TOWN OF NEWMARKET, NEW HAMPSHIRE
TOWN COUNCIL AGENDA

WEDNESDAY, June 1, 2016
NEWMARKET TOWN HALL COUNCIL CHAMBERS

1. **Pledge of Allegiance**

2. **Public Forum** *(Public Forum is an opportunity for the public to address the Town Council. All comments should be addressed to the Chair of the Council. No person will be allowed to speak longer than five (5) minutes.)*

3. **Public Hearing – None**

4. **Town Council to Consider Acceptance of Minutes**

   a. May 18, 2016 Non-Public Meeting Minutes
   b. May 18, 2016 Regular Meeting Minutes

5. **Report of the Town Administrator**

6. **Committee Reports**

7. **Old Business**

   a. Resolutions/Ordinances in the 2nd Reading

   i. ***Resolution #2015/2016-46*** *- Resolution relating to discontinuing Elm Drive.*

   ii. ***Resolution #2015/2016-47*** *– Resolution relating to replace a playground slide.*

   iii. ***Resolution #2015/2016–48*** *– Resolution relating to Auditor Selection.*

   iv. ***Resolution #2015/2016-49*** *– Resolution relating to Transferring Funds form the Downtown TIF Capital Reserve Fund*

   v. ***Resolution #2015/2016-50*** *– Resolution relating to the Town's Investment Policy*

   vi. ***Resolution #2015/2016-51*** *– Resolution relating to Police Station and Recreation Center Siding Replacement and Repairs*

*Items will remain on the table unless an unanimous vote of the Council removes said item.

b. Resolutions/Ordinances in the 3rd Reading – None

c. * Items Laid on the Table – None

8. New Business/Correspondence

a. Town Council to Consider Nominations, Appointments and Elections

b. Resolutions/Ordinances in the 1st Reading

i. ***Resolution #2015/2016-52*** – *Resolution Authorizing the Designation of a portion of Rt. 152 as an Economic Recovery Zone*

ii. ***Resolution #2015/2016-53*** – *Resolution to Ward #2 Heating Oil, Liquid Propane, Regular Gasoline, and Clear Diesel Contracts*

iii. ***Resolution #2015/2016-54*** – *Resolution Relating to Vehicle Maintenance*

iv. ***Resolution #2015/2016-55*** – *Resolution Relating to Health Trust Membership Agreement*

c. Correspondence to the Town Council

d. Closing Comments by Town Councilors

e. Next Council Meeting – June 15, 2016

9. Adjournment

*Items will remain on the table unless an unanimous vote of the Council removes said item.

TOWN OF NEWMARKET, NEW HAMPSHIRE
TOWN COUNCIL REGULAR MEETING

May 16, 2016 7:00 PM

PRESENT: Council Chairman Gary Levy, Councilor Dale Pike, Councilor Amy Thompson, Councilor Kyle Bowden

EXCUSED: Council Vice Chairman Phil Nazzaro, Councilor Toni Weinstein, Councilor Amy Burns

ALSO PRESENT: Town Administrator Steve Fournier

AGENDA

Chairman Gary Levy welcomed everyone to the May 18, 2016 Newmarket Town Council Meeting and called the meeting to order at 7:02 pm, followed by the Pledge of Allegiance. He announced that Councilors Weinstein and Burns were absent and Vice Chair Nazzaro was running late.

Town Administrator Steve Fournier asked the Council to make a motion to authorize him to sign deed waivers for the following properties: Map R2-Lot 86-Sublot 19, Map U3-Lot 117-Sublot 2, Map U3-Lot 117-Sublot 28, Map R2-Lot 86-Sublot 27, Map U3-Lot 117-Sublot 36, Map U4-lot 21-Sublot B, Map U3-lot 117-Sublot 56, Map R2-lot 86-Sublot 23, and Map R2-Lot 86-Sublot 30.

Councilor Pike made a motion to approve the authorization for the Town Administrator to sign the deed waivers on the above properties, which was seconded by Councilor Thompson.

Town Administrator Fournier polled the Council and the motion to authorize signing the deed waivers was approved by a vote of 4-0.

PUBLIC FORUM

Chairman Levy opened the Public Forum at 7:04 pm and asked if anyone from the public would like to speak.

As no one came forward, Chairman Levy closed the Public Forum at 7:04 pm.

PUBLIC HEARING – None

TOWN COUNCIL TO CONSIDER ACCEPTANCE OF MINUTES

Acceptance of the Minutes of the Regular Meeting of May 4, 2016

Councilor Thompson made a motion to approve the Minutes of the Regular Meeting of May 4, 2016 which was seconded by Councilor Bowden.

Town Administrator Fournier polled the Council and the motion to approve the minutes of the Regular Meeting of May 4, 2016 were approved by a vote of 4-0.

REPORT OF THE TOWN ADMINSTRATOR

Town Administrator Steve Fournier first addressed the **Eagles Property** and said the Town had taken over the Eagles property as of Monday, May 16th and had secured the services of a realtor to begin marketing. He said that any costs to the Town relating to the sale of the property would be billed and the Town would receive any back taxes owed. He announced that **Recreation Director Jim Hilton** had notified him of his intention to retire in January 2017. He said that he had worked for the Town as Recreation Director for 30 years and had a large impact on the recreation profession in the State, mentoring many people going through the program at UNH. Town Administrator Fournier said he would begin advertising the position after the summer season.

Town Administrator Fournier next addressed the **Citizen's Survey** and said they were still accepting responses until May 27, 2016. He said they had received 531 responses with a 78% completion rate, and they were currently analyzing the responses for the Town Council in June. He said they were currently working on updating records for the issuance of **Tax Bills**, which would be mailed at the beginning of June and due at the beginning of July. He next reported on the **FY2016 Operating Budget**, stating that with 83% of the fiscal year completed they had expended 77% of the total Operating Budget and 79% of the General Fund Budget, running 3% below last year. He said there were no concerns but they were continuing to monitor expenditures, and he pointed out the significant difference between this year and last year with regard to snow removal. He said that last year overtime was at 142% and this year only 56%, salt was 121% and 84% this year, and snow contracts were reduced from 239% to just 30% this year. He said that on the revenue side they were on target to meet estimates, with motor vehicle registrations higher than last year by approximately $90,000 and building permits slightly higher. He said the Recreation Revolving Fund was doing well and had collected $33,261 over last year due to higher than anticipated revenues from programing.

Town Administrator Fournier next reported on the **Future Land Use Chapter of the Master Plan**, a copy of which had been provided to all Councilors. He said there had been a Public Hearing at the last Planning Board meeting which included the Future Land Use Map with changes for a Residential Coastal Protection District, a Continuing Care Overlay District, an Assisted Living Overlay District, and a Route 108 Corridor Overlay District, along with recommendations related to zoning for economic development. He said the

issue would be brought up at the next Planning Board meeting on June 14th with the Economic Development Committee and the Consultant in attendance. Chairman Levy noted that the information was available to the public online, and pointed out that the Economic Development Committee had followed the advice of consultants hired by the Town.

Lastly, Town Administrator Fournier announced that on May 10, 2016 Vice Chair Nazzaro had presented the **Boston Post Cane Award** to **Cecilia Illingsworth**, as the oldest resident in Newmarket. He said that Mrs. Illingsworth was born in Newmarket and had grown up on Central Street. He said she attended St. Mary's School in Newmarket, was a longtime member of St. Mary's Parish, and played the organ at St. Mary's Church well into her 80s.

Discussion: Councilor Thompson said she wanted to give kudos to Water & Sewer Superintendent Sean Greig for catching the water leak at the Post Office, by noticing that the normal loss rate of water had jumped from 5% to 16%. She also wanted to give kudos to Public Works Director Rick Malasky for pushing the timeframe for the new ambulance to a few months earlier and for securing funds from FEMA for placing a culvert on Bay Road. Chairman Levy asked about the water levels in the wells, and Town Administrator Fournier said the wells were lower and they hoped to get the MacIntosh Well online as soon as possible. Chairman Levy said the report stated that the Bennett and Sewell Wells were at 31 and 59 respectively, and were 27 and 54 the previous year. Councilor Pike said he had been contacted by a constituent who was concerned about the Golf Course and asked whether they might have any options. Town Administrator Fournier said they did not have the ability to waive water regulations for individuals, but that he was willing to work with them to get DES permits to use water from the pond.

COMMITTEE REPORTS

Councilor Pike reported on the *Planning Board Committee* meeting and said the Future Land Use Chapter was continued to the next meeting. He said there was discussion of the Grape Street addition of 4-unit condominiums for which a variance had been approved by the Zoning Board. He said they had a legal opinion as to whether or not they could use design as a criteria for approval, and as they could not come to a consensus on the issue, the Planning Board denied approval on that basis. He said a boundary line adjustment on Bay Road was approved and most other things were continued.

Councilor Pike stated that the *Sub-Committee for the Joint Town-School Meeting* had met and scheduled the meeting for May 31, 2016 at 7:00 pm in the Town Hall Auditorium, and that the new School Superintendent and the Town Administrator would be in attendance. He said it seemed very promising at this time with the change in the State Law, and said the new School Superintendent was very supportive of an arrangement between the Town and the School. Town Administrator Fournier said he had spoken with the new School Superintendent to come up with ideas for efficiencies and sharing.

OLD BUSINESS

ORDINANCES AND RESOLUTIONS IN THE 2ND READING - None

ORDINANCES AND RESOLUTIONS IN THE 3RD READING - None

ITEMS LAID ON THE TABLE – None

NEW BUSINESS/CORRESPONDENCE

TOWN COUNCIL TO CONSIDER NOMINATIONS, APPOINTMENTS AND ELECTIONS

Library Trustee

Candidate: *Roderick Crepeau – Term Expires March 2019*

Councilor Thompson made a motion to nominate *Roderick Crepeau* as a *Library Trustee* with a term to expire in *March 2019*, which was seconded by Councilor Bowden.

Town Administrator Fournier polled the Council and the nomination of *Roderick Crepeau* as a *Library Trustee* was approved by a vote of 4-0.

Library Trustee

Candidate: *Sandra Allen - Term Expires March 2019*

Councilor Thompson made a motion to nominate *Sandra Allen* as a *Library Trustee* with a term to expire in *March 2019*, which was seconded by Councilor Bowden.

Town Administrator Fournier polled the Council and the nomination of *Sandra Allen* as a *Library Trustee* was approved by a vote of 4-0.

Conservation Commission

Candidate: *Patrick Reynolds - Term Expires March 2019*

Councilor Thompson made a motion to nominate *Patrick Reynolds* as a member of the *Conservation Commission* with a term to expire in *March 2019*, which was seconded by Councilor Bowden.

Town Administrator Fournier polled the Council and the nomination of *Patrick Reynolds* as a member *Conservation Commission* was approved by a vote of 4-0.

ORDINANCES AND RESOLUTIONS IN THE 1ST READING

Resolution #2015-2016-46 Resolution Relating to Discontinuing Elm Drive

Chairman Levy read *Resolution #2015-2016-46 Resolution Relating to Discontinuing Elm Drive* in full.

Resolution #2015-2016-47 Resolution Relating to Replacing a Playground Slide

Chairman Levy read *Resolution #2015-2016-47 Resolution Relating to Replacing a Playground Slide* in full.

Town Administrator Fournier clarified that the purchase was made as an emergency due to a hole in the slide, otherwise the Playground would have had to be shut down. Councilor Bowden questioned the $15,000 cost of the slide and Town Administrator Fournier said it was a plastic molded slide that had to be the same as the one replaced.

Resolution #2015-2016-48 Resolution Relating to Auditor Selection

Chairman Levy read *Resolution #2015-2016-48 Resolution Relating to Auditor Selection* in full.

Resolution #2015-2016-49 Resolution Relating to Transferring Funds from the Downtown TIF Capital Reserve Fund

Chairman Levy read *Resolution #2015-2016-49 Resolution Relating to Transferring Funds from the Downtown TIF Capital Reserve Fund* in full.

Resolution #2015-2016-50 Resolution Relating to the Town's Investment Policy

Chairman Levy read *Resolution #2015-2016-50 Resolution Relating to the Town's Investment Policy* by title only, with all Council members in agreement.

Resolution #2015-2016-51 Resolution Relating to Police Station and Recreation Center Siding Replacement and Repairs

Chairman Levy read *Resolution #2015-2016-51 Resolution Relating to Police Station and Recreation Center Siding Replacement and Repairs* in full.

CORRESPONDENCE/CLOSING COMMENTS – None

ADJOURNMENT

Councilor Thompson made a motion to adjourn the meeting, which was seconded by Councilor Bowden. The meeting was adjourned at 7:37 pm.

Respectfully submitted,

Patricia Denmark, Recording Secretary

STEPHEN R. FOURNIER
TOWN ADMINISTRATOR

FOUNDED DECEMBER 15, 1727
CHARTERED JANUARY 1, 1991

TOWN OF NEWMARKET, NEW HAMPSHIRE
OFFICE *of the* TOWN ADMINISTRATOR

REPORT OF THE TOWN ADMINISTRATOR
June 1, 2016

Economic Recovery Zone: I have been having discussions with the NH Department of Resources and Economic Development (DRED) on creating an Economic Recovery Zone in Newmarket. What these zones are for is to encourage economic development in underutilized or vacant areas in town. The Town would have to determine a single zone and adopt the provisions of RSA 162-N:8. If the Town Council adopts this, then we would apply to the state to allow this. Developers who create projects and jobs in these zones receive business profit tax credits based on the number of jobs they create.

On the agenda tonight is the first reading of a resolution designating South Rt. 152 (the B3 Zoning District) as an Economic Development Recovery Zone. This would encourage the development of that section of Town.

I have attached information from DRED to this report.

Water: We would like to remind the residents to conserve water at all cost. The Water and Sewer Department noticed a large withdrawal of water over the past few weekends. While the wells have rebounded, they are not at the levels that they need to be.

We want to remind everyone that we are in a Stage Three Water Emergency. In accordance with Chapter 14-26 of the Newmarket Town Ordinances, A Stage 3 Water Supply Shortage restricts those on municipal water to the following:

- Each address is restricted to watering lawns to two days per week between the hours of 5AM to 8AM and 6PM to 9PM on the following schedule:

  Odd Numbered Addresses..... Mondays and Wednesdays

  Even Numbered Addresses..... Tuesdays and Thursdays

- No lawn watering will be allowed on Fridays, Saturdays and Sundays. Hand-held hoses may be used for flower and vegetable gardens without hour and day restrictions.

- No washing or cleaning streets, driveways, sidewalks or other impervious areas is prohibited. Washing of cars and boats, except at a commercial facility, shall be prohibited.

We will be enforcing this ordinance. Properties found in violation of this order will be warned first of their violation, but will be fined $100 for their second violation, and $250 for subsequent violations and

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www.newmarketnh.gov

water service will be discontinued. A $75 fee will be charged to reconnect the service. The

Properties that receive their water from private wells are encouraged to conserve, but are not impacted by these regulations.

If we do not improve shortly, we will have to put Stage 4 restrictions in place. This would require a ban on all outside water use.

New Overtime Rules: On May 18th, the US Department of Labor announced an overtime rule change intended to protect white-collar workers. According to the US DOL, "in 1975, 62 percent of full-time salaried workers were eligible for overtime protection based on their pay. Today, only 7 percent are eligible under the outdated salary level." To reverse this trend, the minimum salary threshold was increased from $23,660 to $47,476 per year beginning December 1, 2016. The US DOL intended to make "35 percent of full-time salaried workers, based on their pay, will now be eligible for overtime." In New Hampshire, the US DOL has projected the new rule will extend overtime protections to 22,000 workers. However, US DOL expects employers to a) pay time-and-a-half for overtime work, b) raise workers' salaries above the new threshold, c) limit workers' hours to 40 per week, or d) some combination of a-c.

Due to a retirement and a potential reorganization of the Department, the financial impact of this rule change will be minor in comparison. We will continue to monitor the situation until implementation in December.

Rt. 108 South Bike Lane Project: Underwood Engineering has completed the revised Engineering Study on May 20 and we have submitted it to the NHDOT for their comment. As soon as we hear back, we will bring the topic to the Town Council.

As part of this engineering study, they submitted 4 alternatives:

- Alternative 1 – 5' Bike Lane Shoulders Cost: $1.2m
- Alternative 2 – Off Road Shared Bike Path Cost:$1.1m
- Alternative 3 – 4' Bike Lane from Hersey to Bennet Way Cost: $809,200
- Alternative 4 – No Action Cost: $0

The total amount that the State and Feds have approved is $809,292. When we hear back from NHDOT is they approve the options, we will come to the Town Council with a resolution to move forward with an option.

Respectfully Submitted,

Stephen R. Fournier
Town Administrator

ERZ FAQs for Communities

What is the ERZ Program?

ERZ stands for Economic Revitalization Zone. The ERZ tax credit program, which is detailed in RSA 162-N, offers a short term business tax credit for projects that improve infrastructure and create jobs in designated areas of a municipality.

Why were ERZs established?

ERZs were established to stimulate economic redevelopment, expand the commercial and industrial base, create new jobs, reduce sprawl, and increase tax revenues within the state by encouraging economic revitalization in designated areas.

How is an ERZ defined?

An Economic Revitalization Zone, means a zone with a single continuous boundary, designated in accordance with the rules adopted under RSA 162-N:8, and having at least one of the following characteristics:

(a) Unused or underutilized industrial parks; or

(b) Vacant land or structures previously used for industrial, commercial, or retail purposes but currently not so used due to demolition, age, relocation of the former occupant's operations, obsolescence, deterioration, brownfields, or cessation of operation resulting from unfavorable economic conditions either generally or in a specific economic sector.

A community must request that a site or contiguous area be designated as an ERZ by the Department of Resources and Economic Development. Each ERZ is evaluated every five years to assess whether the designation is still eligible.

How much is available for tax credits?

The State of New Hampshire designates $825,000 statewide, per year, to be available for ERZ tax credits.

What is the process to create an ERZ in the Community?

To apply for the tax credits, a community must complete Form ERZ-1 available from the Department of Resources and Economic Development. The application must include reference to the public record of acceptance by the governing body of the community.

How long will this initiative be in place?

This program will be in place until 2020, or until the State law governing ERZs is repealed or amended.

How can a community benefit from ERZs?

Communities benefit from ERZs by the job growth of its businesses located in the community, and by potential growth of the local tax base due to expansion of the business's plant and equipment assets. For a business to qualify for an ERZ tax credit it must invest in plant or equipment and create a least one (1) new full time job in the state, and meet the following criteria:

- The business must be physically located in an approved ERZ.
- Investment in plant or equipment must be made directly by the business applying for the ERZ tax credit.
- Jobs must be full time, direct employees, and not be contracted or "temp" jobs.
- The investment and the job creation must take place within one calendar year.

How is the credit calculated?

The credit is based on a percent of the salary for each new full time job created and the lesser of: either a percent of the actual cost incurred for the project or a maximum credit for each new job created in the fiscal year.

What is considered a full time job?

A full time job is at least 35 hours per week and is a permanent, year-round position.

How can a business in the community claim the credit?

The deadline to apply is Feb. 10 of the year following the applicant's tax year. To apply for the tax credits an applicant must complete form ERZ-2 available from the Department of Resources and Economic Development's website.

Who do I call with additional questions?

Contact the Division of Economic Development at (603) 271-2591.

Revised 11/25/15

ERZ FAQs for Businesses

What is the ERZ Program?

ERZ stands for Economic Revitalization Zone. The ERZ tax credit program, which is detailed in RSA 162-N, offers a short term business tax credit for projects that improve infrastructure and create jobs in designated areas of a municipality.

Why were ERZs established?

The ERZs were established to stimulate economic redevelopment, expand the commercial and industrial base, create new jobs, reduce sprawl, and increase tax revenues within the state by encouraging economic revitalization in designated areas.

How is an ERZ defined?

An Economic Revitalization Zone means a zone with a single continuous boundary, designated in accordance with RSA 162-N:8, and having at least one of the following characteristics:

(a) Unused or underutilized industrial parks; or

(b) Vacant land or structures previously used for industrial, commercial, or retail purposes but currently not so used due to demolition, relocation of the former occupant's operations, age, obsolescence, deterioration, brownfields, or cessation of operation resulting from unfavorable economic conditions either generally or in a specific economic sector.

A community must request that a site or contiguous area be designated as an ERZ by DRED. Each ERZ is evaluated every five years to assess whether the designation is still eligible.

How much is available in tax credits?

The State of New Hampshire has designated $825,000 statewide, per year, to be made available for ERZ tax credits.

How long will this initiative be in place?

This program will be in place until 2020, or until the State law governing ERZs is repealed or amended.

How does a business qualify?

For a business to qualify for an ERZ tax credit, it must create a least one (1) new job in the state and meet the following criteria:

- The business must be physically located in an approved ERZ;
- Investment in plant or equipment must be made directly by the business applying for the ERZ tax credit;
- Jobs created must be full time, direct employees, and not be contracted or 'temp' jobs;
- The investment and the job creation must take place within one calendar year.

What is the process for a business to apply for an ERZ tax credit?

To apply for the tax credits you must fill out form ERZ-2 available from the Department of Resources and Economic Development's website.

The deadline to apply is Feb. 10 of the year following the applicant's tax year.

How is the credit calculated?

The credit is based on a percent of the salary for each new full time job created and the lesser of: either a percent of the actual cost incurred for the project or a maximum credit for each new job created in the fiscal year.

What is considered a full time job?

A full time job is at least 35 hours per week and is a permanent, year-round position.

How is the credit applied to my tax liability?

The tax credits shall be available to the taxpayer only for tax liabilities arising during tax periods including the tax period for which the tax credit is applied, up to an additional five (5) consecutive tax periods following the date of certification by the DRED commissioner.

