**TOWN OF NEWMARKET, NEW HAMPSHIRE**

**BUDGET COMMITTEE**

**OCTOBER 28, 2013**

**TOWN COUNCIL CHAMBERS**

MEMBERS PRESENT:

Chair Ellen Snyder, Vice Chair Amy Thompson, Judy Ryan, Dana Glennon, Drew Kiefaber, Russ Simon, William “Blue” Foster, David Foltz, Michael Lang, Town Council Rep Larry Pickering, School Board Rep Cliff Chase

Chair Snyder called the meeting to order at 7:00 p.m., followed by the Pledge of Allegiance.

**AGENDA**

**MINUTES**

**August 26, 2013**

Mr. Glennon moved to approve the minutes of August 26, 2013. Ms. Thompson seconded. There were no amendments. Motion passed 8 -0 – 1, with Mr. Pickering abstaining as he had been excused from the meeting.

**September 6, 2013**

Mr. Chase moved to approve the minutes of September 9, 2013. Mr. Kiefaber seconded. Amendments: Ms. Thompson asked that the word “her” be replaced with “Ms. Thompson” in the 4th sentence at the bottom of page 3. She corrected the name “Beason” to “Bisson”, and the spelling of “sysmic” to “seismic” on the last page. Mr. Simon asked that the word “he” be changed to “Mr. Simon” at the beginning of the Fire and Life section. Mr. Foster noted that subsequent to the meeting, the 40% going to tax relief, as stated on page 6, had been reduced to 25%. Motion to approve as amended passed 8 -0 – 1, with Mr. Glennon abstaining as he had been excused from the meeting.

**November and December Meeting Dates**

 At the previous year’s November meeting, the Town Administrator had presented the end of FY14 budget and use of fund balance and he and the School Superintendent had both presented an overview of the FY15 budgets. Both the School and Town representatives would be available for this year’s November 25th meeting. Although DRA had at first stated that rate setting would be late for the second half of FY14, it had eased up on the date, and it was reported that the Town Administrator was close to submitting his figures. The Town must have its finalized budget to the Committee by November 15th. The School Board would be finalizing its budget on November 21st, and it was stressed that printed copies had to be made available to the Committee prior to the 25th meeting. It was thought that finalized copies would be available by the 22nd. There was discussion on changing the format and having separate meetings for the School and Town budget introductions. It was decided to schedule a meeting for the Town budget on November 18th, if the Town Administrator was available, and the School budget on November 25th.

In the prior year, the Committee held 2 meetings each with the School and Town in December. It was decided to cancel the December 23rd meeting in favor of meetings on December 2nd, 9th, 11th and 16th. There was discussion on whether the Committee should begin with the School budget, which usually takes longer, or the Town budget, which has a tighter schedule. Warrant Articles would be covered in January. It was decided to alternate the meetings between the 2 groups to allow time for the Town and School to prepare responses to Committee questions. Tentatively, depending on staff availability, the Committee would discuss the School Budget on December 2nd and 11th, and the Town budget on December 9th and 16th. Although the Committee could make changes to budgets, its final vote would not occur until after the 2 Public Hearings.

Requests for additional information: Chair Snyder asked that the Committee members think about questions they could submit prior to the meetings with the School and the Town. Mr. Simon asked that the Committee have information concerning current amounts in the School’s unassigned fund balance and amounts in CIP and trust funds for both the School and the Town. The School currently does not have a general fund, although legislation was passed that would allow one if voted by Warrant Article. Mr. Glennon asked that they have a report from Trustees and the Treasurer about any funds held by the Town and School. It was agreed that the Committee request in general, amounts in any funds, however held.

**SOCIAL SERVICE GRANT CRITERIA**

Town Administrator Fournier had developed criteria for social service agencies to apply for money from the Town. The proposed form and guidelines had been submitted to Town Council, but had not been discussed or voted on at this point. There were no new criteria for municipal grants to civic organization. Mr. Glennon said he believed some of the criteria were inappropriate, but would bring this to the Council.

**CNG (Compressed Natural Gas) PRESENTATION REVIEW**

The CNG presentation to the School Board, Town Council and Budget Committee on September 30th was available on line. It was noted that the discussions were preliminary and further information would be necessary before any decisions were discussed. It was noted that the costs presented at the meeting were not all-inclusive, and final costs would have to include those for conversion and operations. There also was a question of the pay-back period and achieving the minimum usage if not all 18 Town and School buildings were included. The Committee discussed whether or not it was within the purview of the Committee to approach the Town Council and School Board and ask that they pursue the subject and develop a timetable for plan details. In general, pursuing the installation of CNG was not considered a priority at this point. There was no action taken.

