replied that equipment covered the purchase of bunker gear, hoses, etc.

**Emergency Management:** Town Administrator Fournier reported no increase in the $1,950 budget, adding funds were used as needed.

Chairman Thompson called for a brief five-minute recess at 8:01 pm, and the meeting resumed at 8:07 pm.

**Grants:** Town Administrator Fournier reported a 3.36% increase in Grants, mainly due to Coast Bus Service increases. He stated that the route was currently in question due to uncertainty on the part of Stratham and Greenland, and that if service was reduced contributions would also be reduced. He said that the Newmarket community was worried about losing bus service and that he was working hard to prevent this, adding another bus service existed with Wildcat Transit. He also added that Coast received additional funds from State and Federal sources.

**Social Services Grants:** Town Administrator Fournier stated that he had turned down a $10,000 budget request from Social Services due to their non-tax status. He estimated the value of their property at $75,000-$80,000 and said he had checked with other communities with Lamprey Facilities, adding that the new assessing firm was reviewing the issue along with all tax-exempt properties to make sure they qualify. Mr. Foster raised a question regarding Ready Rides, and Town Administrator Fournier replied

that this was a new service for people without transportation and was a one-time cost. Mr. Simon asked for a list of all the tax-exempt properties including a definition of what they were and what the Town was giving up in taxes. Town Administrator Fournier agreed to provide this after all the Committee members agreed that it would be helpful. He also added that improvements were being made to the application process, and that the budget remained level-funded. Chairman Thompson asked Town Administrator Fournier if he was happy with the agency performance and he replied that he did ask for a census of Newmarket residents to certify agencies.

**Contributions to Capital Reserve Funds:** Town Administrator Fournier first stated that the $125,000 for road improvements was net yet included in the proposed budget as the fund first needed to be created, but that all previously created funds were included. He added that the budget also showed a reduction in warrant articles of $377,949, plus a $10,000 contribution to the Master Plan update. Vice Chair Foltz questioned the Storm Water Management fund. Town Administrator Fournier replied that the funds for the engineering and design of it were in the operating budget, and that $50,000 was being set aside for the actual project execution and completion in two (2) or three (3) years. Vice Chair Foltz asked why Storm Water did not fall under Water & Sewer. Town Administrator Fournier replied that this was due to the fact that it was not going into the waste water system, but consisted of drains and runoffs.

He next addressed the balances of the Capital Reserve Funds which had been requested by the Committee, emphasizing that they were all *separate* warrant articles plus the two (2) additional funds. Mr. Simon asked whether there was at least some impact on the tax rate for this year as a result. Town Administrator Fournier replied that each warrant article stated “no impact on tax rate” as the funds were being withdrawn from Fund Balance. He added that the State sets up the wording for the warrant articles, and that if it were not correct the funding would being disallowed. Mr. Simon questioned whether the Council made a yearly decision for withdrawing funds, and Town Administrator Fournier replied that if the Council agreed to amend the charter, the warrant articles would then be back in the operating budget. Chairman Thompson asked if the funds for the warrant articles were not raised or approved, would they remain in the general fund. Town Administrator Fournier stated that they would go back into the Fund Balance and stay for another year. Mr. Pike offered that previously money from the Fund Balance was applied to the next budget, but that the Council preferred to fund CIP with a more predictable flow as surpluses may get tougher in the future. Town Administrator Fournier reiterated that Fund Balance should be used for one-time items and not be used for operating expenses.

**Recreation:**  A 3.08% increase was reported for Recreation in Part-time Salaries due to an expanded Senior Center Director role. Town Administrator Fournier defined the Recreation Revolving Fund as including those programs that create a revenue source to offset expenses, i.e. summer recreation, event trips, etc. Mr. Simon questioned $400,000 worth of special fund revenue which the Council had moved to a type of enterprise fund, adding that programs were being covered but not salaries, and that more special funds were covered by revenue generation rather than tax dollars. Town Administrator Fournier replied that the only special revenue fund that could be set up was the Cable Franchise agreement, but that he would not recommend this. He stated that a fee was charged to the cable company for the right to distribute in our Town, but that the cost of their operations was more than we received, adding that State Law only allowed a certain number of special funds. Chairman Thompson brought up the move to get away from the Town and into special funds, asking which funds performed that function. Town Administrator Fournier replied it was the revolving funds. Recreation Director Jim Hilton mentioned moving more general funds around and into revolving accounts. He stated that more programs were being added and that the new director of the Senior Center would concentrate on the 50 plus audience, adding that if the atmosphere and activities were provided the market would be there. In response to a

question regarding whether grants to the NH Athletic Association kept costs down, Director Hilton replied that it did not.