The maximum amount of tax credit is $240,000 per application, and the maximum applied per year by a taxpayer is limited to $40,000.

Who do I call with additional questions?

Contact the Division of Economic Development at (603) 271-2591.

Revised 11/15

TITLE XII
PUBLIC SAFETY AND WELFARE

CHAPTER 162-N
ECONOMIC REVITALIZATION ZONE TAX CREDITS

Section 162-N:1

[RSA 162-N:1 repealed by 2007, 263:123, I, effective July 1, 2020.]

162-N:1 Definitions. –

In this chapter:

I. "Economic revitalization zone" means a zone designated by the commissioner of resources and economic development as an economic revitalization zone in accordance with the provisions of this chapter.

II. "Full-time job" means a job that is at least 35 hours per week and is a permanent, year-round position.

Source. 2003, 301:2. 2007, 263:120, eff. July 1, 2007. 2015, 265:8, eff. July 1, 2015.

Section 162-N:2

[RSA 162-N:2 repealed by 2007, 263:123, I, effective July 1, 2020.]

162-N:2 Designation of Economic Revitalization Zone. –

I. "Economic revitalization zone" means a zone with a single continuous boundary, designated in accordance with the rules adopted under RSA 162-N:8, and having at least one of the following characteristics:

(a) Unused or underutilized industrial parks; or

(b) Vacant land or structures previously used for industrial, commercial, or retail purposes but currently not so used due to demolition, age, obsolescence, deterioration, brownfields, relocation of the former occupant's operations, or cessation of operation resulting from unfavorable economic conditions either generally or in a specific economic sector.

II. Economic revitalization zones shall be designated by the commissioner of resources and economic development only upon petition by the local governing body, as defined by RSA 672:6, or the town council. The commissioner of resources and economic development shall certify that the economic revitalization zone meets the criteria required in paragraph I.

Source. 2003, 301:2. 2007, 263:120. 2010, 311:2, eff. July 13, 2010. 2015, 265:1, eff. July 1, 2015.

Section 162-N:2-a

[RSA 162-N:2-a repealed by 2015, 265:7, effective July 1, 2020.]

162-N:2-a Reevaluation of Economic Revitalization Zone. –

Each economic revitalization zone shall be evaluated every 5 years to determine if it meets the criteria

required in RSA 162-N:2. If an economic revitalization zone fails to meet the criteria in RSA 162-N:2, its designation as an economic revitalization zone shall be removed.

Source. 2015, 265:2, eff. July 1, 2015.

Section 162-N:3

[RSA 162-N:3 repealed by 2007, 263:123, I, effective July 1, 2020.]

162-N:3 Eligibility Requirements for Business Tax Credits. –

No economic revitalization zone tax credits shall be allowed to any taxpayer unless the taxpayer's project receives written certification in accordance with RSA 162-N:4, I from the commissioner of resources and economic development that it will expand the commercial or industrial base in a designated economic revitalization zone and will create new jobs in the state.

Source. 2003, 301:2. 2007, 263:120, eff. July 1, 2007. 2015, 265:3, eff. July 1, 2015.

Section 162-N:4

[RSA 162-N:4 repealed by 2007, 263:123, I, effective July 1, 2020.]

162-N:4 Economic Revitalization Zone Tax Credit Agreement. –

I. The commissioner of resources and economic development shall enter into a written economic revitalization zone tax credit agreement with each taxpayer; such agreement to be certified by the commissioner of resources and economic development under this section. The agreement shall contain such provisions as the commissioner of resources and economic development determines to be in the public interest, which shall include, but not be limited to:

(a) Quality and quantity of full-time jobs to be created.

(b) Duration of the taxpayer's commitments with respect to the economic revitalization zone.

(c) The amount of the taxpayer's investment in the project.

(d) A precise definition of the location of the facility eligible for the credit.

(e) The maximum amount of the economic revitalization zone tax credit that will be allowed to the business under this agreement for jobs created and for construction or reconstruction expenses.

II. The agreement shall contain a determination of the final amount of the credit awarded and shall be provided to the commissioner of revenue administration and the taxpayer claiming the credit no later than March 10 of each year.

Source. 2003, 301:2. 2007, 263:120. 2010, 311:3, eff. July 13, 2010. 2015, 265:4, eff. July 1, 2015.

Section 162-N:5

[RSA 162-N:5 repealed by 2007, 263:123, I, effective July 1, 2020.]

162-N:5 Limit on Total Economic Revitalization Zone Credits. –

The aggregate of tax credits issued by the commissioner of resources and economic development to all taxpayers claiming the credit shall not exceed $825,000 for any calendar year, except that any amount of the credit less than $825,000 that is not claimed in the calendar year may be issued in the next calendar year and in following years. Amounts carried forward pursuant to RSA 162-N:7 shall not be counted against this limit in any year in which they are applied. Notwithstanding RSA 162-N:6, the maximum credit which may be utilized by a taxpayer in any calendar year shall not exceed $40,000. In the case in

which the aggregate credits requested during the calendar year exceed the amount available, each taxpayer shall receive a credit for the proportional share of the maximum aggregate credit amount.

Source. 2003, 301:2. 2007, 263:120. 2008, 58:1. 2010, 311:4, eff. July 13, 2010. 2014, 139:2, eff. Aug. 15, 2014.

Section 162-N:6

[RSA 162-N:6 repealed by 2007, 263:123, I, effective July 1, 2020.]

162-N:6 Determination of Economic Revitalization Zone Tax Credits Eligible Amount. –

For the purpose of determining the economic revitalization zone tax credit that the taxpayer is eligible to receive, the amount of the credit to be taken shall be the lesser of the following:

I. The maximum amount of the economic revitalization zone tax credit as stated in the agreement as specified by RSA 162-N:4, I(e); or

II. The sum of the following:

(a) 4 percent of the salary for each new full-time job created in the calendar year with a wage less than or equal to 1.75 times the then current state minimum wage.

(b) 5 percent of the salary for each new full-time job created in the calendar year with a wage greater than 1.75 times the then current state minimum wage and less than or equal to 2.5 times the then current state minimum wage.

(c) 6 percent of the salary for each new full-time job created in the calendar year with a wage greater than 2.5 times the then current state minimum wage.

(d) 4 percent of the lesser of the following:

(1) The actual cost incurred in the calendar year of creating a new facility or renovating an existing facility, and expenditures for machinery, equipment, or other materials, except inventory.

(2) $20,000 for each new full-time job created in the calendar year.

Source. 2003, 301:2. 2007, 263:120. 2010, 311:5, eff. July 13, 2010. 2015, 265:5, eff. July 1, 2015.

Section 162-N:7

[RSA 162-N:7 repealed by 2007, 263:123, I, effective July 1, 2020.]

162-N:7 Application of Economic Revitalization Zone Tax Credit. –

The economic revitalization zone tax credit shall be applied against the business profits tax under RSA 77-A, and any unused portion thereof may be applied against the business enterprise tax under RSA 77-E. Any unused portion of the credit allowed under this chapter or any eligible credit in excess of $40,000 allowed under this chapter, may be carried forward and allowed against taxes due under RSA 77-A or RSA 77-E for 5 taxable periods from the taxable period in which the tax was paid. For the purpose of the credit allowed under RSA 77-A:5, X, the economic revitalization zone credit shall be considered taxes paid under RSA 77-E.

Source. 2003, 301:2. 2007, 263:120. 2008, 58:2, eff. July 1, 2008.

Section 162-N:8

[RSA 162-N:8 repealed by 2007, 263:123, I, effective July 1, 2020.]

162-N:8 Rules. –

The commissioner of revenue administration shall adopt rules, under RSA 541-A, relative to documentation of the credits claimed under this chapter. The commissioner of resources and economic development shall, in consultation with the executive director of the community development finance authority, adopt rules, under RSA 541-A, relative to the administration and implementation of this chapter. The rules adopted by the commissioner of resources and economic development shall include provisions relative to:

I. Establishment and certification of economic revitalization zones.

II. Criteria for and approval of projects in economic revitalization zones, including jobs per dollar thresholds.

III. Fees which the commissioner of resources and economic development may charge to each applicant to cover the reasonable costs of the state's administration of the applicant's participation in the economic revitalization zone tax credit program.

IV. Criteria for evaluation of the effectiveness of the tax credit program and whether existing economic revitalization zones continue to meet the criteria of RSA 162-N:2.

Source. 2003, 301:2. 2007, 263:120, eff. July 1, 2007. 2015, 265:6, eff. July 1, 2015.

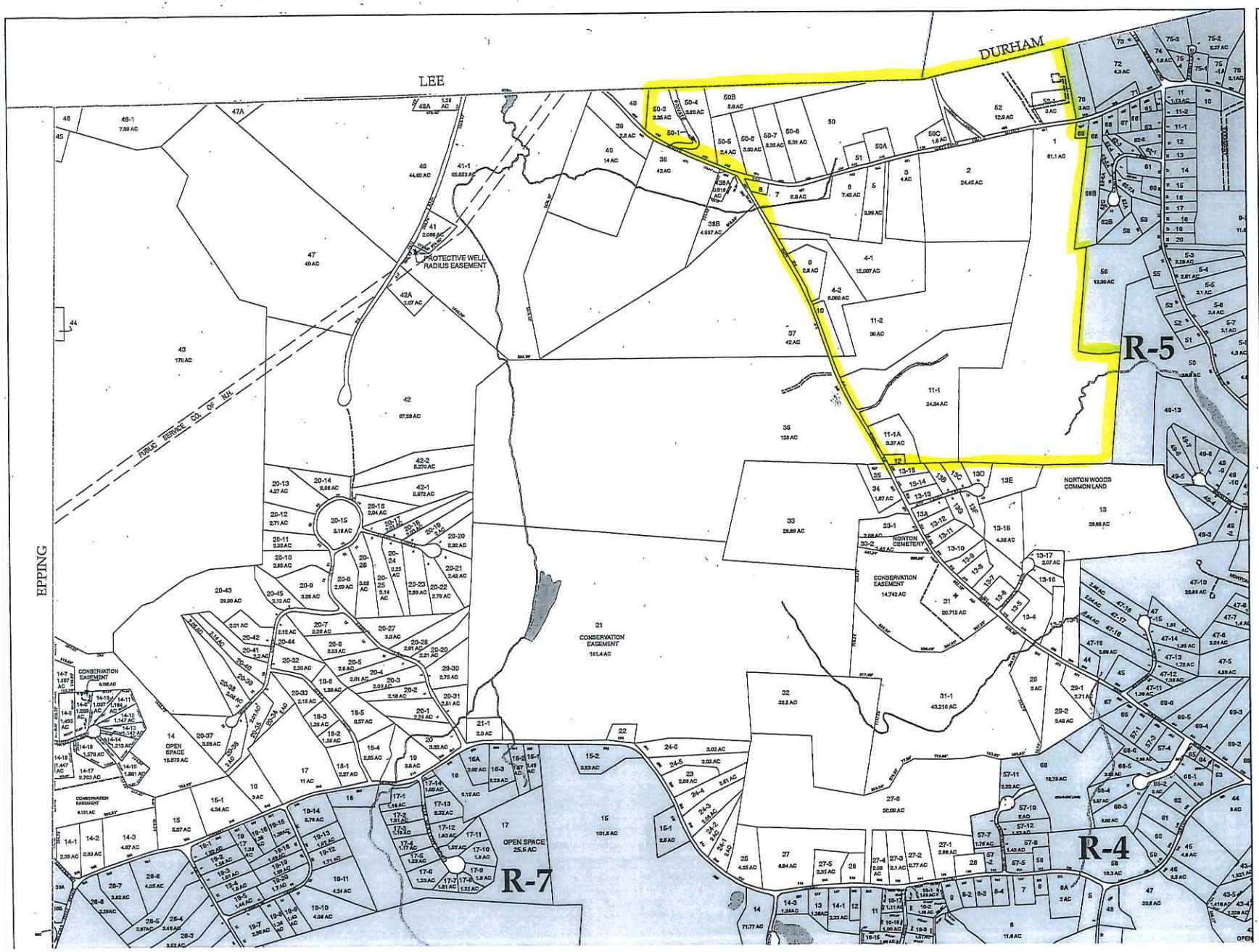
Section 162-N:9

[RSA 162-N:9 repealed by 2007, 263:123, I, effective July 1, 2020.]

162-N:9 Reports. –

The commissioner of resources and economic development shall file an annual report 60 days after the close of each fiscal year with the governor, the senate president, the speaker of the house of representatives, and the fiscal committee of the general court. The report shall describe the results of the economic revitalization zone tax credit program and shall include any recommendations for further legislation regarding the economic revitalization zone tax credit program.

Source. 2003, 301:2. 2007, 263:120. 2012, 247:19, eff. Aug. 17, 2012.



R-6

PROPERTY MAP
NEWMARKET
NEW HAMPSHIRE

N
W E
S

GRID NORTH
NH State Plane
NAD 1983 (feet)

0 200 400 800 1,200 1,600 2,000 Feet
1:4800 1" = 400'

- Utility ROWs
- Easements, Access Roads, Gravel Roads
- R-6 Current Map Sheet
- R-7 Adjacent Map Sheets
- Cemetery

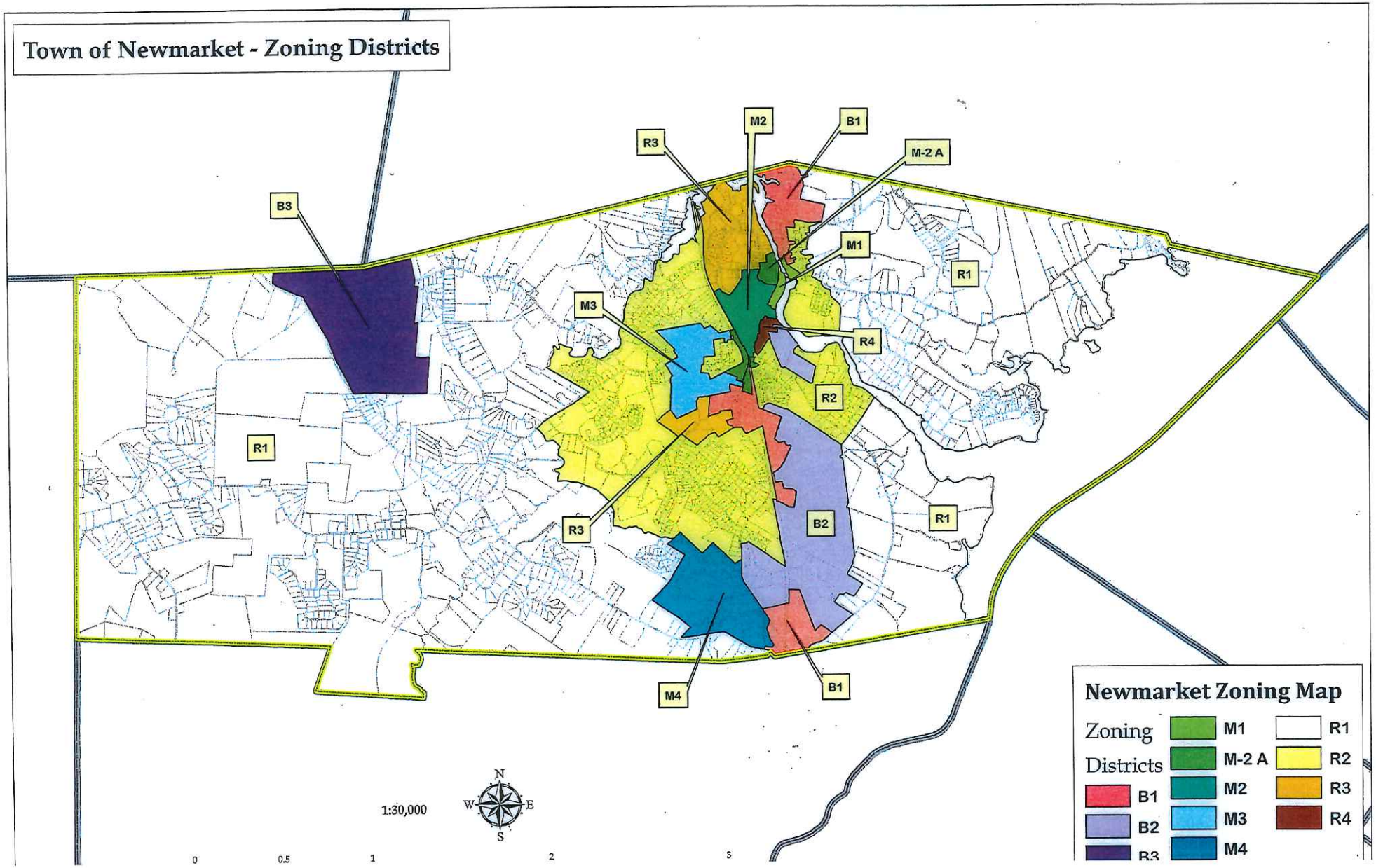
This map was produced by the Strafford Regional Planning Commission. Original tax maps were recompiled onto 1:4800 and 1:2400 NH GRANIT GIS Digital Orthophoto Quarter Quadrangles (DOQQ) on mylar and digitized to form a digital composite map in October, 2001. Parcel shapes were distorted as part of the compilation process; therefore, map-measured distances and areas may be different than reported distances and areas.

Original source maps:
John E. O'Donnell & Associates; Auburn, Maine; Revised April 1, 1998.
Updated and Reprinted by Doucet Survey, Inc.; Newmarket, NH; August 10, 1998.

UPDATES:
June 2007 with data through 2006 (DA)
June 2009 with data through 2008 (DC)
April 2015 with data through March 2015 (CS)

THIS MAP IS FOR ASSESSMENT PURPOSES ONLY.
IT IS NOT INTENDED FOR LEGAL DESCRIPTION OR CONVEYANCE.

Strafford


Town of Newmarket - Zoning Districts
B3
R3
M2
B1
M-2 A
M1
R1
M3
R4
R2
R1
R3
B2
R1
M4
B1
Newmarket Zoning Map
Zoning Districts
B1
B2
B3
M1
M-2 A
M2
M3
M4
R1
R2
R3
R4
1:30,000
N
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S
0
0.5
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3

LOTS LOCATED IN B3 ZONE

Tax Map R6

LOT #	STREET ADDRESS OF LOT	OWNER NAMES	MAILING ADDRESS
1	401 Wadleigh Falls Road	James Witham, Kenn Bevins	23 Derryfield Rd, Nottingham NH 03290
2	421 Wadleigh Falls Road	Wayne & Janice Rosa	340 Wadleigh Falls Rd, Newmarket NH 03857
3	431 Wadleigh Falls Road	Leo & Jeanne Filion Family Rev Liv Trust	3 Lafayette Road, Newmarket, NH 03857
4-1	435 Wadleigh Falls Road	Leo Manseau Jr	P O Box 309, Newmarket, NH 03857
4-2	376 Ash Swamp Road	Leo Manseau Jr	P O Box 309, Newmarket, NH 03857
5	441 Wadleigh Falls Road	Jennifer & Nathan Russell	13 Kimball Way, Newmarket, NH 03857
6	443 Wadleigh Falls Road	Paul & Colleen Lebeau	443 Wadleigh Falls Road, Newmarket, NH 03857
7	457 Wadleigh Falls Road	David & Michelle Silvia	457 Wadleigh Falls Road, Newmarket, NH 03857
8	461 Wadleigh Falls Road	Edwin & Aida Aviles	89 Mast Road, Lee, NH 03861
9	370 Ash Swamp Road	Michael Hamel Tr, Wilfred Hamel Trust	370 Ash Swamp Road, Newmarket, NH 03857
10	360 Ash Swamp Road	Angela Weidenbenner, George Davenport	360 Ash Swamp Road, Newmarket, NH 03857
11-1	10 Norton Lane	Robert & Phyllis Paige	49 New Durham Road, Alton, NH 03809
11-1A	336 Ash Swamp Road	William & Cynthia Donnelly	336 Ash Swamp Road, Newmarket, NH 03857
11-2	411 Ash Swamp Road	Chick Trucking Inc	230 Piscassic Road, Newfields, NH 03856
12	332 Ash Swamp Road	Brian & Nancy Blair Rev Liv Trust	73 Pleasant Hill Road, Hollis, ME 04042
50	438 Wadleigh Falls Road	Solon Realty Company LLC	P O Box 199, Newfields, NH 03856
50A	440 Wadleigh Falls Road	Christopher & Jessica Cahill	440 Wadleigh Falls Road, Newmarket, NH 03857
50B	50 B Lee Line	Town of Newmarket	186 Main Street, Newmarket, NH 03857
50C	436 Wadleigh Falls Road	Patricia Eckard	436 Wadleigh Falls Road, Newmarket, NH 03857
50-1	0 Wadleigh Falls Access	Arthur Gaudet Jr Living Tr 11-30-15	0 Wadleigh Falls Access, Newmarket, NH 03857
50-3	464 Wadleigh Falls Road	Arthur Gaudet Jr Living Tr 11-30-15	464 Wadleigh Falls Road, Newmarket, NH 03857
50-4	460 Wadleigh Falls Road	Arthur Gaudet Jr Living Tr 11-30-15	460 Wadleigh Falls Road, Newmarket, NH 03857
50-5	458 Wadleigh Falls Road	David Melanson	32 Riverbend Road, Newmarket, NH 03857
50-6	454 Wadleigh Falls Road	Marjim LLC	46 Heron Cove Road, Eliot, ME 03903
50-7	450 Wadliegh Falls Road	Proulx North Investments, LLC	P O Box 419, Newmarket, NH 03857
50-8	446 Wadleigh Falls Road	Proulx North Investments, LLC	P O Box 419, Newmarket, NH 03857
51	442 Wadleigh Falls Road	Roy Lemieux	442 Wadleigh Falls Road, Newmarket, NH 03857
52	426 Wadleigh Falls Road	Angel View Pet Crematory, LLC	471 Wareham Street, Middleboro, MA 02346
52	424 Wadleigh Falls Road	Nextel Communications	P O Box 7911 (NH 0569), Overland Park, KS 66207
52	422 Wadleigh Falls Road	SBA Towers, Inc.	8051 Congress Avenue, Boca Raton, FL 33487
52-1	Wadleigh Falls Road	Town of Newmarket	186 Main Street, Newmarket, NH 03857

CHARTERED JANUARY 1, 1991 FOUNDED DECEMBER 15, 1727

TOWN OF NEWMARKET, NEW HAMPSHIRE
By the Newmarket Town Council

Resolution 2015/2016-46
Discontinuing Elm Drive

WHEREAS: After research, Elm Drive has been determined to not be a Town maintained or owned street, and

WHEREAS: there has been a request from the owners of the property in the area to clarify ownership of the street.

