

Town of Newington, NH  
Budget Committee Meeting Minutes  
Wednesday, December 13, 2023 Town Hall

Chair John Lamson called the meeting to order at 6:00pm

**Present:** Budget Committee members: John Lamson, Chair, Emily Savinelli, Vice-Chair; Jeff Semprini, Jennifer Kent Weiner, Cyndi Lyons, Selectman's Rep. Brandon Arsenault, Jamie Belanger, School Board Rep. Jeremy Boston, Library Director Lara Berry, Library Trustee Chair Jack O'Reilly, Library Trustee Alex Jacuch, Library Trustee Meaghan Wayss, Planning Board Chair Denis Hebert, Planning Board Member Chris Cross, HDC Chair John Chamberlain, Coast Bus Executive Director Rad Nichols, Coast Bus Director of Operations Mike Williams, Board of Fire Engineer Ann Hyland Hebert, Finance Director Sheryl Bagley and Martha Roy, Town Administrator.

Chair John Lamson called the meeting to order at 6:03pm

**Minutes:** J. Boston moved to approve the minutes of December 6, 2023. E. Savinelli seconded the motion. B. Arsenault abstained. All others were in favor.

**Library Budget Review:**

**J. Belanger moved to tentatively approve the library budget of \$274,427. J. Boston seconded the motion.**

E. Savinelli asked if the Budget Committee could delay approval of this Library budget because the most updated information did not get to the committee until 3pm today and it looks like there are estimated costs listed. E. Savinelli would like more time to digest all the information.

**J. Kent Weiner moved to delay review of the library budget.**

L. Berry said that there are no estimated costs listed in the library's budget. The difference in the numbers listed today and the numbers listed in September are due to the health expenses that were received later. The new health costs affected the health insurance, FICA and retirement budget lines.

J. Lamson asked that the committee make a motion to start the discussion on the library budget. It is a good opportunity to have an informational meeting. The committee can decide at the end of the discussion if approval should be delayed to a later date.

J. Lamson explained that the Library is in the process of taking over the day to day accounting from the Board of Selectmen.

L. Berry said that this new process will start on January 1<sup>st</sup>, 2024. The Library has been doing their own bookkeeping for their operating costs and will start to do their own bookkeeping for payroll and some benefits. HealthTrust and NHRS have approved them to process these benefits. The Board of Selectmen and the Library Trustees will hopefully sign an MOU next week to determine the date of transfer of duties.

S. Bagley said that December 28<sup>th</sup> will be the last paychecks processed by the Town.

J. Lamson suggested that the Library come back to the Budget Committee and report how the transition went and to include actual budget numbers for 2023.

J. O'Reilly said that the Town already pays the Library's portion of the building insurance and audit expense and the Library reimburses the Town for it. The Trustees believe there is a smooth plan to transition in place.

J. Belanger said that he thinks the Library is fantastic and has no complaints, but is unsure as to why the Library feels they need to keep their books in a separate account from the Town. Why would the library want this change? What is the reason?

Alex Jacuch said that she had the same questions. This has been a long process with a lot of research done to make sure it goes smoothly. There has been a history of issues between the Town and the Library, so this made sense for efficiency and accuracy.

J. Kent Weiner asks if the transfer of work from the Town to the Library will result in a duplication of effort, not a reduction of hours for the Town? If so, this will result in more cost for the taxpayers.

J. O'Reilly said that the library has always had their own bookkeeper.

L. Berry said that she believes this is going to be a budget savings for the town and library. L. Berry has worked with four different finance directors for the Town and there is a learning curve every time there is a change. This will be a simplification because everything will now be done in one place. The library will be able to have their end of the year numbers sooner and then end of year reports can be done faster.

J. Kent Weiner asked what the projections are for the savings for this new process.

E. Savinelli thought that it is important to know what the cost is because the library's bookkeeper will have more responsibilities and what will be the reduction for the Town's Finance Director.

A. Jacuch said that she doesn't believe that the library's bookkeeper will have to increase her hours, because she spends a lot of time now rectifying issues between the Town and the Library. L. Berry said that they are not budgeting more for the bookkeeper in 2024. L. Berry said that she does very well working and staying within a budget.

S. Bagley said that the Library and the Town have been transitioning the finances for a while and the final piece to transfer is the personnel expenses. S. Bagley has spent a lot of time reconciling the numbers between the two departments. S. Bagley believes this change will save her time, the budget committee time and the Selectmen.