**TOWN FINANCE DIRECTOR REVIEW OF SCHOOL TUITIONING PROPOSAL/BUILDING OF A NEW SCHOOL**

Town Administrator Fournier had sent a memo as an introduction to Finance Director Matt Angell’s report, which had reviewed the numbers and formulas for accuracy, but had not recommended any changes to the proposal or made any endorsements of any options. The figures used in the review were those that existed prior to recent substantial changes. However, although the specific numbers had changed and the tuition amount was lower, the findings on formulas and procedures were still applicable. It was noted that things had also changed since Dr. Hayes had provided answers to questions from his August presentation and the September 9th Budget Committee meeting.

Ms. Ryan, Budget Committee Representative to the CIP Committee, said that the CIP request for the Town was about $660,000, the same as the previous year. However, the Town Council had cut the amount nearly in half for FY2014. She expected the Town Council’s proposed CIP to be in the range of $250,000 to $300,000 for FY2015.

The Committee discussed procedures for the tuition agreement. The Town of Deerfield had dropped out of discussions with Oyster River, and Barrington was continuing discussions with Oyster River and Dover. All School Boards would have to agree with a tuition proposal, and a plurality of the districts involved would have to affirm the agreement by Warrant Article. Oyster River had pushed the date for its decision to later in November, around the 20th, as discussions are on-going at the Board level. Once that agreement is final, and a Warrant Article prepared there would be public presentations/discussions. A tuition agreement would not have to be voted every year by Warrant Article, as it would be a multi-year agreement, making it a part of the budget and default budget. There was a question as to how many budgets Newmarket would vote on if the tuition agreement was passed. Although this would affect budgets in the future, there was a question of whether Newmarket would see Oyster River’s budget including a specific line item for Newmarket. It was asked if there would be a bottom-line figure for tuition in Newmarket’s budget, or if it would be broken down by line item. School Board Representative Chase said there would be a cost per pupil, and they would be looking at the effect of changes in enrollments, and beyond that they would be paying a fee for services. Newmarket would vote only on the tuition amount until such time, in the far distant future, it was decided to join the Oyster River District. This could be part of the discussion when the Warrant Article on the tuition agreement was presented to the public.

**FINANCIAL FORECASTING**

Multi-year financial forecasting had been part of the Efficiency Committee and Charter Commission discussions. State statute was very specific on duties of Budget Committees and it was determined that the Town Charter could not assign financial forecasting to the Budget Committee. However, many had stated they would like to see some forecasting on the Town and School side. The CIP Committee, in addressing capital projects, fulfills some of this function on the Town side. The Charter Commission had made no changes to the number of Budget Committee members. Mr. Simon said he felt they should start the process of budget forecasting within a current year’s budget, and have, at least quarterly, the Town and School assess the issues that presented risks and opportunities to a budget. He felt that would make it easier to work on future years, in part because some risks and opportunities could impact future budgets. Chair Snyder felt that since the Budget Committee didn’t meet year round, it could request that the Town Council and School Board get that information. There was further discussion about unanticipated expenses and, especially for the School, in SPED costs, and how the School has to anticipate those expenses in future budgets. The Committee also discussed making the public aware of anticipated, major projects and getting better at convincing the public that issues needed to be addressed and prepared for sooner than later. The need for a new wastewater treatment plant was given as an example. Chair Snyder said she felt that community forums had been helpful not only in informing the public, but also in allowing brainstorming on issues. She felt that a joint meeting between the Town Council, School Board and Budget Committee could be held prior to budget setting time, and would be an opportunity to involve the public in all the capital projects the community should anticipate. Mr. Simon felt the Budget Committee would be the only group to drive this initiative.

**OTHER BUSINESS**

Chair Snyder stated she would be unable to attend the first 3 meetings in December and Vice Chair Thompson would chair those meetings.

**ADJOURNMENT**

Mr. Glennon moved to adjourn and Mr. Kiefaber seconded. Motion passed unanimously, and the meeting adjourned at 7:55 p.m.

Respectfully submitted,

Ellen Adlington, Recording Secretary