NOW, THEREFORE, BE IT RESOLVED BY THE NEWMARKET TOWN COUNCIL THAT:

The Town Council clarifies its interest in Elm Drive and pursuant to RSA 231:43 does hereby discontinue any interest the public may have in said street.

First Reading: May 18, 2016
Second Reading: June 1, 2016
Approval:

Approved:_____
Gary Levy, Town Council Chairman

A True Copy Attest_____
Terri Littlefield, Town Clerk

RECEIVED
APR 6 2016
NEWMARKET, NH
PLANNING BOARD

DTC Lawyers
Dedicated to Clients

CELEBRATING 30 YEARS OF SERVICE TO OUR CLIENTS

Please Respond to the Exeter Office

MICHAEL J. DONAHUE
CHARLES F. TUCKER
ROBERT D. CIANDELLA
LIZABETH M. MACDONALD
JOHN J. RATIGAN
DENISE A. POULOS
ROBERT M. DEROSIER
CHRISTOPHER L. BOLDT
SHARON CUDDY SOMERS
DOUGLAS M. MANSFIELD
KATHERINE B. MILLER
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JUSTIN L. PASAY
NICOLE L. TIBBETTS
ERIC A. MAHER

OF COUNSEL
NICHOLAS R. AESCHLIMAN

RETIRED
ROBERT B. DONOVAN

ROBERT A. BATTLES
(1951-2010)

April 4, 2016

Diane Hardy, Town Planner
Town of Newmarket
186 Main Street
Newmarket, NH 03857

Re: Private road, so-called Elm Drive

Dear Diane:

I have reviewed the information that you have gathered about a driveway that is also identified as Elm Drive, which is located off of Elm Street, a public road in Newmarket. A question has arisen whether Elm Drive may be a public street, and if so, what steps must be taken to discontinue its status as a public street.

This so-called way know as Elm Drive has not been maintained by the Town as a public street. It isn't plowed and the town does not provide maintenance of this way. It has appeared on a number of plans over the years. It has been identified by a dotted line on a 1933 blue print in the lobby of town hall (dotted lines were used to depict driveways and private roads); it is labeled on RCRD plan 995, file #1603, dated August 1933, without further identification of whether Elm Drive was a public or private road; and, as a "private" way on a May 1976 plan (B-5976).

Further, a 1980 map accompanying the town's National Register Historic District depicts the Elm Street/Elm Drive area, but does not identify Elm Drive as a public street. There is a 1979 "roadway classification" that is included in the town's 1988 Master Plan and it depicts Elm Drive on a map and classifies it as a "private" road. The oldest tax maps in the office (1987) do not show Elm Drive as a public road. The town's 2010 Street Map show Elm Drive as a "local" road (whatever that is) but does not identify it as "private". It's my understanding that Sue Jordan has a 1987 Map that was distributed by Sanford Advertising which depicts Elm Drive on the map.

Your research with the town clerk's office reveals no evidence that either town meeting or the Town Council ever took a vote to accept Elm Drive as a public road, nor is there any evidence that either the Newmarket Selectmen or Town Council voted to lay out Elm Drive as a public road. Nor is there any evidence that the land corresponding with Elm Drive has ever been deeded to the Town.

Under New Hampshire law, there are four ways to create a public highway:

- Dedication and acceptance. This is done by depicting the proposed public roadway on a plan approved by the planning road (either a subdivision plan or a road plat), and following dedication on the plan/plat, then the legislative or governing body, as authorized by law, votes to formally accept the road as a public road. There is no evidence that dedication and acceptance have occurred with respect to Elm Drive.

- Highway layout. The Selectmen or Town Council follow the statutory procedure set forth in NH RSA Chapter 231 to create a public roadway. There is no evidence that Elm Drive was ever laid out as a public roadway.

- Prescription. This refers to the legal doctrine where a public roadway can be established if it has been used by the traveling public for at least 20 years prior to January 1, 1968. Prescription is referred to as the fallback theory for the recognition of a public roadway: in effect, it's the "everyone knew this was a public road and people used it as such". The reality is that Elm Drive is a dead-end way. It really only serves and provides access to two properties, each of which abut the way. The true nature of the way is that it is used as a driveway for the benefit of the residents and their guests, and not as a public way. There has been no evidenced advanced by any persons that Elm Drive has been used by the public as a public way.

- Deeded ownership. The construction of a road over land owned by the municipality or land in which the municipality has a deeded easement. These circumstances do not apply here.

You have also provided me with an unexecuted (and I assumed you can provide an executed copy) of an affidavit of local surveyor Will Doucet, who swears that he has examined the information that one would typically examine in preparing a boundary survey, and he can find no documentation that the Town of Newmarket ever accepted Elm Drive as a public way.

Based upon the information that you have assembled, I believe that the overwhelming weight of the reliable information on this issue is that Elm Drive is a private way, and is not a public street.

If there is sentiment that the status of Elm Drive as a private way should be clarified and confirmed once and for all, the Town Council could take up a Resolution to discontinue completely (as is authorized by RSA 231:43) any interest the public may have in this road

known as Elm Drive. The Council, under Charter section 3.13, has, with respect to this discontinuance issue, all of the authority conferred upon Town Councils, Town Meetings, and Boards of Mayor and Alderman. Notice of the proposal to Discontinue completely must be given by verified mail (which per RSA 451-C:1, VII, means any method of mailing that is offered by the US Post Office or any other carrier and which provides evidence of mailing) at least 14 days prior to the vote by the Council on the Resolution.

The effect of voting to discontinue completely will not alter existing deeded or implied easements of access over the private way, as they are protected by RSA 231:43, III. Similarly, utility easements within or over the private way are preserved (RSA 231:146).

If someone is aggrieved by the Town Council's adoption of a Resolution to discontinue completely any public interest that may exist in Elm Drive, RSA 231:48 provides for a right to appeal this decision within 6 months of the vote to discontinue.

Should you have any questions about this opinion, please do not hesitate to contact me.

Very truly yours,

DONAHUE, TUCKER & CIANDELLA, PLLC

John J. Ratigan
jratigan@dtclawyers.com

JJR/plc
Cc: Steve Fournier, Town Administrator

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CHARTERED JANUARY 1, 1991 FOUNDED DECEMBER 15, 1727

TOWN OF NEWMARKET, NEW HAMPSHIRE
By the Newmarket Town Council

Resolution 2015/2016-47

Resolution relating to the replacement of one of the playground slides at Leo Landroche Park and several pieces of equipment that require specialized maintenance and repairs.

WHEREAS; the Leo Landroche playground structure has a broken slide, which is a safety hazard, and several pieces of equipment that after 16 years require specialized maintenance and repairs.

WHEREAS; Town management has purchased a replacement slide under an emergency purchase along with several pieces of equipment that require the specialized maintenance and repairs at a cost not to exceed $15,000, and

WHEREAS, the Recreation Revolving Fund has an approximate available balance of $100,891 as of December 31, 2015.

NOW THEREFORE BE IT RESOLVED, that the Newmarket Town Council does authorize the Town Administrator to purchase a replacement playground slide and several pieces of equipment that require specialized maintenance and repairs and approve the withdrawal of $15,000.00 from the Recreation Revolving Fund for the purchase. This is a sole source purchase, as the Playground was installed and equipment provided from Ultiplay Parks and Playgrounds Inc. who are the New England Reps for all Play World Products

First Reading: May 18, 2016
Second Reading: June 1, 2016
Approval:

Approved:_____
Gary Levy, Town Council Chairman

A True Copy Attest_____
Terri J. Littlefield, Town Clerk

TOWN OF NEWMARKET, NEW HAMPSHIRE

May 11, 2016

Memo To The Newmarket Town Council

2016 Request For Withdrawal from the Recreation Revolving Account

Requested Item: Replace slide and several pieces of playground equipment that require specialized maintenance and repairs at Leo Landroche Park

Sole Source Received From: Ultiplay Parks and Playgrounds Inc who are the New England Reps for all Play World Products

Requested Amount To Be With Drawn: Not to exceed $15,000.00

Reason for Replacement: After this winter, the large playground at Leo Landroche Parks was inspected by the Buildings and grounds Crew and found that one of the large slide was damaged with a crack in it that looked dangerous. The PWD called Ultiplay in Uxbridge, Mass to make a thorough inspection of the16 year old playground structure which is made by Play World and Ultiplay is the New England Distributor. In addition to the slide, Ultiplay discovered that there were several pieces of playground equipment that required specialized maintenance and repairs to make them safe also. These were also deemed as a hazard. With these replacements to be initiated and completed the playground can be fully reopened during this busiest season and be ready for Recreation Department day camp this summer which brings in over $100,000.00 dollars or revenue to the Recreation Revolving Account. Thank you for your attention to this important matter

Respectfully Submitted by,
Jim Hilton
Newmarket Recreation Director
One Terrace Drive
Newmarket, New Hampshire 03857

CHARTERED JANUARY 1, 1991 FOUNDED DECEMBER 15, 1727

TOWN OF NEWMARKET, NEW HAMPSHIRE
By the Newmarket Town Council

Resolution 2015/2016-48

A Resolution Relating to Authorizing the Town Administrator to Enter into an Agreement for Audit Services for Fiscal Years 2016 Through 2018, with Three One-Year Options

WHEREAS, the Town of Newmarket solicited for bid proposals for audit services, and

WHEREAS, three qualified firms submitted proposals, and

WHEREAS, after evaluating the proposals and interviewing prospective audit firms, the Interim Finance Director recommends the proposal submitted by Macpage LLC.

NOW, THEREFORE BE IT RESOLVED, that the Newmarket Town Council does approve the Town Administrator to enter into an agreement with Macpage LLC.

First Reading: May 18, 2016
Second Reading: June 1, 2016
Approval:

Approved:_____
Gary Levy, Town Council Chairman

A True Copy Attest_____
Terri J. Littlefield, Town Clerk

TOWN OF NEWMARKET, NEW HAMPSHIRE
OFFICE *of the* FINANCE DEPARTMENT

Date: May 11, 2016
To: Steve Fournier, Town Administrator
From: Matt Angell, Interim Finance Director
Re: Audit Services

Steve,
I have put a resolution before the Town Council to approve Macpage LLC as the Town's auditor for the next three years.

If you recall, I issued an RFP for audit services, where three firms submitted proposals as follows:

Fiscal Year,	Melanson Heath	Vachon Clukay	Macpage
2016	$30,000.00	$27,750.00	$28,500.00
2017	31,000.00	27,750.00	29,000.00
2018	31,500.00	27,750.00	29,500.00
2019	32,000.00	29,000.00	30,000.00
2020	32,500.00	29,000.00	30,500.00
2021	33,000.00	29,000.00	31,000.00
	$190,000.00	$170,250.00	$178,500.00

NOTE: All costs include the cost of a single audit, regardless of need.

I quickly determined that I have an independence problem, where one of the firms performs my peer review (I performs audits). At that point, a committee was selected to interview the prospective firms. I told the committee that each firm is equally qualified based upon my experience and their cost proposal is not drastically different to preclude them from an interview.

Members of the committee were yourself and several employees who interact with the auditors the most. The committee members selected Macpage, LLC.

I will make myself available to review their decision with the Town Council.
Thanks,
Matt Matt

186 MAIN STREET • NEWMARKET • NEW HAMPSHIRE • 03857
TEL: (603) 659-3617 • FAX: (603) 659-3351 • www.newmarketnh.gov

TOWN OF NEWMARKET, NEW HAMPSHIRE

PROPOSAL ON AUDIT SERVICES – RFP #16-0009

APRIL 7, 2016

PREPARED BY:
CHRISTIAN A. SMITH, CPA, CFE
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30 LONG CREEK DRIVE
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MACPAGE™

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April 7, 2016

Matthew Angell
Finance Office
Town of Newmarket
186 Main Street
Newmarket, NH 03857

Dear Mr. Angell:

Thank you for the opportunity to present our proposal to provide audit services for the Town of Newmarket ("the Town") for the fiscal years ending June 30, 2016, 2017 and 2018 with an option of three additional one year extensions. The Town is an important client for Macpage LLC ("Macpage" or the "Firm"), commanding priority service by our team to ensure that projects are completed efficiently and reports are issued timely. Our attached proposal outlines our Firm's qualifications, approach and relevant experience.

The Town would continue to command priority service from the entire engagement team and benefit from: our thorough knowledge of your operations, broad industry expertise, immediate accessibility to assist with your questions and issues as they arise, an established awareness of how to minimize disruption to your daily routine and timely delivery of the financial statements.

We believe our Firm is highly qualified, which will allow us to provide the best service to the Town of Newmarket because:

- We are a member of the AICPA's Government Audit Quality Center, which ensures that we adhere to the highest quality standards necessary to provide audit services to municipalities;
- Our Firm is a recognized leader in the industry on the Governmental Accounting Standards Board Statement (GASB) No. 68, *Accounting and Financial Reporting for Pensions*, and we have shared our expertise at several seminars throughout the State of Maine over the past two years.
- Your engagement will be staffed with a principal and a manager and both will be present during fieldwork. We will continue to staff your engagement with the same personnel each year to ensure continuity, quality and efficiency.
- Our past experience auditing the Town and the continuity of staff assigned to the engagement will help minimize disruption of the day to day activities of your personnel.

We agree to meet the audit specifications outlined in the Request for Proposal. We believe that the following proposal demonstrates our commitment to you to provide you with the highest quality and responsive service that you expect. If you need any further information about our Firm, personnel or services, please contact me at (207) 523-3354, or by e-mail at cas@macpage.com. Thank you again for this opportunity.

Very truly yours,

Christian A. Smith

Christian A. Smith, CPA, CFE, Principal

Macpage LLC

30 Long Creek Drive, South Portland, ME 04106-2437 | 207-774-5701 | 207-774-7835 fax | cpa@macpage.com
One Market Square, Augusta, ME 04330-4637 | 207-622-4766 | 207-622-6545 fax
One Union Street, Suite 505, Portland, ME 04101-4050 | 207-774-4030 | 866-927-0288 fax

macpage.com

RESPONSE TO PROPOSAL SPECIFICATIONS

We carefully have read and understand all of the conditions outlined in the Request for Proposal. The Firm does not have any comments or exceptions to those requirements. We agree to the proposal specifications and confirm that the audit will include, at a minimum, the following procedures and professional services:

1. The Firm shall provide an opinion on the Town's Financial Statements. This includes an opinion on the government-wide financial statements, fund financial statements and notes to the financial statements.
2. Audit of federal grant programs in accordance with Government Auditing Standards and OMB Circular A-133.
3. Provide a management letter recommending improvements in internal controls and operations.
4. Provide a separate letter to the Council to communicate the results of the audit, also known as the "governance letter" or "audit committee letter".

AUDIT APPROACH

Audit objectives can be achieved by a number of different approaches. The important consideration is to perform the audit as effectively and efficiently as possible. Since all organizations are unique, very few audits can be performed using identical work plans. Our audit process provides a means so that audit effort is placed where audit risks and significance are the greatest. Our planning and coordination of the audit can be divided into six phases:

Phase 1: Orientation
Phase 2: Planning
Phase 3: Systems Review and Testing
Phase 4: Audit of Account Balances
Phase 5: Review of Preliminary Drafts and Report Submission
Phase 6: Post-Audit Critique and Future Planning

PHASE 1: ORIENTATION

Our principal objectives will be:

- Obtaining an understanding of the Town's accounting systems and familiarizing ourselves as to revenue, cash receipts, cash disbursements, purchasing, payroll and personnel procedures, and any changes made to these procedures during the year.
- Identifying key elements of internal control.
- Identifying various revenue sources, such as federal or state grants and evaluating audit implications.

PHASE 2: PLANNING

We will meet with appropriate personnel to discuss the planned scope of our audit to ensure that all areas of interest or concern have been addressed. Further, we will discuss specific audit requirements (e.g., the extent of internally-prepared schedules and reports, copies of selected documents, preparation of the financial statements and other client involvement) and the related timing thereof with management.

Some of the procedures we will follow in performing our planning will include:

- Discussing laws and regulations with management;
- Reviewing loan agreements, budgets and budget amendments;
- Reviewing minutes;
- Reviewing the organization chart; and
- Establishing materiality by fund to determine the scope of transactions to examine during testwork.

AUDIT APPROACH – CONTINUED

PHASE 3: SYSTEMS REVIEW AND TESTING

Upon completion of the foregoing, we will make a comprehensive review of the existing accounting procedures and internal control. During this phase, we will document the controls in place in each of the major systems through:

- Inquiry of appropriate management, supervisory and staff personnel;
- Inspection of documents and records; and
- Observation of activities and operations.

Our review of the systems will include a review of the data processing functions including physical security, systems documentation, input/output controls, and control over the use and retention of data files.

Once the flow of data through the various accounting systems has been documented and controls in effect determined, we will select our audit approach. In developing our audit program, we will make decisions about the Town by transaction cycles and the extent of use of standardized materials to accomplish the objectives of our audit. The form of the audit program and the extent of its detail will vary with the extent of reliance we place on internal control. If the most efficient method of auditing is placing reliance on internal control, we would then test the system in effect to determine the extent that reliance could be placed thereon. To determine the effectiveness of the procedures and control structure, we will document certain factors, including:

- Management's awareness or lack of awareness of applicable laws and regulations.
- Policies regarding matters such as acceptable operating practices and codes of conduct.
- Assignment of responsibility and delegation of authority to deal with matters such as the Town's goals and objectives, operating functions and regulatory requirements.

Sample transactions from throughout the year would then be tested for compliance with the key accounting features noted in our initial evaluation of the system in order to:

- Identify and obtain an understanding of the design of specific control structure policies and procedures.
- Determine if those policies and procedures have been placed in service.
- Test to evaluate the effectiveness of the design and operation of such policies and procedures in preventing or detecting noncompliance.

Sample sizes will be determined using a non-statistical approach and a haphazard or judgmental selection method. Sample sizes vary, but will generally range between 40 and 60 items for a particular test. The same sample may be used for multiple tests.

AUDIT APPROACH – CONTINUED

PHASE 4: AUDIT OF ACCOUNT BALANCES

Our procedures and tests of financial account balances will be designed around the key financial elements identified in our orientation and planning phases. Again, we will focus our efforts on significant account balances. We will apply tests to determine whether:

- Cash and investment accounts are reconciled to the bank and/or broker balances;
- Accounts receivable are valid and collectible;
- Property and related depreciation are accounted for properly;
- Unpaid invoices are accounted for properly;
- Revenues, expenses and expenditures are classified properly;
- Payroll and related liabilities are accounted for properly; and
- Fund equity is fairly stated.

Analytical procedures are used to assess the overall reasonableness of transactions and account balances. Methods include using trend analysis between and among current financial and operational performance results, as well as comparisons with prior and anticipated performance (budget). Selected ratios will be calculated and compared to prior periods. We also may use tools such as Benford's analysis to analyze certain accounts. In addition, this phase includes, as necessary, a review of any significant events that occur subsequent to the balance sheet date, but prior to the issuance of our report that may require financial statement disclosure.

We use computer assisted auditing techniques that include the use of computerized software that provides analytical data, records journal entries and produces financial statements from the general ledger balance. We also use data extraction software that enables us to sort and extract specific data directly from your general ledger. Our utilization of comprehensive audit software enables us to perform a highly efficient and effective audit. All of the audit information then is used to review the draft financial statements to reach a conclusion about whether the financial statements are presented fairly. This results in our professional opinion and recommendations for improvements in the Town's operational efficiency and the systems for preparing financial information.

PHASE 5: REVIEW OF PRELIMINARY DRAFTS AND REPORT SUBMISSION

Upon completion of fieldwork, we will review our tests and procedures to determine that they are sufficient to meet our professional standards. The audit information is used to reach a conclusion about whether the basic financial statements are presented fairly. Preliminary results of our work will be discussed with management prior to our leaving the field to ensure we have correctly considered all available information, and that there are no misunderstandings in the basis of the conclusions made.

Formal presentation of the basic financial statements to you will include explanation of financial information and charts and graphs to illustrate visually the financial positions and the results of operations. All of our engagements go through an independent quality control review by our Accounting & Auditing (A&A) department. A member of our A&A department with municipality experience will review the engagement for quality and adherence to accounting and auditing standards.

AUDIT APPROACH – CONTINUED

PHASE 6: POST-AUDIT CRITIQUE AND FUTURE PLANNING

An exit conference will be held to cover various topics, including:

- Critiquing and assessing the current audit by discussing the scope of audit procedures, any departures from generally accepted accounting principles and any errors or irregularities noted, any questioned costs related to federal financial assistance and any other items of interest to the Town.
- Preparing tentative audit programs for subsequent years to reflect our current findings.
- Providing beginning balances for the new fiscal year, including reviewing any audit or closing adjustments needed.
- Discussing recommendations to improve the accounting procedures, financial operations and internal controls over financial reporting of the Town.