B. Arsenault said that the library and the Selectmen have spent a lot of time in the last twelve months on this transition. The RSA says that the library can take over these duties as long as there is an agreement in place between the Library Trustees and the Selectmen. Both parties have been working on an agreement. The Selectmen think that it is a poor idea. The Selectmen sought a legal opinion on the issue. There are a couple of major things that change the way that the Budget Committee will look at the budget moving forward. One issue is that the library had to get their own EIN, so now they are an employer. Which against all legal opinion and the NH Library Trustees Association says that it is a bad idea because what they put at risk is losing their tax-exempt status which would be a big impact on the taxpayers. There is now a huge responsibility on the Library Trustees because they have said that all of the money that the Budget Committees votes on goes to the Library Trustees. The Town makes quarterly payments ahead of time to the library to spend. The library will be returning excess funds at the end of the year to the general fund. B. Arsenault said that he doesn't know if there is a major issue the way the Town does its finances. They try really hard and it doesn't seem to be an issue with the other boards in town. The library is a unique entity. The Budget Committee should consider a couple of things when they are reviewing the library's budget this year. One, is that there is no oversight on how the money is spent. Two, if they are going to have their bookkeeper commit to 26 payroll periods in 2024 and not charge any more money. Use your expertise and say, that doesn't sound right. The intent is golden and very clear that they are going to absorb it somewhere. The only committee that has oversight on their budget is the Budget Committee.

J. Lamson explained that this is like the school district. We are one town and we have one tax rate. It supports the school and the Town and now it will support the library as a separate administrative entity. It is going to be an extra paragraph of work for the committee. The Library Trustees will take over the responsibilities that the Selectmen used to have. There are four separate entities. One Town, one Budget Committee, one tax rate.

C. Lyons asked if the library would be audited or would that responsibility fall onto the Budget Committee.

B. Arsenault said that the audit will be done as it has always been done. The Selectmen have asked the library to send monthly reports to them on their expenses in order for S. Bagley to reconcile their accounts.

J. Lamson asked B. Arsenault to explain the MOU at the next Budget Committee meeting on January 3<sup>rd</sup>, 2024.

E. Savinelli asked why there had been no money spent out of their legal line. L. Berry said that they are still negotiating with the lawyer, because the bill was higher than the agreed amount. E. Savinelli voiced concern about the insurance if another entity is using a town building. Is there any protection for the Town in this situation. M. Roy said that the school has their own insurance through Primex, they are completely separate. E. Savinelli asked how the Town is protected. B. Arsenault said that this is a complicated situation.

L. Berry said that the EIN is an accounting change, not a separation from the Town. The library is still a political subdivision of the Town. The EIN is just a reflection that the library has always been our own employer by RSA, the Trustees are our employer.

L. Berry said that this is very complicated, the library's bookkeeper is very experienced. Out of the all the people that L. Berry has spoken to; the lawyer, the NH Trustee Association, Terry Knowles and the IRS, L. Berry feels that their bookkeeper has had the most complex and articulate answers to all of the questions, which gave L. Berry a lot of confidence with going forward with this process.

**J. Kent Weiner moved to postpone approval of the library's budget until January 3<sup>rd</sup>, 2024, pending an update financial statements and a conclusion to the MOU.**

**E. Savinelli seconded the motion. All were in favor.**

**J. Lamson called for a break at 7:04pm.**

**The meeting was called back to order at 7:09pm.**

#### **Historic District Commission Budget Review:**

**J. Belanger moved to tentatively approve the HDC budget of \$9,550. J. Kent Weiner seconded the motion.**

M. Roy said that the HDC is currently working on scanning documents at the Town Hall for the preservation project. A couple of years ago there was preservation work done on items at the Old Town Hall.

J. Kent Weiner questioned why this project was part of the HDC's duties when they are a land use board. Does this even belong in their budget?

J. Lamson said that the town assigns different administrative tasks to different committees. The HDC is in charge of preserving the cannons and the Veterans Memorial stone. The HDC has decided to take on this project, they didn't have to, the Selectmen could have done it. B. Arsenault said that a certain committee may express interest in taking on a project. B. Arsenault said that this project could be taken out of the Executive Office budget, but it is nice to have the HDC volunteer to do the work. J. Kent Weiner said she was just concerned if legally the HDC could take on this project.

E. Savinelli was concerned about how little was spent out of the HDC budget in 2023. J. Lamson said that they got a late start on the project, but they have found a good person now who is working on it. J. Chamberlain bought a scanner that the Town is borrowing to complete the project.