**Library:** Library Director Carrie Gadbois reported a 4% increase in the Library budget due to retirements. Chairman Thompson asked whether any projects or capital improvements were expected for the year. Library Director Gadbois replied that they needed to repoint the granite foundation, repair leaks, address ice dams, and maintain the ramp in the winter. Mr. Simon asked that if the Town

provided funds for the Library, would any fund-raising revenues go into the Library Trust Fund. Library Director Gadbois replied that the Library that fund-raising was only done the Friends of the Library, which was completely independent, and that the Trust Funds were used for major Library renovations. She also noted that circulation had increased 11% and future expansion would be needed at some point. Chairman Thompson asked if there was a plan or some means of helping the Library to be more self-funding. Town Administrator Fournier stated that libraries do not generate enough for that and that State Law requires any funds raised stay with the Library. He further explained that with the closing of the Mills, the Town took on the responsibility of funding the Library, with a separate board to oversee their operations. He added that the Library was now a Media Center for the Town.

**Solid Waste:** A decrease of 1.25% was reported for the Solid Waste Department. Public Works Director Malasky stated that the costs were only partially offset by the bag program which he estimated at approximately 50%. Town Administrator Fournier stated that revenue from the bags covers recycling and curb service, but that other services were expected by taxpayers, included leaves and spring cleanup. He added that $30,000 was used to monitor a closed landfill. Mr. Simon questioned whether a move toward making the program more self-funding was feasible, being already 50% subsidized. Town Administrator Fournier replied that he did not recommend making any changes at this time. Mr. Foster asked the difference between debris and spring cleanup, questioning the need for both. Town Administrator Fournier stated that the program was needed for people who were unable to get to the transfer station and that the Town would be liable for improper disposal of chemicals or computers.

**Enterprise Funds**

**Water:** Water & Wastewater Director Sean Greig reported a 14.23% increase in the Water budget due to adding buildings, adding the Macintosh Well, and increases in electricity, LP Gas, and chemicals for a blending facility and pump for the Macintosh Well. He also cited increases in postage for the switch to monthly billing, contract services for required testing, and for Bonds/Notes for the additional of a water line to the water tower. Mr. Foster inquired when the switch to monthly billing would begin. Town Administrator Fournier mentioned the fact that water bills were bigger with quarterly billing, and added that the only alternative to the current process for non-pay of liening a property was shut off. Water & Wastewater Director Greig added that monthly billing would make it easier to spot any water leaks.

**Wastewater:** An increase of 16.2% was seen for Wastewater, and Water & Wastewater Director Greig stated that they were looking into hiring a new waste water treatment plant operator, as construction would begin next year for a new facility. He added they were also eliminating a part-time position in collections and that the new operator would cover both areas as a standard operator with an approximate salary of $64,000. He next addressed the non-point source control plan, stating that funds for the agreement increased $40,000, which would be partially covered by the transfer of capital reserve funds. He added that safety issues required $150,000 in improvements to pumping stations to bring them back to compliance.

Town Administrator Fournier stated that he would answer all questions at the next meeting and have the warrant articles for the Budget Committee.

**OTHER BUSINESS**

**Next Meeting**

The Budget Committee agreed that the next meeting was to be held on November 24, 2014, at 6:30 pm. Chairman Thompson advised the members of the committee to bring questions regarding the Town Proposed Budget FY16, and to bring jeans!

**Adjournment**

Chairman Thompson asked for a motion to adjourn. Mr. Lang moved to adjourn the meeting and Mr. Kiefaber seconded. The motion passed unanimously and the meeting adjourned at 9:10 pm.

Respectfully submitted,

Patricia Denmark, Recording Secretary