QUALIFICATIONS AND EXPERIENCE OF AUDITORS

The audit of the Town of Newmarket will be staffed by a top-level team of qualified personnel working under the direction and supervision of a principal, Christian A. Smith, ensuring that the requisite experience will be brought to the audit. All of the personnel assigned to your engagement are based in our South Portland office. We pledge to keep the staffing of this engagement the same throughout the duration of the contract; however, if a staffing change is necessary you can be assured that we have a team of qualified and available individuals from whom to draw.

CHRISTIAN A. SMITH, CPA, CFE – PRINCIPAL

Christian will be responsible for the coordination and oversight of the engagement, and will also participate in the examination of records. Christian is the principal in charge of all of the Firm's municipal and school district clients, and as a Certified Fraud Examiner provides fraud audit services and forensic accounting to a variety of clients. Christian joined the Firm in 1995 and has 23 years experience performing financial statement and OMB Circular A-133 audits.

DARLENE KOUKOS, CPA – MANAGER

Darlene will assist with the coordination of the engagement with management, supervision of staff, and will be an active team member throughout the planning, fieldwork, and completion of the audit. Darlene will keep management informed of the progress throughout the engagement and will be available to provide ongoing advisory services as requested. Darlene is responsible for fieldwork and report preparation for several of the Firm's municipal government clients, school department clients, and special purpose governments. Darlene joined the Firm in 1994 and has 21 years experience performing financial statement and OMB Circular A-133 audits.

ALLIE ORDWAY – ASSOCIATE

Allie will be responsible for the completion of tasks within the planning phase, fieldwork phase and completion stage of the engagement, along with keeping supervisors informed of progress and issues. Allie has been responsible for fieldwork for several of the Firm's municipal and school district clients and specializes in performing audit procedures required to ensure compliance with OMB Circular A-133.

QUALIFICATIONS AND EXPERIENCE OF FIRM; REFERENCES

FIRM OVERVIEW

Macpage is a privately held, limited liability corporation established in 1956 with offices in South Portland, and Augusta, Maine, and Marlborough, Massachusetts. We employ over 100 dedicated and experienced professionals who enjoy the people they serve and care about the work they do providing integrated accounting, consulting and tax services to clients throughout the Northeast and across the country.

The Firm adheres to the continuing professional education standards of the American Institute of Certified Public Accountants (AICPA) and the Government Accounting Office. All professionals are required to participate in at least 40 hours of qualifying continuing professional education every year through Firm seminars, Firm sponsorship of AICPA-prepared training programs, attendance at AICPA seminars and other equivalent professional development courses. Professionals auditing in a unique environment receive training related to that area.

Macpage LLC is an equal opportunity employer.

PEER REVIEW AND PROFESSIONAL MEMBERSHIPS

Macpage is devoted to quality and has taken steps to guarantee that the Firm meets the highest professional standards. Every three years our quality control policies and procedures are examined by independent CPAs from other firms. Results of these reviews are available to the public. We are pleased that we again received an unqualified report on our most recent peer review, meaning that our Firm adheres to the most rigorous professional standards for CPA firms. A copy of our most recent Peer Review Report is included as the Appendix to this proposal.

Macpage also belongs to the Maine Society of Certified Public Accountants, which promotes and maintains high standards of integrity and competence for accounting professionals in the state. In addition to serving the professional education needs of accountants, it enhances our information-sharing network.

QUALITY CONTROL

Macpage was the first Maine-based Firm registered as a member of the Government Audit Quality Center sponsored by the AICPA.

The Center's mission is to improve the quality of Government and OMB A-133 audits by establishing the highest quality standards by which members are required to adhere to remain in good standing. The Audit Quality Center also provides a forum for information sharing with other certified public accountants specializing in Government and OMB A-133 audits throughout the country.

GOVERNMENTAL PRACTICE

Our current governmental practice consists of 18 individuals (7 CPAs) who devote a significant amount of their time to providing services to these entities. Nine individuals are based at the Firm's South Portland office and nine individuals are based at the Firm's Augusta office. Each of our governmental experts complies with Government Auditing Standards requirements for continuing professional education.

Our government staff not only meets the requirements for continuing professional educational as required by Government Auditing Standards but exceed the standards required. We attend local seminars provided by the Maine State Society of Certified Public Accountants as well as national seminars provided by the American Institute of Certified Public Accountants. We also perform in-house training covering new GASB statements, single audit requirements and Government Auditing Standards annually to meet our governmental clients' special needs. In addition, we set time aside and plan every engagement with the entire engagement team before we leave our office. This improves our efficiency, reduces questions to our clients, results in a more productive engagement, and addresses the specific needs of our clients.

Macpage has several staff that are specifically trained to prepare financial statements in accordance with GASB standards, perform audits of financial statements prepared in accordance with GASB standards, or provide consultation to governmental entities reporting in accordance with GASB standards. Those individuals receive specific training on GASB issues and new pronouncements. In addition, Macpage engages specialists to train staff on GASB issues and client personnel are welcome to attend these training sessions.

INTEGRATED PROFESSIONAL SERVICES

Macpage is a leader in Maine and New England in providing integrated accounting, consulting and tax services to our clients. This approach has proven to provide innovative solutions and helped us to better meet our clients' needs. When utilizing this type of approach, we combine resources from various specialties to provide clients with a multi-disciplinary solution for complex issues. Clients have a primary relationship with a single point of contact; however, the resources of the entire Firm are at their fingertips. If a situation arises through the course of a traditional compliance relationship, an integrated professional services team is there to offer additional value and provide the best possible solution for our clients and their specific needs.

REFERENCES

Macpage is a leader in the State of Maine in providing services to governmental entities. We audit over 30 governmental entities including municipalities, school districts and special purpose governments.

We offer the following list of our municipal and school district governmental clients:

- Town of Scarborough, Maine
- City of Sanford, Maine
- City of Westbrook, Maine
- City of Dover, New Hampshire
- Town of Newmarket, New Hampshire
- Maine School Administrative District No. 3
- Maine School Administrative District No. 17
- Maine School Administrative District No. 75
- Regional School Unit No. 73
- Regional School Unit No. 16
- Regional School Unit No. 21
- Town of Scarborough School Department
- City of Sanford School Department
- Oxford Hills Technical School - Maine Vocational Region 11
- Region Ten Technical High School
- City of Westbrook School Department

We provide these and other clients with required financial and compliance audits consisting of basic financial statement audits, governmental audits, audits in accordance with OMB Circular A-133 and audits in compliance with the *Maine Accounting and Auditing Practices for Community Agencies* (MAAP Audits).

We invite you to contact the following as references for Macpage:

Town of Scarborough, Maine
Ruth Porter, Finance Director
PO Box 360
Scarborough, ME 04070
(207) 730-4000

City of Westbrook, Maine
Alicia Gardiner, CFO
2 York Street
Westbrook, ME 04092
(207) 591-8104

City of Sanford, Maine
Ronni Lynn Champlin, Finance Director
919 Main Street
Sanford, ME 04073
(207) 324-9125

City of Dover, New Hampshire
Daniel Lynch, Finance Director
288 Central Avenue
Dover, NH 03820
(603) 516-6030

RESUMES

CHRISTIAN A. SMITH, CPA, CFE – PRINCIPAL

Christian concentrates his auditing and accounting services on governmental entities, including municipalities, schools and special-purpose governments. He received his CPA certificate in 1994, joined Macpage in 1995 and became a Certified Fraud Examiner in 1998.

KNOWLEDGE AND EXPERTISE

- Christian is responsible for the planning, controlling, coordinating and overall supervision of client engagements.
- He is a contributing author and presenter on fraud detection and prevention. He also provides litigation support for the State of Maine, as well as corporate and nonprofit organizations.
- Specific clients: Town of Scarborough, Maine, City of Sanford, Maine, City of Westbrook, Maine, City of Dover, New Hampshire, Town of Newmarket, New Hampshire, MSAD #3, MSAD #17, MSAD #75, RSU No. 73, RSU No. 16, RSU No. 21, Town of Scarborough School Department, City of Westbrook School Department, City of Sanford School Department, Oxford Hills Technical School Maine Vocational Region 11, Region Ten Technical High School.

EDUCATION/CERTIFICATIONS/AFFILIATIONS

WEST VIRGINIA WESLEYAN COLLEGE – Buckhannon, WV
Bachelor of Science

American Institute of Certified Public Accountants – Member
Association of Certified Fraud Examiners – Member

RELEVANT CONTINUING PROFESSIONAL EDUCATION

Dec 2015 - AICPA GAQC: Uniform Guidance Requirements for Single Audits
June 2015 - Presenter at Maine GFOA on GASB update and Pension Standards
June 2015 – In-House: Annual Governmental Training Update I & II
Jan 2015 – AICPA GAQC: Audit Quality Discussion Part I: Avoiding Common Auditing Deficiencies
Jan 2015 – In-House: Tax Update Refresher
Sep 2014 – Presenter at Bernstein Shur: How the New Pension Accounting Rules Affect Government Employees
July 2014 – In-House: Annual Governmental Training Update I & II
May 2014 – Beacon Hill Financial Educators: Ethics for Accountants
May 2014 – AICPA GAQC: GASB's Pension Standards Part II: Considerations for Agent Plans & Part Employers
May 2014 – AICPA GAQC: GASB's Pension Standards Part I: Considerations for Cost-Sharing

RESUMES - CONTINUED

DARLENE M. KOUKOS, CPA – AUDIT MANAGER

Darlene works primarily on governmental entities including municipalities and school districts and ERISA engagements, including defined contribution profit sharing/401(k) plans, defined benefit pension plans, ESOPs, health and welfare plans and collectively bargained plans.

Darlene joined Macpage in 1994 and became a Certified Public Accountant in 1997.

KNOWLEDGE AND EXPERTISE

- Darlene has extensive experience in the planning, fieldwork, supervision and review and preparation of audit documentation and financial statements.
- Specific governmental clients: Town of Scarborough, Maine, Town of Newmarket, NH, City of Sanford School Department, MSAD #17, RSU No. 16 and Manchester Transit Authority.

EDUCATION/CERTIFICATIONS/AFFILIATIONS

UNIVERSITY OF SOUTHERN MAINE – Portland, ME
Bachelor of Science – Business Administration
Concentration: Accounting

American Institute of Certified Public Accountants – Member
Maine Employee Benefits Council – Member

ALLIE ORDWAY – AUDIT ASSOCIATE

Allie focuses her audit and accounting services on governmental entities and small businesses. She has provided financial statement audits and single audit services to municipalities, school districts and special purpose governments. She is responsible for the completion of tasks within the planning and fieldwork phases, and preparation of financial statements.

KNOWLEDGE AND EXPERTISE

- Allie is responsible for the completion of tasks within the planning phase, fieldwork phase, and completion stage of the engagement including financial statement preparation.
- Specific governmental clients: Town of Newmarket, NH, Town of Scarborough School Department, City of Sanford School Department, and RSU No. 16.

EDUCATION/CERTIFICATIONS/AFFILIATIONS

UNIVERSITY OF SOUTHERN MAINE – Portland, ME
Certificate in Accounting, Spring 2015

COMPENSATION, STAFFING SEGMENTATION AND PROJECT COMPLETION

	FINANCIAL STATEMENT AUDIT	SINGLE AUDIT**
FISCAL YEAR 2016	$25,500	$3,000
FISCAL YEAR 2017	$26,000	$3,000
FISCAL YEAR 2018	$26,500	$3,000
FISCAL YEAR 2019 (EXTENSION)	$27,000	$3,000
FISCAL YEAR 2020 (EXTENSION)	$27,500	$3,000
FISCAL YEAR 2021 (EXTENSION)	$28,000	$3,000
TOTAL	$160,500	$18,000

**The single audit fees assume that only one program is required to be tested as a major program. If we are required to test additional major programs then we will discuss the additional fees necessary with you.

STAFFING SEGMENTATION

	Engagement Principal	Manager	Associates	Total Hours
Orientation & Planning	4	4	4	12
Systems Review & Testing	16	24	24	64
Audit of Account Balances	32	70	74	176
Review of Preliminary Drafts and Report Submission	14	8	-	22
Post- Audit Critique and Future Planning	2	2	-	4
Total Hours:	68	108	102	278

COMPENSATION, STAFFING SEGMENTATION AND PROJECT COMPLETION – CONTINUED

PROJECT COMPLETION – TIMELINE

	Timeline
Orientation	May/June
Planning	May/June
Systems Review & Testing	May/June
Audit of Account Balances	October/November
Review of Preliminary Drafts and Report Submission	December
Post- Audit Critique and Future Planning	December/January

The above audit timeline assumes that the Town's accounting records are ready and available to be audited as of the dates listed. We expect to issue the audited financial statements no later than December 31st provided that the accounting records are ready and available for audit. If the accounting records are not ready and available to be audited in a timely manner to allow us the ability to issue the financial statements by the deadline, we will coordinate our schedules to ensure that we are able to issue the financial statements as soon as possible thereafter.

B&R Boyer & Ritter LLC
Certified Public Accountants and Consultants

211 House Ave., Camp Hill, PA 17011
P.O. Box 8300, Camp Hill, PA 17001-8300
Tel: 717.761.7210 | Fax: 717.761.7134
www.cpabr.com

System Review Report

To the Directors of
Macpage LLC

Peer Review Committee of
New England Peer Review

We have reviewed the system of quality control for the accounting and auditing practice of Macpage LLC (the firm) in effect for the year ended March 31, 2013. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards;* audits of employee benefit plans, audits performed under FDICIA and examinations of Service Organizations Control (SOC) 1 and 2 engagements.

In our opinion, the system of quality control for the accounting and auditing practice of Macpage LLC in effect for the year ended March 31, 2013, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass, pass with deficiency(ies)* or *fail.* Macpage LLC has received a peer review rating of *pass.*

Boyer & Ritter

Camp Hill, Pennsylvania
September 12, 2013

Proposal For Audit Services

Town of Newmarket, New Hampshire

For the Years Ended June 30, 2016 - 2018
(with option for three one-year extensions)

Submitted By

VACHON CLUKAY
& COMPANY PC

Experience Counts

608 Chestnut Street
Manchester, New Hampshire 03104

Contact Person:
Jarad J. Vartanian, CPA
(603) 622-7070
E-mail: jvartanian@vachonclukay.com

Date of Submission

April 4, 2016

VACHON CLUKAY
& COMPANY PC

CERTIFIED PUBLIC ACCOUNTANTS
608 Chestnut Street • Manchester, New Hampshire 03104
(603) 622-7070 • Fax: (603) 622-1452 • www.vachonclukay.com

April 4, 2016

Matthew Angell, Interim Finance Director
Town of Newmarket
168 Main Street
Newmarket, New Hampshire 03857

Dear Mr. Angell:

The firm of Vachon Clukay & Company PC, Certified Public Accountants, is pleased to submit this proposal to become your independent auditors for the years ended June 30, 2016 - 2018 (with option for three one-year extensions).

As you read through the pages of the proposal, I think you will see that we are more than just experienced auditors. **We believe that our relationships with our clients must be more than merely an audit relationship** which some consider a "commodity". Our knowledge of municipalities, new accounting and reporting standards for municipalities and other matters that relate to your financial needs enables us to become your trusted advisors.

If selected as your independent auditors, we will provide ongoing telephone support, at no additional cost to you. We will keep you abreast of ongoing developments relating to governmental accounting and reporting issues that affect you, and provide you with the exceptional service you should expect.

If you have any questions about this proposal, we welcome the opportunity to speak with you.

Sincerely,

Vachon Clukay & Company PC

Jarad J. Vartanian

Jarad J. Vartanian
Engagement Director/Shareholder

PROPOSAL

VACHON CLUKAY
& COMPANY PC

Experience Counts

VACHON CLUKAY
& COMPANY PC

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VACHON CLUKAY
& COMPANY PC

Mission Statement

Personal, in-depth service and teamwork are the elements of Vachon Clukay & Company PC. We are committed to unparalleled service that exceeds traditional accounting and auditing services in order to continually earn the highest respect from our clients for the financial counsel we provide.

To achieve our mission, we hereby promise:

- To listen to our clients.
- To provide open and frank communications between the firm and our clients.
- To provide traditional values while looking beyond traditional responses.
- To hire the most talented communicative, enthusiastic and motivated accounting and administrative staff available.
- To evaluate and reevaluate our level of service to be absolutely certain we are providing excellent and unparalleled service to our clients.
- To regularly communicate with our clients, to share timely information, learn about our clients business, advise and counsel on a proactive basis.
- To stay abreast and even ahead of developments that impact our clients' businesses.
- To be the very best accounting firm and advisors our clients can find.

VACHON CLUKAY
& COMPANY PC

History & Experience

Vachon Clukay & Company PC was founded in 1982, with a concentration in governmental auditing and consulting. Since our formation, our philosophy has remained the same: **To provide unparalleled service at a competitive price.**

We continue to provide audit, accounting, tax and consulting services to a wide array of governmental, non-profit, commercial, and individual clients throughout New Hampshire.

Our clients benefit from:

- **A Professional Team** with extensive audit and consulting experience for the governmental client.
- **Excellent and Timely Services.**
- **Continuous Attention** to your auditing, accounting and consulting needs.
- **Continuous Operational Review** of your financial systems using up to date industry standards, technological advancements and practical solutions.
- **Professional Fees** at reasonable rates with the highest level of quality and expertise. We will always be straight forward about fees in advance.

VACHON CLUKAY
& COMPANY PC

Qualifications

INDEPENDENCE

The firm is independent of the Town of Newmarket as defined by auditing standards generally accepted in the United States of America and the GAO's *Government Auditing Standards.*

The firm shall give the Town of Newmarket written notice of any professional relationships entered into during the period of this agreement.

LICENSE TO PRACTICE

The firm of Vachon Clukay & Company PC is registered with the New Hampshire Board of Accountancy. All CPAs are duly licensed by the New Hampshire Board of Accountancy.

EXPERIENCE

For more than thirty-three years, Vachon Clukay & Company PC, has been providing quality accounting services for clients throughout New Hampshire. Currently, the firm has three shareholders, four directors for assurance services with substantial governmental experience and an assurance team from the senior level to the entry level. Staffing for this engagement is detailed in subsequent sections.

ACCOUNTING AND AUDITING PRACTICE

Vachon Clukay & Company PC is not your typical local CPA firm. Our firm annually has over 10,000 hours in accounting and auditing in connection with audits conducted in accordance with generally accepted auditing standards. We provide audit services to large and small businesses, local governments of all sizes and non-profits.

PEER REVIEW/DESK REVIEW

In January, 2015, our firm was reviewed by the firm of Visconti and Associates, PC, an independent CPA firm as part of the AICPA's peer review program. Their procedures require that they review several governmental engagements. Because we provide exceptional service to all clients, we received the highest possible rating of "Pass".

You will find a copy of the firm's 2015 Peer Review on the next page.

VACHON CLUKAY
& COMPANY PC

Qualifications

VISCONTI AND ASSOCIATES, P.C.
Certified Public Accountants

John J. Visconti, MS, CPA

System Review Report

To the Principals of Vachon Clukay & Company PC and the Peer Review Committee of New England Peer Review

We have reviewed the system of quality control for the accounting and auditing practice of Vachon Clukay & Company PC ("the firm") in effect for the year ended July 31, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*.

In our opinion, the system of quality control for the accounting and auditing practice of Vachon Clukay & Company PC in effect for the year ended July 31, 2014, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass, pass with deficiency (ies) or fail.* Vachon Clukay & Company PC has received a peer review rating of *pass.*

Visconti & Associates, P.C.

January 7, 2015

41 Middletown Avenue, North Haven, Connecticut 06473-3926 (203) 865-2927 Fax (203) 865-0017 www.pvacpas.com

VACHON CLUKAY
& COMPANY PC

Qualifications

DISCIPLINARY ACTIONS - NONE

There have never been any disciplinary actions taken against the firm since its inception by either state regulatory bodies or professional organizations.

GOVERNMENTAL AUDIT QUALITY

Vachon Clukay & Company PC is the oldest member in New Hampshire of the Government Audit Quality Center of the American Institute of Certified Public Accountants. The AICPA established the Government Audit Quality Center to promote the highest level of audit quality for government audits. As a member of the Center, we have access to a full range of service and support, and remain current on all governmental audit and accounting issues.

GOVERNMENT FINANCE OFFICERS ASSOCIATION

The directors with government audit responsibilities are members of the various levels of the Government Finance Officers Association. Mr. Vachon has occasionally provided articles and served as speaker for the New Hampshire Government Finance Officers Association.

Our clients at Vachon Clukay & Company PC also benefit from:

- **Teamwork,** our firm becomes your outside independent team member.
- **Superior service** on a timely basis.
- **Management team** with extensive governmental experience.
- **Prompt, accurate responses** to oral and written communications.
- **Regular communications** about new developments and changes made by state and federal governments.

VACHON CLUKAY
& COMPANY PC

Audit Team

Vachon Clukay & Company PC is located in Manchester, New Hampshire and includes the professional staff required to service the **Town of Newmarket.**

EQUAL OPPORTUNITY EMPLOYER

Vachon Clukay & Company PC is an affirmative action and equal opportunity employer and staff will be assigned in accordance with our policy.

QUALITY STAFF ASSURANCES

We affirm that we shall maintain the quality of staff during the term of our agreement. Jarad J. Vartanian, CPA will be the engagement/quality control director and significantly participate during the term of this engagement. Mr. Vartanian accepts responsibility for the continuation of staff quality.