**J. Lamson called for a vote on the HDC budget. All were in favor.**

**J. Kent Weiner moved to listen to COAST Bus before the Planning Budget. J. Boston seconded the motion. All were in favor.**

#### **COAST Bus Review:**

J. Lamson said that no vote will be taken on this issue tonight because the COAST Bus expense line is in the Selectmen's budget. This is just for information.

D. Hebert is a commissioner representing the Town of Newington on the COAST Bus board.

COAST Bus was formed several years ago under a State RSA. A group of towns came together to develop the COAST Bus system.

The 2024 COAST ask of the town is \$36,823 which is \$2,000 less than 2023.

There is a fixed route pick up at the Town Hall which means any resident within  $\frac{3}{4}$  of a mile from the Town Hall could call COAST and ask for a demand route pick up if they had a disability and couldn't get to the fixed route pick up point. There is an application process to get approved for a demand response pick up and requires a doctor certification. The Town will have information about this process for residents.

Another demand service that is offered is for elderly residents but is limited to medical appointments only, it doesn't have the ¾ mile restriction.

D. Hebert thinks the value for the COAST Bus system in Newington, is that it is something that Newington can give back to the businesses in town. It gets employees into town to work for their businesses. It is a good thing for the town.

R. Nichols said that the total revenue is \$7.8 million and the expenses are \$7.6 million.

R. Nichols said that the State will give them \$280,000 in 2024, the fares make up for \$400,000 of the budget, ads make up \$260,000, interest and other income is \$25,000, local match from the communities is \$1.3 million, federal funding is \$4.7 million, other state and local assistance \$35,000, other partnerships \$426,000, funding for other programs \$20,000 and \$626,000 for coordination funding.

J. Kent Weiner asked how many Newington residents used the special pick-up services and how much did it cost. R. Nichols said that no residents use this service it is based on having a disability. Riders from outside of Newington use this service to come to Newington for various reasons.

Discussion ensued about the rider survey. Route 43 from Newington and Portsmouth. Most riders are using this route to come into work.

For every dollar that is spent at COAST, 40% is generated locally and 60% comes from the federal government. The \$36,823 that is donated by Newington will result in FTA funding of \$55,000.

C. Lyons asked about the chart showing how much surrounding towns contribute to COAST. Other towns are increasing their amounts, but Newington's is decreasing.

R. Nichols said that it is based on a formula. COAST comes up with the donation 2.9% amount from Newington. R. Nichols said that it is a blended average of the percent of local direct response (DR) service miles at 1.15, the percent of total DR ridership at 1.25, the percent of total service miles at 2.68 for fixed route and the total of fixed route ridership at 4.11%. Then between demand response and fixed route, those are weighted depending on what percentage of the budget they make up. FR services are weighted at 78.8% and DR services are weighted at 21.2%. The total bottom line that COAST asks of communities is after applying all of the revenues that are available. If COAST does not get local money then they get a reduced amount of federal money.

J. Belanger said that having a COAST option allows people to go to work and appointments and thanked them for what they do.

J. Lamson asked if most towns pay their assessment each year. R. Nichols said yes. There is one town that is not fully funding their assessment.

E. Savineeli asked about the amount the Selectmen have in their budget for 2024 of \$25,000. B. Arsenault said that the Board was trying to fund ways to reduce the budget to keep the tax rate level.

**Planning Board Budget Review:**

D. Hebert wanted to thank Finance Director S. Bagley for getting him all his budget information on time and accurately.

D. Hebert said that the Planning budget includes costs for the Board of Adjustment and some for the Conservation Commission. The Planning Board has taken in \$53,540 in revenue. Another \$7,000 should be coming in before the end of the year.

The increase in the budget this year is due to having the Planner add one more day a week to his schedule.

D. Hebert said that he doesn't know when the malls are going to come in to get redeveloped. That is going to be a huge spike in their expenses, but there will be more revenues coming in.

J. Belanger asked about any planning trends that the Planning Board is seeing. D. Hebert said elderly care and housing as a whole is what is out there. J. Semprini asked about the legal budget in the future with the development of the malls. D. Hebert said that they are looking at the town's ordinances and the town's master plan to make sure is in line. The State is trying to take the home rule away from the towns.

**J. Boston moved to tentatively approve the Planning Board budget of \$178,049. J. Belanger seconded the motion.**

**J. Lamson called for a vote on the Planning budget. All were in favor.**

**Adjournment: E. Savinelli moved to adjourn at 8:03pm. J. Kent Weiner seconded the motion with all in favor.**

Respectfully submitted,

Eleanor Boy  
Recording Secretary