It is our philosophy not to reassign staff whenever possible. In the unlikely event that it is necessary to assign new staff, we shall consult with the Town before proceeding.

We anticipate our staffing of the engagement to include the following people:

PROFILE OF AUDIT TEAM

We anticipate our staffing of the engagement to include the following people:

Engagement/Quality Control Director - Jarad J. Vartanian, CPA

Jarad is currently a resident of Amherst, New Hampshire and has been with the firm since August of 2003. He graduated from Stonehill College in May of 2003 with a Bachelor of Science Degree in Accounting. Since he has been with the firm, Jarad has over 20,000 hours of experience in serving New Hampshire governmental clients. Jarad has been a manager since 2009 and was promoted to Director in 2013. In January 2016, Jarad became a Shareholder of the firm.

VACHON CLUKAY
& COMPANY PC

Audit Team

Jarad is a member of the AICPA. He is a graduate of the Greater Manchester Chamber of Commerce Leadership Program Class of 2011. His experience includes the Cities of Berlin and Rochester, Towns of Belmont, Gilford, Milford, Moultonborough, Kingston and numerous other New Hampshire communities. Jarad will be on site 100% of the time during the Town's audit fieldwork.

Director for Assurance Services - Matthew R. Murray, CPA

Matthew R. Murray is a resident of Deerfield, New Hampshire. He has graduated and received his Master of Science from Husson University in 2007. He has been with the firm since October 2007 and has over 13,000 hours of experience in serving New Hampshire governmental clients. Matt received his CPA certificate from the State of New Hampshire in 2012. His experience includes the City of Somersworth, County of Cheshire, Towns of Harrisville, Marlborough, Troy and numerous other New Hampshire Communities. Matthew will be on site 100% of the time during the Town's audit fieldwork.

Other Assurance Team Members

Other team members with relevant experience and CPE as required by generally accepted government auditing standards will be assigned as necessary.

VACHON CLUKAY
& COMPANY PC

Services

The **Town of Newmarket** seeks an accounting firm which will take a proactive interest in the Town and will assist management throughout the years with problems that arise on a timely and economical basis.

For the years ending June 30, 2016 - 2018 (with option for three one-year extensions), the **Town of Newmarket** requires the following services:

- Audit of the Town's basic financial statements in accordance with auditing standards generally accepted in the United States of America as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the *Audits of State and Local Governments*.

- The audit shall result in the preparation of financial statements from the audited records of the Town with the Auditor's opinion thereon. The Auditor's opinion shall be expressed in the report and include reasons for qualifying the opinion, disclaiming the opinion, or rendering an adverse opinion.

- A report on the fair presentation of the financial statements in conformity with the most recently adopted generally accepted accounting principles (GAAP) as interpreted by the Government Accounting Standards Board (GASB), NH Department of Revenue Administration rules Rev 1700 and Rev 1900, and any other appropriate governmental measure. The firm will be responsible for insuring acceptance of the final audit report by state and/or federal agencies.

- A report on the internal control structure based on auditor's understanding of the internal control structure and assessment of control risk. This report on internal control will include a statement that is intended for the information and use of management, specific legislative or regulatory bodies and federal agencies. We shall include the Town's response as part of this report.

- A report on compliance with applicable laws, regulations and internal practices and areas for strengthening internal controls and operating efficiencies. If the opinion is other than unmodified, the auditor will fully discuss the reasons in advance of issuing the report.

VACHON CLUKAY
& COMPANY PC

Services

- A Single Audit report on the schedule of federal financial assistance, if necessary.
- The firm will prepare draft financial statements, including related notes and schedules of expenditures of financial awards, in accordance with generally accepted accounting principles, and in compliance with applicable laws and regulations. The Town must designate someone to be able to accept responsibility to supervise our work.
- Preparation of separate report detailing non-reportable conditions, if any, noted during the course of the audit.
- Completion of Form MS-535 as required by the NH Department of Revenue Administration, if requested.
- Other reports required in accordance with generally accepted accounting principles and generally accepted auditing standards.
- The primary purpose of the audit is to express opinions on the basic financial statements taken as a whole.
- The firm will provide the Finance Director and Town Administrator with the basic governmental fund financial statements and other reconciling schedules that were used to convert to the government-wide financial statements.
- The firm shall advise and inform the Town throughout the term of the agreement on questions, practices and procedures for handling various accounting activities.
- The firm shall advise the Town of any significant changes in accounting procedures as the firm becomes aware of them as they may materially effect the financial statements and accounting procedures of the Town.
- **Prompt notification to the appropriate level of management, in writing, of all findings of potential illegal acts or irregularities noted during the audit, if any.**

VACHON CLUKAY
& COMPANY PC

Services

- Prompt responses to inquiries from the Town Council, Town Administrator and Finance Director for the term of the engagement.
- Formal presentation to the Town Council using written "Executive Summaries", financial reports and statements, color graphs and charts highlighting important aspects noted during the audit.

VACHON CLUKAY
& COMPANY PC

Other Assurances

Vachon Clukay & Company PC is committed to the following assurances:

- **CPE Compliance** - We are in compliance with GAO Auditing Standard's CPE requirement.
- **Work Paper Retention** - We will retain all work papers for a period of at least three (3) years after the acceptance of the audit report.
- **Access to Work Papers** - We will make our work papers available to parties designated in the request for proposal upon request by the Town.
- **Successor Auditors** - The firm shall respond to reasonable inquiries of successor auditors.
- **Insurance** - The firm maintains insurance against professional liability , statutory Workers Compensation coverage for New Hampshire, and Employer's Liability Insurance for all its employees.
- **Telephone Consultation** - ongoing telephone support is provided at no additional charge.

VACHON CLUKAY
& COMPANY PC

Schedule of Audit Activities

- **Planning/Internal Control/Review/Risk Assessment** - We will work with the Town Staff to gain a complete understanding of the Town's processes and areas of risk to effectively and efficiently develop an audit plan to meet all objectives.

- **Fieldwork Commencement** - Our plan is to start work immediately and can schedule interim fieldwork during May and June of each year, if desired.

- **Draft Financial Statements** - The firm shall provide a draft copy of the report for review by the Town of Newmarket at least 30 days prior to the delivery of the Final Report. The Town will then review the draft report as expeditiously as possible. During that period, the auditor will be available for any meetings that may be necessary to discuss the audit reports.

- **Exit Conference** - An exit conference with the Town Administrator and Finance Director will be held prior to finalization of reports to discuss financial statements, report on internal control structure, and management letters to clear up any misunderstandings and obtain appropriate approvals.

- **Final Reports -** Once all issues for discussion are resolved, the final, signed report (including management reports) shall be submitted five (5) business days thereafter. Original paper copies of the financial statements and supplemental schedules and of the reportable conditions report and the management letter, and a copy of the original audit and reports in PDF format shall be provided.

- **Presentation to Town Council** - The firm shall meet with the Town Council, at a regularly scheduled Council meeting, to discuss the summary results of the audit and other reports.

VACHON CLUKAY
& COMPANY PC

References

Please feel free to call the following clients of our firm as a step in your decision process. Each of these individuals has agreed to serve as a reference and we encourage you to ask them about the quality and timeliness of our service. We currently serve over fifty New Hampshire governments. We will provide additional references upon request.

Town of Gilford

Jarad J. Vartanian, Engagement Director
Financial Audit
Approximate professional hours - 208
Geoff Ruggles 527-4703

Town of Moultonborough

Jarad J. Vartanian, Engagement Director
Financial Audit
Approximate professional hours - 180
Heidi Davis 476-2347

City of Berlin

Jarad J. Vartanian, Engagement Director
Financial and Single Audit
Approximate professional hours - 300
James Wheeler 752-7526

Please Note:
Our clients and their financial matters are confidential. We recognize the sensitive and confidential nature of financial information.

VACHON CLUKAY
& COMPANY PC

Audit Approach

At Vachon Clukay & Company PC, our audit approach includes the evaluation of current internal control systems. We will document our understanding of the *Town of Newmarket's* financial accounting, reporting and control systems for all segments of financial operations using questionnaires, memos, organization charts, accounting manuals, budget reports and other supporting documentation.

Risk Assessment

Over the past several years, risk assessment has become an integral part of what auditor's do in planning audits, As part of our planning we will evaluate the Town's internal control policies and procedures, review how the Town conducts its business and evaluate risks for material fraud, material misstatements in the Town's financial statements and other business risks. We use nationally recognized audit tools tailored to your Town to evaluate the risks associated with the audit of your Town's financial statements. Subsequently, based on our evaluation of such risks, we plan our audit to respond to such identified audit risks as necessary.

Planning Phase

- The firm will provide the Town with a list of all records that will be requested.
- Planning is critical to any audit engagement. Planning is required to ensure an efficient audit with a minimum of disruption to the audit firm and the auditee. Planning includes audit risk and fraud risk assessments.
- Our preliminary fieldwork will be conducted concurrently with our review evaluation of internal controls. Detailed fieldwork will commence at a mutually convenient time.

VACHON CLUKAY
& COMPANY PC

Audit Approach

EVALUATION OF INTERNAL CONTROLS

- The study and evaluation of internal controls of the Town, include all assets, liability, revenue, expenditure, and payroll cycles.

- Our process is to study and evaluate the Town's controls by interviewing Town officials and documenting system information using a combination of questionnaires and narratives. Based on noted controls, we test the Town's transactions for compliance to these controls.

- All significant weaknesses or noncompliance to existing control procedures will be identified and communicated as soon as they are known. At the conclusion of the audit, we will formally communicate our findings to you in our report on internal accounting controls.

SUBSTANTIVE TESTING

- Our substantive procedures include analytical review of your pre-audit budget, trial balance and supporting documentation. As such, we will review the Town's preliminary trial balance, budget and actual analysis, and expenditure reports to identify areas which require further analytical review or explanation.

PREPARATION OF FINANCIAL STATEMENTS AND REPORTS

- We will prepare draft financial statements and required footnote disclosures within four to six weeks after completion of all field work. The Town must designate an individual to be able to accept responsibility for supervising our work.

SUPERVISION AND REVIEW

- All detailed work papers and reports will be reviewed by the engagement director, as part of our quality control procedures. In addition, each financial statement issued from this office is subject to an independent review in the firm for compliance to professional standards.

VACHON CLUKAY
& COMPANY PC

Audit Approach

- It is our firm's policy to review draft copies of all reports before final issuance to clear up any misunderstandings and to give management the opportunity to provide additional information to auditors for further consideration. During the Town's review of the drafts, the auditor shall be available for any meetings that may be necessary to discuss the audit reports.

TIMING OF ENGAGEMENT

The engagement will be scheduled at a mutually convenient date. A Progress Conference will be held with the Town Administrator and Finance Director approximately during the mid point of field work. The purpose of this meeting will be to summarize the results of the field work completed to date and to review significant findings. Audit work can commence when the various individuals and officials with financial reporting responsibilities have reconciled. Unless we encounter circumstances beyond our control all reports will be available within 4-6 weeks after fieldwork is completed.

FINAL REPORT

The Town Administrator, Finance Director and staff shall complete their review of the draft as expeditiously as possible. It is not expected that this process should take more than three weeks. During that period, the firm shall be available for any meetings that may be necessary to discuss the audit reports. Once all issues for discussion are resolved, the final signed report shall be delivered to the Town Administrator.

AUDIT SAMPLING

We use a non-statistical sampling approach for selected populations to efficiently complete our audits. Sample sizes depend on many factors including but not limited to our evaluation of internal control, tolerable misstatement, type of audit evidence that can be obtained from other procedures and other audit risk.

VACHON CLUKAY
& COMPANY PC

Audit Approach

ANALYTICAL PROCEDURES TO BE USED IN THE ENGAGEMENT

The firm uses professional judgment in its analytical review of the Town's financial reports. Comparisons are used to both prior year actual numbers and budgeted or significant expectation computations.

POTENTIAL AUDIT PROBLEMS

At this time, we do not anticipate any problem audit areas. If such areas are identified during our evaluation of the Town's control systems or during other audit procedures, we will immediately bring them to management's attention and propose resolution.

EMERGING ISSUES

The firm will prospectively notify the Town of impending new accounting standards and meet with the Town management to assist them to meet such standards during the term of the engagement.

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& COMPANY PC

Client Assistance

Our projected fees are based upon the completion of certain reports, account reconciliations, schedules, records and assistance being provided by the Town's personnel as follows:

- Trial balance of general ledger accounts reconciled to subsidiary records.
- Formal bank reconciliations for each bank account reconciled to general ledger balances.
- Reconciliations of accounts to general ledger.
- Schedule of accounts receivable.
- Schedule of accounts payable and encumbrances outstanding.
- Access to minutes of Council meetings.
- Other information which the predecessor has previously required.

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& COMPANY PC

Professional Fee Schedule

Town of Newmarket
Summary Schedule of Professional Fees and Expenses
For the Audit of Financial Statements

	Financial Statement Audit	Single Audit
Fiscal Year 2016	$ 25,000	$ 2,750
Fiscal Year 2017	25,000	2,750
Fiscal Year 2018	25,000	2,750
Fiscal Year 2019 (Extension)	26,000	3,000
Fiscal Year 2020 (Extension)	26,000	3,000
Fiscal Year 2021 (Extension)	26,000	3,000
Total	$ 153,000	$ 17,250

The undersigned proposes to provide the Town of Newmarket, New Hampshire with an independent audit of its financial accounts and records, as outlined in the accompanying specifications and that I will accept as full payment therof, the sums indicated on this schedule.

Signature of Official: Jarad J Vartanian

Name (typed): Jarad J. Vartanian

Title: Engagement Director/Shareholder

Firm: Vachon Clukay & Company PC

Date: April 4 2016

♦ Fees for these professional services and expenses will not exceed:
Our fees are based on auditable records including subsidiary accounts reconciling to control accounts at all levels and balance sheet accounts reconciled to detailed listings.

The audit prices include out-of-pocket expenses and are presented as a total all-inclusive maximum fee.

Should our fees be less than projected, we will charge you the lower fee.

Town of Newmarket, New Hampshire

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& COMPANY PC

Professional Fee Schedule

- **Progress Reports** - shall be submitted with all billings.

- **Payment Terms** - Progress payments will be made on the basis of work completed during the course of the engagement. Interim billings shall cover a period of not less than a calendar month. Interim billings can not exceed the total cost of the engagement. Ten (10) percent may be withheld pending delivery of the firm's final reports.

Rates for Additional Professional Services

If it should become necessary for the Town to request the auditor to render any additional services to either supplement the services as requested in the RFP or to perform additional work as a result of the specific recommendations included in any report issued, then such additional work shall be performed only if set forth in an addendum to the contract between the Town and the Firm.

VACHON CLUKAY
& COMPANY PC

Municipal Governmental Clients

COUNTIES	CONTACT PERSON	TELEPHONE
Cheshire County	Sheryl Trombly	355-0154
Hillsborough County	Greg Wenger	627-5602

TOWN/CITY	CONTACT PERSON	TELEPHONE
Albany	Kathleen Vizard	447-6038
Alstead (new)	Linda Christie	835-2986
Antrim	Donna Hanson	588-6785
Auburn (new)	William Herman	483-5052
Barrington (new)	John Scruton	664-7395
Belmont	K. Jeanne Beaudin	267-8300
Bennington	Denise French	588-2189
Berlin	Jim Wheeler	752-7532
Campton (new)	Carina Park	726-3223
Canaan	Gloria Koch	523-4501
Chesterfield	Rick Carrier	363-4624
Claremont (new)	Guy A Santagate	542-7002
Fitzwilliam	Debbie Favreau	585-7723
Freedom	Karen Hatch	539-6323
Gilford	Geoff Ruggles	527-4703
Hampstead	Sally Theriault	329-5011
Harrisville	Angela Hendrickson	827-3431
Haverhill	Glenn English	787-6800
Kensington	Kathleen Felch	772-5423
Kingston (new)	Cindy Kenerson	642-3342
Lincoln	Helen Jones	745-2757
Lyme	Dina Cutting	795-4639
Marlborough	Sandra LaPlante	876-3751
Middleton	Kathy Landry	473-5202
Milford	Jack Sheehy	673-2257
Milton	Elizabeth Dionne	652-4501

VACHON CLUKAY
& COMPANY PC

Municipal Governmental Clients (cont'd)

TOWN/CITY (continued)	CONTACT PERSON	TELEPHONE
Mont Vernon (new)	Laurie Brown	673-6080
Moultonborough	Heidi Davis	476-2347
New Hampton	Barbara Lucas	744-3559
New Ipswich (new)	Joanne Meshna	878-2772
Newington	Martha Roy	436-7640
Newton	Nancy Wrigley	382-4405
Northwood	Sandra Garrett	942-5586
Pembroke	David Jodoin	485-4747
Plaistow	Sean Fitzgerald	382-5200
Richmond	Heidi Wood	239-4232
Rindge	Ellen Smith	899-5181
Sanbornton	Peggy Petraszewski	286-8303
Sandwich (new)	Catherine Graham	284-7701
Somersworth	Scott Smith	692-9504
Springfield (new)	Janet Roberts	763-4805
Stratham (new)	Paul Deschaine	772-7391
Swanzey	Michael Branley	352-7411
Troy	Alissa Fox	242-7722
Wakefield	Teresa Williams	522-6205
Warner	Jim Bingham	456-2298
Washington (new)	Board of Selectmen	495-3661
Weare	Naomi Bolton	529-7526
Winchester	Sharon Haley	239-4951

Town of Newmarket, New Hampshire

Technical Proposal for Independent Auditing Services

For the Years Ended June 30, 2016 – 2021

Submission Date: April 7, 2016

Contact: Scott C. McIntire, CPA
Vice President
Melanson Heath
102 Perimeter Road
Nashua, New Hampshire 03063
1-800-282-2440 x2529
http://www.melansonheath.com

MELANSON HEATH
ACCOUNTANTS • AUDITORS

Town of Newmarket, New Hampshire

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MELANSONHEATH
ACCOUNTANTS • AUDITORS

102 Perimeter Road
Nashua, NH 03063
(603)882-1111
melansonheath.com

Additional Offices:
Andover, MA
Greenfield, MA
Manchester, NH
Ellsworth, ME

April 7, 2016

Mr. Matthew Angell
Interim Finance Director
Finance Office
Town of Newmarket
186 Main Street
Newmarket, NH 03857

Dear Mr. Angell:

We are pleased to present this proposal to perform audit services for the Town of Newmarket, New Hampshire. We are prepared to meet all the requirements of the Town's audit RFP, including required time frames.

We are a New Hampshire-based regional CPA firm with offices in Manchester and Nashua, and specialize in performing audit and consulting services for New Hampshire cities, towns, districts, and counties. Due to the size of the Firm and diversity of our practice, we are proposing an engagement partner and a different audit team than the group that performed the 2012 Newmarket audit.

We offer our 40-year working knowledge of governmental organizations to the Town of Newmarket. As your auditors, you will have access to unparalleled professional services and responsiveness. We take pride in being on the cutting-edge of the accounting and auditing profession, and will keep you apprised of the ever-changing accounting and reporting guidelines that affect governmental organizations. To demonstrate our commitment to this leadership role, our Firm has conducted Training Sessions (Fall 2015) on the New Uniform Guidance requirements and Governmental Accounting Standards Board Statements 74 and 75, three years prior to the required implementation date.

Officer Participation/Experienced Staff

A major advantage of hiring our Firm is the high level of officer and manager participation. Scott McIntire, CPA will personally manage the engagement. We have also

compiled a team of highly experienced managers, supervisors, and staff for the Town of Newmarket engagement (see resumes beginning on page 17).

Municipal Audit Experience

We currently perform audit services to over 200 local governments, many similar in size and complexity to the Town of Newmarket. We have performed numerous audits of the Clean Water and Drinking Water Capitalization Grants.

Availability

The Town of Newmarket engagement will be staffed with auditors from our Manchester and Nashua offices, which will provide opportunities to conveniently meet with you and your staff to schedule, plan, coordinate, and complete the audit.

We are also always available on a year-round basis by phone or email to answer your questions, and will return phone calls/emails within 24 hours.

Our proposed timetable and fees are presented on page 15.

We look forward to re-establishing our professional relationship with the Town of Newmarket. If you have any questions regarding this proposal, please call.

Sincerely,

MELANSON HEATH
Accountants • Auditors

Scott C. McIntire, CPA
Vice President

A. Our Qualifications

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Resources

Melanson Heath is a regional CPA firm that specializes in governmental auditing and consulting, and has been rated one of the top firms in New England in 2013 through 2015 *Accounting Today* publication. We are the 12th largest non-national CPA firm in New England. In addition to audit, we also provide accounting, tax, fraud and forensic, and advisory services. We currently have 12 officers, 11 managers, and over 75 staff. Our offices are located in Manchester and Nashua, New Hampshire, Andover and Greenfield, Massachusetts, and Ellsworth, Maine. We have built our Firm over the last 40 years by providing attentive and proactive service to our clients, and by delivering those services in an effective and efficient manner. We provide a team of dedicated professionals and strategic alliances focused on client service. Our goal is to become your business partner and provide timely and helpful services to you.

Governmental Services Department

Our Governmental Services Department includes 5 shareholders and a staff of 60 that work exclusively on governmental audits, providing us with the capacity and depth not only to audit your organization, but also to lend our expertise as a resource. Each of the 5 governmental shareholders has over 20 years of auditing experience and has their own particular area of expertise including: preparation of Comprehensive Annual Financial Reports (CAFRs), risk assessment, Governmental Accounting Standards Board (GASB) pronouncements, fraud and forensics, federal financial aid auditing, and Office of Management and Budget (OMB) Circular A-133 compliance. Our expertise in these various disciplines means that we are uniquely qualified to perform the services that you need.

The Firm's continued success and growth in the governmental services area is the result of closely monitoring the following specific goals and objectives that have been implemented by our Governmental Services Department over the last 40 years:

- Provide a high level of officer participation and supervision in all audits.
- Provide for officer and staff availability to our clients throughout the year.
- Provide technical expertise unsurpassed in the industry.
- Provide a highly experienced staff that thoroughly understands the uniqueness of governmental accounting and auditing.

- Develop procedures to provide quality audit services in an efficient and cost-effective manner.
- Provide quality recommendations and training to our clients to simplify and improve their accounting records and internal controls.
- Provide a timely service and minimize disruptions to clients' staff.
- Implement internal quality control steps to ensure our work product meets the highest standards of quality and accuracy.

We have stayed focused on implementing these goals over the years, which has resulted in our current leadership role in the governmental arena.

Project Management

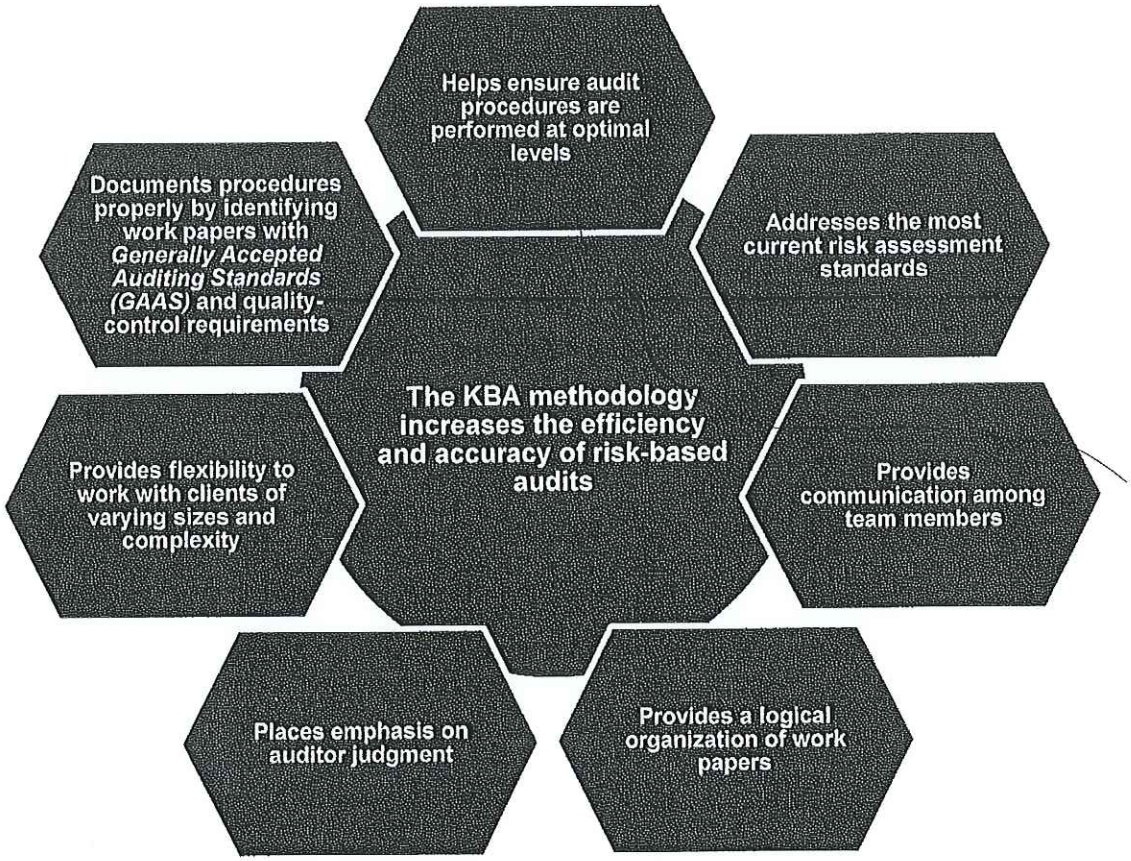
We stress proper planning in all of our engagements. Once awarded the engagement, we will immediately begin to work with you to specifically determine goals and objectives that will ensure a successful and timely audit. Together we will prioritize and develop a timeline with clear and concise milestones and deadlines. We will obtain an in-depth understanding of audit risks specific to your organization. With proper planning, issues will be identified early in the audit process which will contribute to the efficiency and timeliness of the audit.

During interim fieldwork, we will assess your entity-level controls and control activities; we will test the effectiveness of controls, and perform walk-throughs of important transactional cycles as part of the risk assessment process in accordance with the most recent auditing standards. We will pay particular attention to areas that we consider high audit risks in controls over financial reporting. We will identify issues that need clarification or additional research as early in the process as possible to facilitate the organized and timely performance of the audit and reporting processes.

Risk-Based Audit Approach

At Melanson Heath, we utilize the Knowledge Based Audit (KBA) methodology. The KBA methodology is a risk-based audit process, developed from the latest risk assessment standards. The KBA methodology was created by auditors, for auditors,

and has passed AICPA Peer Review. This methodology helps our auditors plan and produce higher-quality audits that both minimize compliance risk and maximize effectiveness and efficiency. The KBA methodology focuses on changes in risk from the prior year, to help ensure that we are neither under-auditing nor over-auditing.



Although the risk assessment standards have been published for several years, peer reviewers still find that many auditing professionals have not truly implemented a risk-based auditing approach. If these firms are also using older audit programs and methodologies that do not adequately address risk, or are using new technology to generate the audit programs similar to what they have used in the past, deficiencies are more common.

Experienced Staff

The members of our team have extensive governmental experience in financial audit, accounting, and federal compliance issues. Officers and managers in our Firm typically have in excess of 20 years of audit, accounting, and compliance experience. Our audit staff averages over 5 years of full-time audit and consulting experience. We have very low turnover of personnel, which means that you will generally be assigned the same audit personnel each year, without having to "re-train" new auditors. The officers and senior management of your audit team will be closely involved in your audit to ensure that you get the answers you need, when you need them, and to facilitate continuity of service.

Quality Control System

We have developed a very detailed quality control system within the Firm to deliver our services at the highest level. All work is closely supervised. For more than 30 years, the Firm has undergone rigorous peer reviews that have resulted in the highest level of compliance. All of our peer reviews, including our most recent (see page 32), concluded with our receiving the best rating possible. This process furthers our efforts to provide the highest level of quality to our audits.

Management Letters

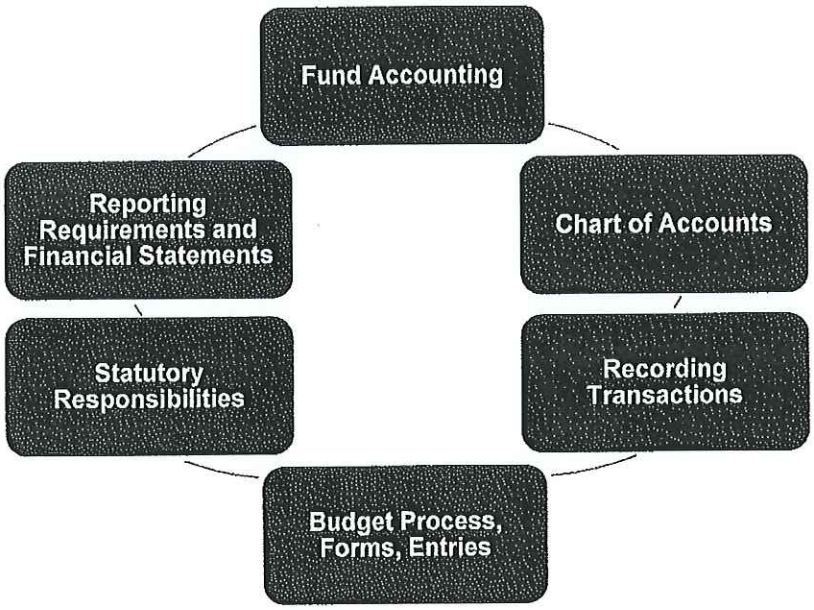
We view management letters as not only a requirement of auditing standards, but also as a mechanism to communicate ways to improve controls and efficiencies over financial systems and reporting. We encourage management to include responses to our comments in the final management letter document.

Technical Resources

Our Firm has been a leader in the accounting and auditing profession for over 40 years. We are proactive when new accounting and auditing standards are published as we implement many standards in advance of the required date. When new accounting and audit pronouncements are introduced, our Firm leads the way in working with clients by guiding them through their implementation of the sometimes-

complex issues. We will email you a free monthly newsletter to advise you of current accounting pronouncements and changes to state and federal laws and regulations.

The Firm also provides governmental accounting training programs free of charge to our clients, including our three-day Governmental Accounting course. The course has been offered annually for over 25 years and has been attended by hundreds of government employees. Topics of the course include:



Involvement in Professional Organizations

In order to keep abreast with the ever-changing accounting and auditing pronouncements, and other timely issues, we maintain an active role in the following professional organizations:

American Institute of CPAs (AICPA)

AICPA Government Audit Quality Center

AICPA G400 Group (largest 500 CPA firms in USA)

AICPA Private Companies Practice Section (PCPS)

New Hampshire Society of Certified Public Accountants (NHSCPA)

New Hampshire Government Finance Officers Association

New England Government Finance Officers Association

Massachusetts Government Finance Officers Association

Government Finance Officers Association

Association of Certified Fraud Examiners, Boston Chapter ACFE

Massachusetts Society of Certified Public Accountants (MSCPA)

Massachusetts Auditors and Accountants Association

Paperless Technology

Melanson Heath employs advanced technology to organize, store, protect, and communicate data to and from our clients. We employ accounting-specific applications that allow us to organize and track all audit data in an electronic (i.e., "paperless") environment. All of the data we store and utilize is backed up on a specific schedule that includes additional "off-site" secure storage for disaster recovery purposes.

Our audit staff utilizes laptop computers and paperless audit engagement software to maximize engagement efficiencies. Much of the information we request from you will be transmitted to us electronically.

Data Security

All computers that are utilized outside our offices (i.e., laptops) have encrypted hard drives to prevent unauthorized access in case of theft. Additionally, encrypted USB drives are available to all employees to allow for the secure transfer and temporary storage of data while at the client location.

All remote connectivity used by Melanson Heath employees is encrypted. Furthermore, Melanson Heath also has the ability to send e-mails that contain sensitive data in an encrypted format. Finally, Melanson Heath employs a secure web-based portal that allows for the secure transfer of data between our offices and our clients.

Consulting Services

In addition to audit, Melanson Heath also performs consulting related to overall organizational systems and human resource management for local governments. This experience includes:

- Evaluation of organizational structures and restructuring, recommended organization charts, development of job descriptions, duties, and responsibilities
- Evaluating efficiency and setting standards for achievement
- Providing recommendations on the flow and processing of documents through the organizational structure
- Seminar and lectures on professional development topics
- Internal control reviews and fraud prevention training
- Evaluation of resumes, assistance in interviewing and hiring recommendations
- Cash and receivable reconciliations
- Management audits

B. Service Plan for the Town of Newmarket Audit

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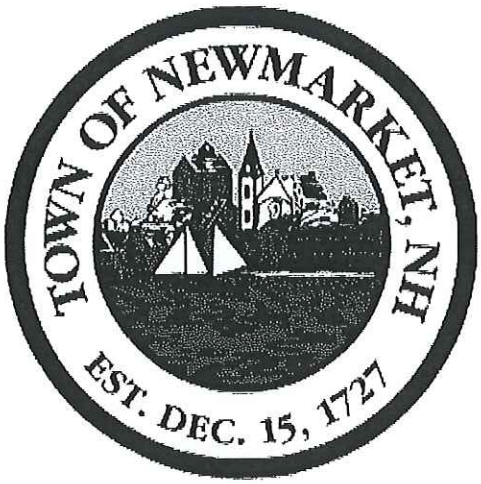
- Proposed Fees	15



Our Responsibilities to You

The objective of the audit is to obtain reasonable, but not absolute, assurance whether your financial statements as a whole are free from material misstatement, whether due to fraud or error. Reasonable assurance is a high level of assurance and requires us to plan and perform the audit so that audit risk will be limited to an appropriately low level.

Our audit will include examining, on a test basis, evidence supporting the amounts and disclosures in your financial statements, and therefore, will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations.

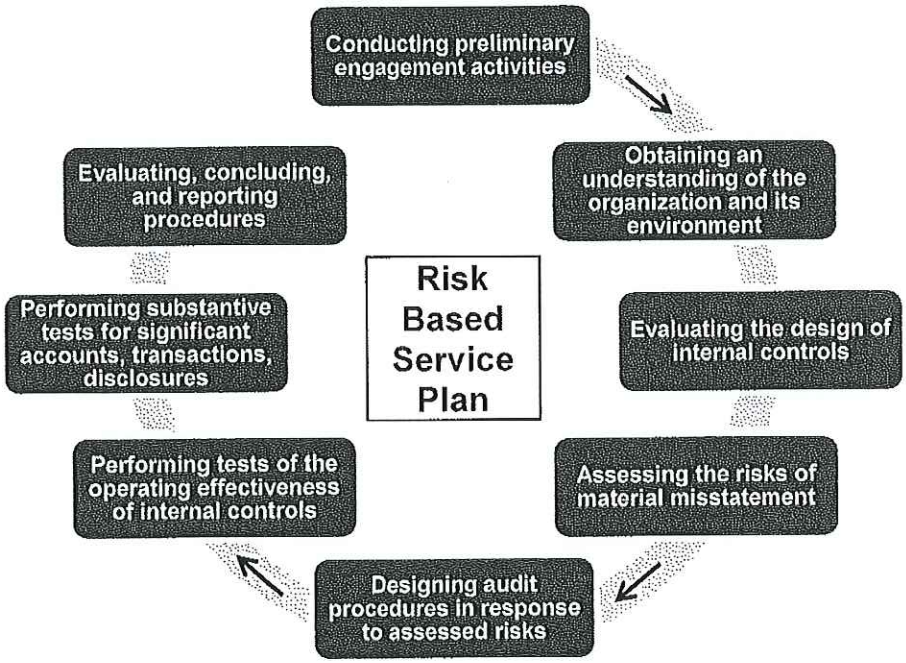
Our Audit Approach

We will utilize a risk-based audit methodology that emphasizes using knowledge of the Town to make risk assessments required in connection with the financial statement audit. All audits are risk-based to some extent because an auditor does not test 100% of the transactions of an entity. The more accurately an auditor assesses an entity's risks of material misstatement, the more likely the auditor will be to direct audit effort to those areas expected to contain risks of material misstatement, whether due to error or fraud, and the more assurance the auditor has that the

procedures performed in response to the risk assessments will detect material misstatements. Therefore, the primary drivers of our audit will be:

- Obtaining an understanding of the Town and its environment, including internal control, sufficient to accurately assess the risks of material misstatement and provide a basis for designing and implementing responses to the assessed risks of material misstatement.
- Obtaining sufficient appropriate audit evidence about whether material misstatements exist, through designing and performing audit procedures that are responsive to the risks of material misstatement.
- Forming an opinion on your financial statements based on conclusions drawn from the audit evidence obtained.

Our risk-based service plan for the audit of your financial statements includes the following eight steps:



The understanding obtained in each process affects the decisions made in the next. Although most steps in the methodology are performed sequentially, an audit is not a linear process. We will reconsider decisions made in an earlier process based on evidence obtained in later stages of the audit.

In general, our knowledge and understanding of the Town should flow through the above eight processes and affect the audit as follows:

- Knowledge gained from preliminary engagement activities and the determination of materiality is used to customize the audit plan for risk assessment procedures.
- Knowledge gained from risk assessment and other procedures, such as preliminary analytical procedures, is used to identify and assess the risks of material misstatement.
- Knowledge gained from risk assessment procedures and the identification of risks of material misstatement is used to customize the audit plan for further audit procedures.
- Evidence gained from further audit procedures is evaluated to determine whether audit risk has been reduced to an appropriately low level, and the appropriate auditor's report is issued.

During our audit, we may perform sampling in order to evaluate some characteristic of a balance or class of transactions, or to obtain audit evidence. The sampling performed may be either non-statistical or statistical, and may be used for tests of controls, substantive tests, and also dual-purpose tests.

Deliverables to You

We will provide the following deliverables to the Town of Newmarket.

Town Financial Audit

- Independent auditors' report.
- A management letter of comments and recommendations related to the financial statements, internal controls, accounting, accounting systems, legality of actions, other instances of noncompliance with regulatory requirements, and other matters coming to our attention during the financial audit.
- A report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
- Governance letter documenting the key results of the audit.

Single Audit

- A report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with OMB circular A-133, if applicable.

Timing

We are prepared to meet your deadlines and propose the following timeline to perform audit and related services.

Planning/preliminary work	May - June
Fieldwork	August - September
Draft financial statements and management letter	October 31
Final financial statements	Upon Town's approval
Single audit report submission	March 31
Presentation of the audit	As requested
Consultation and answers to technical questions, as requested	Ongoing

Proposed Fees

We will perform the audit of the Town of Newmarket's basic financial statements and single audit report for the following not to exceed costs:

	Financial Statement Audit	Single Audit	Total
Fiscal Year 2016	$26,000	$4,000	$30,000
Fiscal Year 2017	$27,000	$4,000	$31,000
Fiscal Year 2018	$27,500	$4,000	$31,500
Fiscal Year 2019 (Extension)	$28,000	$4,000	$32,000
Fiscal Year 2020 (Extension)	$28,500	$4,000	$32,500
Fiscal Year 2021 (Extension)	$29,000	$4,000	$33,000
Total	$166,000	$24,000	$190,000

Routine assistance throughout the year is included in our fixed fees. We will also be available throughout the year to provide additional technical and other services that will require more than a nominal amount of time, if requested, at our standard hourly rates, as follows:

Administrative staff	$ 55
Staff accountants	$ 65
Senior accountants	$ 80
Supervisors	$ 95
Managers	$125
Officers	$225

C. Your Audit Team

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Scott C. McIntire, CPA – Officer	18
Frank R. Biron, CPA – Officer	19
Alina Korsak, CPA – Audit Manager	20
Rebecca Gamsby, CPA – Supervisor	21
Christie Contichhio – Staff	22

We have compiled a team of auditors, all specialists in auditing New Hampshire municipalities. We provide ongoing continuing education and training, requiring a minimum of 40 hours per year, and focusing on governmental accounting and auditing.

Our staff training includes coverage of the latest and best practice techniques, including areas such as sampling and paperless work paper techniques.

Scott C. McIntire, CPA, Vice President, Shareholder

Professional Experience

Mr. McIntire is an Officer of Melanson Heath's Governmental Services Department and has been with the Firm since 1988. He is a Certified Public Accountant.

Mr. McIntire has over 25 years of governmental accounting and auditing experience and manages over 40 audits annually, including several municipal and international airports. He prepares 8 Comprehensive Annual Financial Reports (CAFRs) annually and evaluates CAFRs throughout the country as a member of the Government Finance Officers Association's Special Review Committee.

Education

He received his Bachelor of Science degree in Accounting from Plymouth State College.

Professional Memberships

Mr. McIntire holds membership and participates in the American Institute of Certified Public Accountants (AICPA), the Massachusetts Society of Certified Public Accountants (MSCPA), the Massachusetts Government Finance Officers Association, Massachusetts Municipal Accountants and Auditors Association, NESGFOA Special Review Committee for CAFRs, and New Hampshire Government Finance Officers Association.

Speaking Engagements/Seminars

Annually, Mr. McIntire attends the American Institute of Certified Public Accountants Governmental Auditing Conference in Washington, D.C. to remain at the forefront of current GASB standards and single audit requirements.

He is a frequent speaker at various governmental accounting organizations, and has been active in various municipal consulting services including performance audits, involvement in accountant search committees, training, and various special project audits.

Participation in the Town of Newmarket Audit

Mr. McIntire will be the officer in charge of the Town of Newmarket audit. He will be the key contact person for the engagement.

Frank R. Biron, CPA, President, Shareholder

Professional Experience

Frank R. Biron, CPA, is the President of Melanson Heath and a Certified Public Accountant licensed in Massachusetts, New Hampshire, and Vermont.

Mr. Biron has over 33 years of governmental accounting and auditing experience. He is officer-in-charge of over 40 of the Firm's 150 government audits, and is responsible for the Firm's Governmental Services quality control. He received the AICPA Certificate of Educational Achievement in Governmental Accounting and Auditing.

Education

Mr. Biron received his Bachelor of Science Degree in Accounting from Southern New Hampshire University.

Professional Memberships

Mr. Biron holds membership in the American Institute of Certified Public Accountants (AICPA), the Massachusetts and New Hampshire Societies of Certified Public Accountants, and the Massachusetts, New Hampshire and New England Government Finance Officers Association.

Speaking Engagements/Seminars

Mr. Biron currently instructs the Firm's annual governmental (UMAS) accounting course, as well as seminars for various government organizations, including the Massachusetts Municipal Auditors' and Accountants' Association, the Public Employees Administration Commission (PERAC), the New Hampshire Tax Collectors Association, the New Hampshire City and Town Clerks Association, the Massachusetts Tax Collectors Association, and the New Hampshire Government Financial Officers Association.

Participation in the Town of Newmarket Audit

Mr. Biron will serve as the Quality Control Officer. In this role, he will be responsible for reviewing all statements and reports.

Alina Korsak, CPA, Audit Manager

Professional Experience

Alina Korsak is an Audit Manager in the Governmental Services Department at Melanson Heath and has been with the Firm since 2000. Ms. Korsak is a Certified Public Accountant, licensed in Massachusetts and New Hampshire.

Ms. Korsak has over 15 years of governmental accounting and auditing experience. She is currently responsible for managing several government audit engagements annually, including financial statement audits of cities, towns, contributory retirement systems, utilities, airports, and OMB Circular A-133 single audits. She also evaluates several CAFRs throughout the country annually as a member of the Government Finance Officers Associations Special Review Committees.

Education

Ms. Korsak received a Bachelor of Science degree in Accounting at Emmanuel College in Boston, graduating Magna Cum Laude.

Community Services

Ms. Korsak was a Board member and Treasurer of the Adult Learning Center and was responsible for presenting monthly financial statements to the Board of Directors for six years. She currently serves on the Special Review Committee of the Government Finance Officers Association.

Professional Memberships

Ms. Korsak holds memberships in the Massachusetts Society of Certified Public Accountants (MSCPA), New Hampshire Society of Certified Public Accountants (NHSCPA), and the American Institute of Certified Public Accountants (AICPA).

Participation in the Town of Newmarket Audit

Ms. Korsak will serve as the Audit Manager in the Town of Newmarket audit. She will be a key contact person and will be responsible for planning, scheduling, coordinating and managing the audit.

Rebecca Gamsby, CPA, Supervisor

Professional Experience

Rebecca Gamsby is a Supervisor in the Governmental Services Department at Melanson Heath and has been with the Firm since 2011. She is a Certified Public Accountant licensed in New Hampshire. Her experience is concentrated in the areas of governmental accounting and auditing; she has worked on financial statement audits, OMB Circular A-133 single audits, and other special projects.

Education

Ms. Gamsby received her Bachelor of Science degree in Accounting at Southern New Hampshire University, graduating Magna Cum Laude. She is also a member of Delta Mu Delta National Honors Society.

Professional Memberships

Ms. Gamsby is a member of the American Institute of Certified Public Accountants (AICPA), the New Hampshire Society of Certified Public Accountants (NHSCPA), and the Massachusetts Society of Certified Public Accountants (MSCPA).

Participation in the Town of Newmarket Audit

Ms. Gamsby will serve as the Supervisor in the Town of Newmarket audit.

Christie Conticchio, Staff Accountant

Professional Experience

Christie Conticchio is a Staff Accountant in the Governmental Services Department at Melanson Heath. Her experience is concentrated in the areas of governmental accounting and auditing; she has worked on financial statement audits, single audits, and other special projects.

Education

Ms. Conticchio received her Master of Science degree in Accounting at Southern New Hampshire University, graduating Magna Cum Laude.

Professional Memberships

Ms. Conticchio is a member of the New Hampshire Society of Certified Public Accountants (NHSCPA).

Participation in the Town of Newmarket Audit

Ms. Conticchio will serve as the Staff Accountant in the Town of Newmarket audit.

D. Our Government Audit Experience

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Our Related Experience:

The following is a list of clients for whom we have provided auditing or other professional services:

	Years Audited	Other Services*
New Hampshire		
Cities:		
City of Claremont	2007-2015	SA
City of Concord (CAFR)	1992-2015	SA
City of Dover (CAFR)	1990-2008	SA
City of Keene	2009-2015	AUP, SA
City of Laconia	2008-2015	SA
City of Laconia Water Works	2008-2015	
City of Nashua (CAFR)	2002-2015	AUP, SA, Special Projects
City of Portsmouth (CAFR)	1994-2015	SA
City of Rochester	2014-2015	SA
City of Somersworth	1984-2009	AUP, Forensic, SA
Towns:		
Town of Bedford (CAFR)	2005-2015	SA
Town of Bristol	2007-2015	SA
Town of Canterbury	2007-2015	
Town of Carroll	2008-2015	
Town of Chester	2011-2015	
Town of Danville	2008-2015	
Town of Deerfield	2008-2015	
Town of Deering	2007-2014	
Town of Derry (CAFR)	2010-2015	SA
Town of Dunbarton	2009-2015	
Town of Durham	2012-2015	SA
Town of Enfield	2007-2009	
Town of Exeter	2007-2015	AUP, SA
Town of Goffstown	1999-2015	SA
Town of Greenland	2007-2009	
Town of Greenville	1983-2009	
Town of Hanover	2008-2015	SA
Town of Hollis	1980-2015	
Town of Hopkinton	2006-2007	
Town of Jaffrey	2012-2015	SA
Town of Litchfield	2008-2015	
Town of Londonderry (CAFR)	2003-2014	AUP, SA
Town of Madison	2008-2009	
Town of Merrimack	2008-2013	SA
Town of Newfields	2007-2015	

	Years Audited	Other Services*
Town of New Ipswich	2010-2015	
Town of Newmarket	2007-2012	SA
Town of Northfield	2007-2015	
Town of North Hampton	2011-2015	
Town of Pelham	2010-2015	
Town of Piermont	2008-2015	AUP
Town of Plaistow	2007-2009	
Town of Raymond	2007-2015	Forensic, SA
Town of Sandown	2007-2015	
Town of Salem	2008-2013	SA
Town of Stoddard	2014-2015	
Town of Sullivan	2008-2015	
Town of Sunapee	2007-2015	
Town of Temple	2000-2005, 2007-2015	
Counties/Districts:		
Berlin Water Works	2009-2015	SA
Contoocook Water District	2007-2010	
County of Belknap	2010-2015	
County of Coos	2013-2015	
County of Grafton	2011-2015	SA
County of Rockingham	2009-2015	SA
Emerald Lake Village District	2007-2015	SA
Grasmere Village District	2008-2015	
Ossipee Corner Light & Power	2007-2015	
Sullivan County	2004-2015	SA, Special Projects
Tilton-Northfield Fire District	2008-2015	
Tilton-Northfield Water District	2008-2015	
School Districts:		
Amherst School District (SAU 39)	2003-2009	
Concord School District (SAU 8)	2006-2015	AUP, SA
Derry Cooperative School District	2008-2015	SA
Dunbarton School District (SAU 19)	2002-2013	
Farmington School District (SAU 61)	2008-2015	
Franklin School Department (SAU 18)	2008-2010	
Goffstown School District (SAU 19)	2002-2013	SA
Grantham School District (SAU 75)	2013-2015	
Hill School District (SAU 18)	2008-2010	
Mascenic Regional School District (SAU 87)	2010-2015	SA, Special Projects
Merrimack School District	2009-2015	SA
Middleton School District (SAU 61)	2008-2015	
Mont Vernon School District	2005-2009	
New Boston School District (SAU 19)	2002-2013	SA
Northwood School District (SAU 44)	2009-2015	
Nottingham School District (SAU 44)	2009-2015	
Oyster River School District	2007-2015	SA

	Years Audited	Other Services*
Prospect Mountain High School	2008-2011	
School Administrative Unit 18	2008-2010	SA
Sanborn Regional School District	2009-2013	SA
Strafford School District (SAU44)	2009-2015	SA
Souhegan Cooperative School District	2005-2009	
Other Governmental Organizations:		
Central New Hampshire Regional Planning Commission	2008-2015	SA
Nashua Regional Planning Commission	2008-2015	SA
Nashua Region Solid Waste Management District	2008-2015	
New Hampshire/Vermont Solid Waste Project	2005-2007	
North Country Council	2010-2011	
Rockingham Planning Commission	2006-2015	SA
Strafford Regional Planning Commission	2006-2015	SA
Upper Valley Lake Sunapee Planning Commission	2009-2015	SA
Massachusetts		
Cities:		
City of Amesbury	1999-2015	CRS, EOY, SA
City of Everett	2004-2012	CRS, EOY, SA
City of Fitchburg	1993-2015	CRS, EOY, Forensic, SA
City of Gardner	2014-2015	AUP, EOY, SA
Town of Greenfield (City Government)	1985-2015	AUP, CRS, EOY, SA
City of Holyoke	1989-2015	AUP, CRS, EOY, Forensic, SA
City of Lawrence	2000-2008	
City of Leominster	1993-2015	CRS, EOY, SA, SAF
City of Lynn	2005-2015	AUP, CRS, EOY, SA
City of Medford	1988-2015	AUP, CRS, EOY, Forensic, SA
Town of Methuen (City Government) (CAFR)	1989-2015	AUP, CRS, EOY, SA, SAF
City of Newburyport	2004-2015	AUP, CRS, EOY, SA, SAF
City of Quincy	2002-2007	CRS, EOY
City of Revere	1999-2011	CRS, EOY, SA, SAF
City of Springfield	1995-2004	CRS, EOY, SA
Town of Watertown (City Government)	1993-2015	CRS, EOY, SA, SAF
Town of West Springfield (City Government)	1989-2015	CRS, EOY, SA
Town of Weymouth (City Government)	2010-2015	EOY, SA
Towns:		
Town of Amherst	1994-1996, 1998-2015	EOY, SA
Town of Ashby	2000-2015	
Town of Ashland	2006-2015	EOY, SA, SAF
Town of Athol	1989-2015	CRS, SA
Town of Becket	2005, 2010, 2012-2015	AUP, SA
Town of Belmont	2001-2012	EOY, SAF

	Years Audited	Other Services*
Town of Bernardston	2008, 2011	AUP
Town of Blackstone	2009-2015	AUP
Town of Blandford	1996-1997, 1999, 2003-2011	
Town of Bourne	1994-2007	
Town of Boxford	2005-2015	
Town of Boylston	2002-2007, 2013-2015	
Town of Chelmsford	2011-2013	EOY, SA
Town of Cheshire	1992-1993, 1999-2002	
Town of Chester	2003-2007	SA
Town of Concord (CAFR)	1998-2015	CRS, EOY, SA
Town of Danvers (CAFR)	1995-2015	CRS, EOY, SA
Town of Dartmouth	2012-2015	EOY, SA
Town of Douglas	2007-2015	EOY, SA, SAF
Town of Dover	1993-2015	
Town of Dracut	1987-2015	EOY, SA
Town of Easton	2000-2015	EOY, SA
Town of Egremont	2013	AUP
Town of Fairhaven	2012-2015	AUP, EOY, SA, SAF
Town of Framingham	1992-2015	CRS, EOY, SA
Town of Franklin	2005-2015	EOY, SA, SAF
Town of Great Barrington	1993-2015	
Town of Hadley	2011-2015	EOY
Town of Hanover	2010-2015	EOY, Forensic, SA
Town of Hardwick	2012-2015	AUP
Town of Hinsdale	2004-2013	
Town of Holbrook	1995-2006, 2008-2015	EOY, SA, SAF
Town of Hudson	1989-1991, 1995-2015	EOY, SA, SAF
Town of Ipswich	1991-2005	
Town of Kingston	1995-2015	AUP
Town of Lee	1989-2012	EOY, SA
Town of Lexington	1999-2015	CRS, EOY, Forensic, SAF
Town of Ludlow	1993-1996, 1998-2015	EOY, SA, SAF
Town of Lunenburg	1985-2004	
Town of Lynnfield	1997-2015	EOY, SA
Town of Manchester-by-the Sea	2005-2008	
Town of Maynard	2006-2012	CRS, EOY, SA
Town of Medfield	2001-2008	SA
Town of Medway	1994-2015	SA
Town of Millis	2005-2015	AUP, EOY, SA, SAF
Town of Middleborough	2005	SA
Town of Millbury	2004-2009	AUP, EOY, SA
Town of Montague	1986-2015	CRS, SA
Town of Monterey	2005, 2009, 2012	
Town of Montgomery	2007, 2009, 2011	
Town of Needham	1994-2015	CRS, EOY, SA, SAF

	Years Audited	Other Services*
Town of North Attleborough	2008-2014	CRS, SA
Town of Norwell	2007-2015	AUP, EOY, SA, SAF
Town of Norwood	2004-2015	CRS, EOY, SA
Town of Oak Bluffs	2014	
Town of Randolph	2012-2015	SA
Town of Reading	2003-2015	CRS, EOY, SA, SAF
Town of Royalston	2015	
Town of Rowe	2012	
Town of Rutland	1998-2012, 2014-2015	AUP
Town of Saugus	2003-2011	AUP, CRS, EOY, SA
Town of Sharon	2001-2015	EOY, SA, SAF
Town of Sheffield	2001-2014	SA
Town of Shelburne	2014-2015	
Town of Sherborn	2002-2015	
Town of Southampton	1998-2000, 2009-2015	AUP, SA
Town of Southbridge	2002-2008	AUP, CRS, EOY, SA
Town of Stoneham	1997-2008	CRS, EOY, SA, SAF
Town of Sutton	2000-2005, 2009-2015	AUP, EOY, Forensic, SA
Town of Swansea	2001-2003	
Town of Templeton	2002-2012	SA
Town of Townsend	2011-2014	
Town of Uxbridge	2005-2014	EOY, SA
Town of Wayland (CAFR)	2011-2015	EOY, SA, SAF
Town of Webster	2000-2003	
Town of West Boylston	2000-2015	EOY, SA
Town of West Bridgewater	1989-2002	
Town of Westford	1988-2015	AUP, EOY, Forensic, SA, SAF
Town of Weston	2002-2013	EOY, SA, SAF
Town of Whitman	2007-2015	Forensic
Town of Wilbraham	1994-2015	AUP, SA
Town of Williamsburg	2005-2015	
School Districts:		
Adams-Cheshire Regional School District	2008-2015	EOY, SA
Ashburnham-Westminster Regional School District	1992-2015	EOY, SA, SAF
Athol-Royalston Regional School District	1986-2015	EOY, SA, SAF
Ayer-Shirley Regional School District	2011-2015	EOY, SA
Cape Cod Regional Vocational Technical District	2014-2015	EOY, SA
Concord-Carlisle Regional School District	1998-2015	EOY, SAF
Erving Regional School District	1995-2011	EOY
Franklin County Technical School District	1986-2015	EOY, SA
Gill-Montague Regional School District	1987-2015	EOY, SA, SAF
Greater Lawrence Technical School	1992-2015	EOY, SA
Greater Lowell Regional Vocational Technical School District	1994-2015	EOY, SA

	Years Audited	Other Services*
Groton-Dunstable Regional School District	1997-2015	EOY, Forensic, SA
Hamilton-Wenham Regional School District	1987-2010	EOY, SA
Hawlemont Regional School District	1999-2015	EOY
Minuteman Regional Vocational Technical High School	2008-2015	CRS, EOY, SA
Mohawk Trail Regional School District	1999-2004, 2009-2014	EOY, SA, SAF
Montachusett Regional School District	1997-2015	EOY, SA
New Salem-Wendell Union School District	1994-2015	EOY
North Middlesex Regional School District	1988-1993, 2000-2010	EOY, SA
Old Rochester Regional School District	2013-2015	EOY, SA
Pathfinder Regional School District	1989-2015	EOY, SA
Southeastern Regional Vocational School District	2000-2002, 2014-2015	SA
Wachusett Regional School District	1989-1996, 2006	EOY, SA
Whittier Regional Vocational Technical School District	2005-2011	EOY, SA
Electric Enterprise Divisions:		
Cohasset Water & Sewer	2008-2010	
Concord Municipal Light Plant	2013-2015	
Danvers Electric Division	1995-2015	
Littleton Electric & Water Department	2005-2009	
Norwood Electric Department	2004-2015	
Peabody Municipal Light Plant	1994-2015	
Reading Municipal Light Plant	2003-2015	Special Projects
South Hadley Electric Department	2015	
Wakefield Municipal Gas and Light Department	2000-2015	SA
Wakefield Municipal Cooperative Corporation	2013-2015	
Other Governmental Organizations:		
Bondsville Fire and Water District	1993-2015	
Bourne, MA Landfill	1999-2007	
Berkshire County Retirement System	2014	
CASE Collaborative	2002-2015	
Dedham-Westwood Water District	2008-2015	
Franklin-Hampshire Employment and Training Consortium	1986-2015	SA
Franklin Regional Retirement System	2010-2011, 2013-2014	
Lanesboro Village Fire & Water	2011-2012	
Lexington Housing Assistance Board	2012-2015	
Lynn Water & Sewer	2012-2014	
Martha's Vineyard Municipal Airport	2001-2002	
Merrimack Valley Nutrition Project	2005-2014	SA
Natick Water & Sewer	2003-2005	
Pioneer Valley Planning Commission	1990-2015	SA
Salem-Beverly Water Supply Board	2000-2015	
Springfield Redevelopment Authority	1996-2015	SA
Springfield Water and Sewer Commission (CAFR)	1998-2015	
Turners Falls Fire and Water District	1988-1992, 1994-2015	
Wayland-Sudbury Septage Treatment Facility	2002-2009	

	Years Audited	Other Services*
Counties:		
Franklin Regional Council of Governments	1998-2015	SA
Hampshire Council of Governments	2000-2015	
Plymouth County	2006-2015	
Vermont		
Cities:		
City of Burlington	2011-2015	SA, Special Projects
School Districts:		
Burlington School District	2011-2013	SA
State of Vermont:		
Census Data Testing on 17 Cities/Town/School Districts for compliance with GASB 67	2014-2015	
Maine		
Towns:		
Town of Lebanon	2014-2015	

Other Services*

CRS = contributory retirement system audit

EOY = agreed upon procedures for school department end-of-year report

SA = single audit

SAF = agreed upon procedures for school student activity funds

AUP = other agreed upon procedures

Our References

Listed below are the names of individuals from towns and cities we have audited and provided consulting services. We are proud of our reputation and invite you to discuss our qualifications with them.

Town of Raymond, New Hampshire
Mr. Craig Wheeler
Town Manager
603-895-4735

City of Portsmouth, New Hampshire
Ms. Judie Belanger
Finance Director
603-610-7223

City of Nashua, New Hampshire
Ms. Rose Evan
Accounting & Compliance Manager
603-589-3166

City of Concord, New Hampshire
Mr. Brian LeBrun
Deputy City Manager - Finance
603-225-8570

City of Rochester, New Hampshire
Mr. Blaine Cox
Finance Director
603-335-7609

E. Most Recent Peer Review Report

Every three years the Firm undergoes an in-depth peer review process, which includes an evaluation of our audit quality control system and review of sample governmental audit work papers and financial statements. The results of our peer reviews have always resulted in a "clean opinion" with no exceptions. This is the best result possible from a peer review.

Our most recent peer review report is presented on the following page.

Telling & Associates, CPA PC

Certified Public Accountants
5 Park Street – Middlebury, VT 05753

System Review Report

June 5, 2015

To the Owners of Melanson Heath & Company
and the New England Peer Review Program

We have reviewed the system of quality control for the accounting and auditing practice of Melanson Heath & Company (the firm) in effect for the year ended March 31, 2015. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included (engagements performed under *Government Auditing Standards*; and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Melanson Heath & Company in effect for the year ended March 31, 2015, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass, pass with deficiency(ies)* or *fail*. Melanson Heath & Company has received a peer review rating of *pass*.

Telling & Associates CPA P.C.

Telling & Associates CPA PC

Phone: (802) 388-3311 Web: www.telling.info

CHARTERED JANUARY 1, 1991 FOUNDED DECEMBER 15, 1727

TOWN OF NEWMARKET, NEW HAMPSHIRE
By the Newmarket Town Council

Resolution #2015/2016-49

Resolution Relating to Transferring Funds
From the Downtown TIF Capital Reserve Fund

WHEREAS, the May 10, 2011 Town Meeting established the Downtown TIF Capital Reserve fund for the purpose of paying the Downtown TIF debt service, and

WHEREAS, the Town Council has been appointed as agent to expend from the Capital Reserve Fund for this purpose, and

WHEREAS, the Town must pay debt service interest of $9,986.43 on July 15, 2016 and principal and interest totaling $87,318.75 on January 15, 2017.

NOW, THEREFORE BE IT RESOLVED that the Newmarket Town Council does hereby approve a transfer of $97,305.18 from the Downtown TIF Capital Reserve Fund to the General Fund for the purpose of paying the fiscal year 2017 Downtown TIF debt service.

First Reading: May 18, 2016
Second Reading: June 1, 2016
Approval:

Approved:_____
Gary Levy, Town Council Chairman

A True Copy Attest_____
Terri J. Littlefield, Town Clerk

TOWN OF NEWMARKET, NEW HAMPSHIRE
OFFICE *of the* FINANCE DEPARTMENT

Date: May 11, 2016
To: Steve Fournier, Town Administrator
From: Matt Angell, Interim Finance Director
Re: Transfer from the Downtown TIF Capital Reserve Fund

Steve,
I have put in a resolution that is requested annually. It relates to transferring funds from the Downtown TIF Capital Reserve Fund for related debt service expenditures.

The Downtown TIF is closed; however, prior to its closure, Town Meeting transferred a balance sufficient to cover the remaining bond debt service related to the Downtown TIF.

I will make myself available to answer questions before the Town Council.
Thanks,
Matt

186 MAIN STREET • NEWMARKET • NEW HAMPSHIRE • 03857
TEL: (603) 659-3617 • FAX: (603) 659-3351 • www.newmarketnh.gov

2002 SERIES E NON GUARANTEED - AFTER 2010 SERIES A REFUNDING

20 YEAR DEBT SCHEDULE FOR

TOWN OF NEWMARKET - Downtown TIF

DATE PREPARED:	03/07/13
BONDS DATED:	01/15/03
INTEREST START DATE: 206 days	12/19/02
FIRST INTEREST PAYMENT:	07/15/03
NET INTEREST COST:	4.5200%

DEBT YEAR	PERIOD ENDING	PRINCIPAL OUTSTANDING	PRINCIPAL	RATE	INTEREST	Less 2010A Refunding	INTEREST after refunding	TOTAL PAYMENT	FISCAL YEAR TOTAL PAYMENT
	07/15/03				$37,895.42		$37,895.42	$37,895.42	
1	01/15/04	$1,500,000.00	$75,000.00	4.250%	33,112.50		33,112.50	108,112.50	$146,007.92
	07/15/04				31,518.75		31,518.75	31,518.75	
2	01/15/05	1,425,000.00	75,000.00	4.250%	31,518.75		31,518.75	106,518.75	138,037.50
	07/15/05				29,925.00		29,925.00	29,925.00	
3	01/15/06	1,350,000.00	75,000.00	4.250%	29,925.00		29,925.00	104,925.00	134,850.00
	07/15/06				28,331.25		28,331.25	28,331.25	
4	01/15/07	1,275,000.00	75,000.00	4.250%	28,331.25		28,331.25	103,331.25	131,662.50
	07/15/07				26,737.50		26,737.50	26,737.50	
5	01/15/08	1,200,000.00	75,000.00	4.250%	26,737.50		26,737.50	101,737.50	128,475.00
	07/15/08				25,143.75		25,143.75	25,143.75	
6	01/15/09	1,125,000.00	75,000.00	4.250%	25,143.75		25,143.75	100,143.75	125,287.50
	07/15/09				23,550.00		23,550.00	23,550.00	
7	01/15/10	1,050,000.00	75,000.00	4.250%	23,550.00		23,550.00	98,550.00	122,100.00
	07/15/10				21,956.25		21,956.25	21,956.25	
8	01/15/11	975,000.00	75,000.00	4.250%	21,956.25		21,956.25	96,956.25	118,912.50
	07/15/11				20,362.50	(2,099.26)	18,263.24	18,263.24	
9	01/15/12	900,000.00	75,000.00	4.250%	20,362.50		20,362.50	95,362.50	113,625.74
	07/15/12				18,768.75	(2,099.26)	16,669.49	16,669.49	
10	01/15/13	825,000.00	75,000.00	4.250%	18,768.75		18,768.75	93,768.75	110,438.24
	07/15/13				17,175.00	(2,099.26)	15,075.74	15,075.74	
11	01/15/14	750,000.00	75,000.00	4.250%	17,175.00		17,175.00	92,175.00	107,250.74
	07/15/14				15,581.25	(2,332.32)	13,248.93	13,248.93	
12	01/15/15	675,000.00	75,000.00	4.300%	15,581.25		15,581.25	90,581.25	103,830.18
	07/15/15				13,968.75	(2,332.32)	11,636.43	11,636.43	
13	01/15/16	600,000.00	75,000.00	4.400%	13,968.75		13,968.75	88,968.75	100,605.18
	07/15/16				12,318.75	(2,332.32)	9,986.43	9,986.43	
14	01/15/17	525,000.00	75,000.00	4.500%	12,318.75		12,318.75	87,318.75	97,305.18
	07/15/17				10,631.25	(2,332.32)	8,298.93	8,298.93	
15	01/15/18	450,000.00	75,000.00	4.500%	10,631.25		10,631.25	85,631.25	93,930.18
	07/15/18				8,943.75	(2,856.92)	6,086.83	6,086.83	
16	01/15/19	375,000.00	75,000.00	4.600%	8,943.75		8,943.75	83,943.75	90,030.58
	07/15/19				7,218.75	(4,679.26)	2,539.49	2,539.49	
17	01/15/20	300,000.00	75,000.00	4.700%	7,218.75		7,218.75	82,218.75	84,758.24
	07/15/20				5,456.25	(4,748.06)	708.19	708.19	
18	01/15/21	225,000.00	75,000.00	4.800%	5,456.25	(516.00)	4,940.25	79,940.25	80,648.44
	07/15/21				3,656.25	(3,615.44)	40.81	40.81	
19	01/15/22	150,000.00	75,000.00	4.850%	3,656.25	(516.00)	3,140.25	78,140.25	78,181.06
	07/15/22				1,837.50		1,837.50	1,837.50	
20	01/15/23	75,000.00	75,000.00	4.900%	1,837.50		1,837.50	76,837.50	78,675.00
	TOTALS		$1,500,000.00		$717,170.42	($32,558.74)	$684,611.68	$2,184,611.68	$2,184,611.68

CHARTERED JANUARY 1, 1991 FOUNDED DECEMBER 15, 1727

TOWN OF NEWMARKET, NEW HAMPSHIRE
By the Newmarket Town Council

Resolution #2015/2016-50

Relating to the Town's Investment Policy

WHEREAS, Pursuant to RSA 41:9 VII, the Town Council "shall annually review and adopt an investment policy for the investment of public funds in conformance with applicable statues…."

NOW THEREFORE BE IT RESOLVED, that the Newmarket Town Council adopts an investment policy, as follows:

Introduction

The intent of this investment policy is to define the parameters within which funds are to be managed. In methods, procedures and practices, the policy formalizes the framework for the Town's investment activities that must be exercised to ensure effective and judicious fiscal and investment management of the Town's funds. The guidelines are intended to be broad enough to allow the Treasurer to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

Governing Authority

The Town Council has authority under RSA 41:9 (Town) and RSA 48:16 to adopt this investment policy.

Scope

This policy applies only to investments held by the Treasurer. Funds held by the Trustee of Trust Funds and the Library Trustees are excluded from this policy.

Investment Objectives

The primary investment objectives, in priority order, of investment activity shall be:

a. **Safety**

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation

of capital in the overall portfolio. The goal will be to mitigate credit risk and interest rate risk.

b. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

c. Return

The investment portfolio should be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints of safety and liquidity needs.

d. Special Considerations

Where possible, funds may be invested for the betterment of the local economy. For example, funds may be invested with institutions to reward them for promoting local economic development through its various programs and activities. Any money deposited in these institutions shall be FDIC insured and/or collateralized pursuant to section 0 of this policy.

Standards of Care

e. Prudence

The standard of prudence to be used by the Treasurer shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The Treasurer acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

The "prudent person" standard shall be defined as:

> Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable of safety of their capital as well as the probable income to be derived.

f. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial

investment decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the Town Council. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the Town.

Delegation of Authority and Responsibility

g. Maintenance of the Cashbook

The Finance Office shall maintain general ledger cash accounts by bank statement with enough transactional specificity that will comply with the requirements of maintaining a cashbook.

h. Bank Reconciliations

The Finance Office shall prepare for the Treasurer's approval, bank reconciliations. Such bank reconciliations shall reconcile bank balances to the general ledger cash balances and include supporting documentation for each reconciling item.

i. Bank Deposits

The Tax Collector's Office, with a police escort, may deposit Town collections with the bank.

j. Other Internal Controls

All departments must comply with internal controls specified by the Town Administrator.

Authorized investments

The Treasurer shall invest in the public deposit investment pool, money market accounts, certificates of deposits, repurchase agreements, or all other types of interest bearing accounts of federally insured banks chartered under the laws of New Hampshire or the federal government with a branch in the state.

The Treasurer shall amounts of investments in a manner that will mitigate the concentration of credit risk. Concentration of credit risk is the risk of loss attributed to an investment in a single issuer.

Approved Institutions

The Treasurer shall have authority to deposit, upon approval by the Town Administrator and recommendation of the Finance Director, town monies in the public deposit pool, banks

chartered under the laws of New Hampshire, and banks chartered under the laws of the federal government with a branch within the state, as follows:

- Citizens Bank
- Kennebunk Savings Bank
- New Hampshire Public Deposit Investment Pool
- TD Bank

Collateralization shall be obtained separately for each institution, according to section 0 of this policy.

Collateralization

The Treasurer shall collateralize deposits in an effort to mitigate custodial credit risk. Mitigation includes segregating deposits to be covered by federally deposit insurance or similar insurance.

Foreign Investments

The Treasurer shall not invest in foreign investments.

First Reading: May 18, 2016
Second Reading: June 1, 2016
Approval:

Approved:_____
Gary Levy, Town Council Chairman

A True Copy Attest_____
Terri J. Littlefield, Town Clerk

TOWN OF NEWMARKET, NEW HAMPSHIRE
OFFICE *of the* FINANCE DEPARTMENT

Date: May 11, 2016
To: Steve Fournier, Town Administrator
From: Matt Angell, Interim Finance Director
Re: Investment Policy

Steve,
I have put in the investment policy resolution for the Town Council's consideration.

I have requested one change that relates to the State Treasurer's recommendation of financial instructions. Simply, the State Treasurer stopped providing recommendations several years ago. Keeping the requirement that the Town maintain funds with financial institutions recommended by the State Treasurer would result in a requirement that cannot be enforced. I recommend changing the language to mirror the Town Treasurer duties under RSA 41:29 II,

> "The treasurer shall deposit all such moneys in participation units in the public deposit investment pool established pursuant to RSA 383:22 or in federally insured banks chartered under the laws of New Hampshire or the federal government with a branch within the state, except that funds may be deposited in federally insured banks outside the state if such banks pledge and deliver to a third party custodial bank or the federal reserve bank collateral security for such deposits…" (Emphasis added)

Since we have time to make changes to the policy, I welcome input.

I will make myself available to answer questions before the Town Council.
Thanks,
Matt

Matt

186 MAIN STREET • NEWMARKET • NEW HAMPSHIRE • 03857
TEL: (603) 659-3617 • FAX: (603) 659-3351 • www.newmarketnh.gov

CHARTERED JANUARY 1, 1991 FOUNDED DECEMBER 15, 1727

TOWN OF NEWMARKET, NEW HAMPSHIRE
By the Newmarket Town Council

Resolution 2015/2016-51

Resolution Relating to Police Station and

Recreation Center Siding Replacement and Repairs

WHEREAS, the siding on the Police Station and Recreation Center have begun to rot and need replacement and repair of sheathing, if necessary, and

WHEREAS, the proposed project cost is as follows

Building	Amount
Police Station	$39,500
Community Center	28,500
Total	$68,000

WHEREAS, the Building Improvements Capital Reserve Fund has a balance of $228,706, as of March 31, 2016.

NOW, THEREFORE BE IT RESOLVED that the Newmarket Town Council does hereby authorize the withdrawal of and amount not to exceed $68,000 and to authorize the Town Administrator to enter into construction contracts related to this project.

First Reading: May 18, 2016
Second Reading: June 1, 2016
Approval:

Approved:_____
Gary Levy, Town Council Chairman

A True Copy Attest_____
Terri J. Littlefield, Town Clerk

5/2/2016

Estimate

Bragdon Construction
23R Bunkerhill Avenue
Stratham, NH 03885
603-778-1013

Sold to:
Town of Newmarket
Newmarket, NH

Materials and labor to remove old wood siding and trim from the police department
Replace any rotten plywood
Wrap entire building with typar
Wrap soffits and facers with aluminum coil stock
Install new D4 vinyl siding and azek around windows and doors
Remove existing pine and replace with cedar impressions on bottom of police station

Total Estimate $39,500.00

5/2/2016

Estimate

Bragdon Construction
23R Bunkerhill Avenue
Stratham, NH 03885
603-778-1013

Sold to:
Town of Newmarket
Newmarket, NH

Materials and labor to remove old wood siding and trim from the community center.
Replace any rotten plywood
Wrap entire building with typar
Wrap soffits and facers with aluminum coil stock
Install new D4 vinyl siding and azek around windows and doors
Rebuild columns in front of center.

Total Estimate $28,500.00

B construction
+ Garfield CT
Hel NH 03833

Contractors Invoice

TO: Town of New Market

WORK PERFORMED AT: Community center

DATE: April 30 2016

YOUR WORK ORDER NO.

OUR BID NO. 944-3582

DESCRIPTION OF WORK PERFORMED

The following work would be performed, we would remove old siding and trim around window, we would apply House wrap on entire Building, we would then apply new Azek trim around windows and doors next we would wrap fake trim and eave trim with coil stock, next we would apply vinyl accesories such as Light Brackes, J channel, F, corner Brackets, next we would apply 44 sq of monogram DH siding and soffit. we would Also rebuild columns out front.

The Given Includes, labor, and Materials.

All Material is guaranteed to be as specified, and the above work was performed in accordance with the drawings and specifications provided for the above work and was completed in a substantial workmanlike manner for the agreed sum of _____ Dollars ($ 30,500.00).

This is a ☐ Partial ☑ Full invoice due and payable by: _____ Month _____ Day _____ Year

In accordance with our ☐ Agreement ☐ Proposal No. _____ Dated _____ Month _____ Day _____ Year

adams JC3822

NC3822 - 3-part carbonless adams contractors invoice

CSB Construction
3 A Garfield CT
Exeter NH 03833

Proposal

Contractors Invoice

TO: Town of Newmarket

WORK PERFORMED AT: Newmarket Police Station

DATE: April 30 2016

YOUR WORK ORDER NO.

OUR BID NO. 944-3582

DESCRIPTION OF WORK PERFORMED

The following work would be performed, we would remove Existing siding and trim, we would then Apply House wrap on entire Building, next we would Apply new Azec trim around windows and doors, the Rakes and eave trim would be wrapped In Coil stock, next we would Apply Azec mud Board around Building Approx 300 LF, Next we would Apply vinyl siding accesories, such as corners J channel, Light Blocks, etc, next we would Apply 40 SQ of monogram D4 and 9 SQ of cedar Impressions to lower HALF of Building, we would Apply new vinyl soffit

The price Given Includes labor, materials

All Material is guaranteed to be as specified, and the above work was performed in accordance with the drawings and specifications provided for the above work and was completed in a substantial workmanlike manner for the agreed sum of _____

_____ Dollars ($ 38,000.00).

This is a ☐ Partial ☐ Full invoice due and payable by: _____ Month _____ Day _____ Year

In accordance with our ☐ Agreement ☐ Proposal No. _____ Dated _____ Month _____ Day _____ Year

adams NC3822 09-11

4/1/2016

Town of Newmarket
Capital Reserve Overview

	Account #	Balance 7/1/2015	FY 15/16 Additions	FY 15/16 Resolutions	Remaining Balance
Public Works	01-490-900-0012	439,855	131,040	(156423)	414,472
Fire	01-490-900-0016	277,633	50,596	(75257)	252,972
Library	01-490-900-0017	129,647	244	0	129,891
Police Vehicles	01-490-900-0018	122,053	50,732	0	172,785
Dispatch/Police Equipment	01-490-900-0019	97,802	29,760	0	127,562
Building Improvements	01-490-900-0020	282,652	541	(54487)	228,706
Municipal Trans.Fund	01-213-000-3110	174,395	324	0	174,719
Town Clock	01-490-900-0022	8,791	17	0	8,808
Recreation Facilities	01-490-900-0021	168,264	310	(33337)	135,237
Community Recreation		84,366	159	0	84,525
Technology	01-490-900-0076	37,458	71	0	37,529
Dam Capital Reserve	01-490-900-0078	9	50,073	0	50,082
Cemeteries	01-490-900-0079	6,017	15	0	6,032
Veterans Memorial Trust	01-490-900-0080	18,937	4,823	0	23,760
Cable TV	01-490-900-0034	31,440	94	0	31,534
Sidewalk Development		0	0	0	0
Downtown TIF	09-500-825-0181	597,220	1,275	0	598,495
Revaluation	01-490-900-0011	3,256	10,021	0	13,277
Downtown Infrastructure		34	0	0	34
Health Trust		1,117	2	0	1,119
Storm Wtr Mgt	01-490-900-0085	51,215	50,169	0	101,385
300th Anniv.Celebration	01-490-900-0086	2,004	2,007	0	4,010
Compensated Absence	01-490-900-0087	0	10,015	0	10,015
Master Plan	01-490-900-0028	0	10,015	0	10,015
Roadway Improvement	01-490-900-0023	0	125,182	0	125,182
Total General Fund		2,534,165	527,484	(319,504)	2,742,145
Water Capital Reserve		452,994	365,919	0	818,913
Water Surplus		2	0	0	2
Sewer Capital Reserve		827,152	166,018	0	993,169
Total Capital Reserve		3,814,313	1,059,421	(319,504)	4,554,230

INTEROFFICE MEMORANDUM

TO: STEVE FOURNIER, TOWN ADMINISTRATOR

FROM: RICK MALASKY, PUBLIC WORKS DIRECTOR

SUBJECT: POLICE/COMMUNITY CENTER SIDING REPLACEMENT

DATE: 5/25/2016

I am requesting the Town Council approve the release of $68,000 from the Building Improvement Capital Reserve account for the replacement of all the siding on the Police Department and the Community Center. A copy of the quotes is attached.

There is currently $228,706 in the Building Improvements Capital Reserve account.

Both buildings are over 20 years old and have some rot issues because wood was used in areas that wasn't the best scenario or application. I have a proposal that will eliminate any rot issues in the future and reduce ongoing maintenance costs moving forward.

Bragdon Construction of Stratham is low bid and has done projects for the town in the past. We have been very satisfied with his workmanship.

Please let me know if you need any other information regarding this matter.

CHARTERED JANUARY 1, 1991 FOUNDED DECEMBER 15, 1727

TOWN OF NEWMARKET, NEW HAMPSHIRE
By the Newmarket Town Council

Resolution 2015/2016-52
Authorizing the Designation of a portion of Rt. 152 as an Economic Recovery Zone

WHEREAS: NH RSA 162N allows for the creation of Economic Recover Zones in communities to encourage the redevelopment of certain land in exchange for state tax credits for the developer, and

WHEREAS: The Town desires to redevelop what is the B3 zone along Rt. 152, including the following lots on Town Tax Map R6 (updated April 2015):

Lots 1, 2, 3, 4-1, 4-2, 4-3, 5, 6, 7, 8, 9, 10, 11-1, 11-1A, 11-2, 12, 50, 50A, 50B, 50C, 50-1, 50-2, 50-3, 50-4, 50-4, 50-5, 50-6, 50-7, 50-8, 51 and 52. .

NOW, THEREFORE, BE IT RESOLVED BY THE NEWMARKET TOWN COUNCIL THAT:

The Town Council requests that the Commissioner of the Department of Resources and Economic Development declare this portion an Economic Recovery zone and authorizes the Town Administrator to execute any agreements.

First Reading: June 1, 2016
Second Reading:
Approval:

Approved:_____
Gary Levy, Town Council Chairman

A True Copy Attest_____
Terri J. Littlefield, Town Clerk

CHARTERED JANUARY 1, 1991 FOUNDED DECEMBER 15, 1727

TOWN OF NEWMARKET, NEW HAMPSHIRE
By the Newmarket Town Council

Resolution #2015/2016-53

Resolution Relating to Awarding #2 Heating Oil, Liquid Propane, Regular Gasoline, and Clear Diesel Contracts

WHEREAS, through a competitive bid process, the Town entertained proposals for #2 Heating Oil, Liquid Propane, Regular Gasoline, and Clear Diesel, and

WHEREAS, the proposals that are in the best interest of the Town are as follows:

Bid	Provider	Cost per Unit
#2 Heating Oil	Hanscom's Truck Stop, Inc.	$1.72/gallon
Liquid Propane	DF Richard, Inc.	$1.39/gallon
Regular Gasoline	Hanscom's Truck Stop, Inc.	$0.135 over rack
Clear Diesel	Hanscom's Truck Stop, Inc.	$2.25/gallon

NOW, THEREFORE BE IT RESOLVED that the Newmarket Town Council does hereby award energy contracts to D.F. Richard for Liquid Propane and Hanscom's Truck Stop, Inc. for #2 Heating Oil, Liquid Propane, Regular Gasoline, and Clear Diesel, and authorize the Town Administrator to enter into any related contracts.

First Reading: June 1, 2016
Second Reading:
Approval:

Approved:_____
Gary Levy, Town Council Chairman

A True Copy Attest_____
Terri J. Littlefield, Town Clerk

CHARTERED JANUARY 1, 1991 **FOUNDED DECEMBER 15, 1727**

TOWN OF NEWMARKET, NEW HAMPSHIRE
By the Newmarket Town Council

Resolution #2015-2016-54
Relating to Vehicle Maintenance

WHEREAS, The Town of Newmarket's current contract for vehicle maintenance services expires on June 30, 2016, and

WHEREAS, the Town issued a Request for Proposal (RFP) for vehicle maintenance and two bidders responded, and

WHEREAS, Auto Excellence is the low-cost bidder.

NOW THEREFORE BE IT RESOLVED, that the Newmarket Town Council does authorize the Town Administrator to enter into an agreement with Auto Excellence for vehicle maintenance services.

First Reading: June 1, 2016
Second Reading:
Approval:

Approved:_____
Gary Levy, Town Council Chairman

A True Copy Attest_____
Terri J. Littlefield, Town Clerk

CHARTERED JANUARY 1, 1991 FOUNDED DECEMBER 15, 1727

TOWN OF NEWMARKET, NEW HAMPSHIRE
By the Newmarket Town Council

Resolution 2015/2016-55

Relating to Health Trust Membership Agreement

WHEREAS, The Town of Newmarket's membership agreement with Health Trust has expired, and

WHEREAS, the Town solicited proposals from the following three vendors:

- Health Trust (Anthem)
- Harvard Pilgrim
- School Care (Cigna)

WHEREAS, Health Trust provided comparable health insurance without the need to renegotiate the union's collective bargaining agreement.

NOW THEREFORE BE IT RESOLVED, Town of Newmarket shall participate as a Member in the HealthTrust pooled risk management program for the provision of group medical and/or other benefit plans in accordance with the "Application and Membership Agreement" and NH RSA 5-B and that Steve Fournier, Town Administrator, is hereby authorized and directed to execute and deliver to HealthTrust, on behalf of Town of Newmarket, the "Application and Membership Agreement" in substantially the form presented to this meeting.

First Reading: June 1, 2016
Second Reading:
Approval:

Approved:_____
Gary Levy, Town Council Chairman

A True Copy Attest_____
Terri J. Littlefield, Town Clerk