

Town of Newington, NH
Budget Committee Meeting Minutes
Wednesday, October 5, 2022 Town Hall

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

Present: Budget Committee members: John Lamson, Chair; Jamie Belanger, Emily Savinelli, Jeff Semprini, Jennifer Kent Weiner, Rick Stern, Chris Wayss, Selectman's Rep Brandon Arsenault and Martha Roy, Town Administrator.

Guests: Selectman Chair Ted Connors, Selectman, Bob Blonigen, Finance Director Sheryl Bagley, Police Chief Michael Bilodeau, SAU 50 Superintendent Steven Zdravec and SAU 50 Business Administrator Susan Penny.

School Department-Expenditures and Revenues:

J. Lamson reminded the committee that the school is on a fiscal year instead of a calendar year. The committee is reviewing the year that ended on 6/30/22. S. Penny said that the school had returned \$109,156 that will be used to offset taxes and \$103,861 was in the retained fund. The retained fund needs a public hearing in order to spend any money out of it. The next budget looks good; however, they may need more money for special education costs. J. Kent Weiner asked why 5% had been chosen as the percentage that would be used for the retained fund. B. Arsenault explained that the 5% was decided in 2020 when there was so much uncertainty. S. Penny said that it is 5% of the net assessment. The RSA says that it can be up to 5%, it used to be 2 1/2%. E. Savinelli asked if the school had received a federal grant for the food service. S. Penny said that Newington kids eat for free because of one of these grants. J. Kent Weiner asked if the school had received any other grants. S. Penny said that they did receive the grant for \$200 per student and \$10,000 for staff development. C. Wayss suggested that the committee revisit the 5%. The school had 10% left over in this budget. B. Arsenault asked about the balances in the school's capital reserve accounts. S. Penny said that the maintenance capital reserve fund has a balance of \$101,000, the special education capital reserve fund has \$134,000 and the tuition fund has \$74,000. S. Penny said that the School Board decides how much money is taken out of the unassigned funds to reduce taxes. B. Arsenault asked what the operating budget for the SAU50 Administrative office is. S. Penny said that it is \$965,000 for 13 employees. The major costs are the rent they pay to Greenland and their wages. B. Arsenault asked about any staff increases. Superintendent Zdravec said that the last positions that were added were the facilities manager and the director of technology. B. Arsenault pointed out that Newington had a large contribution to the SAU in 2021. It had increased by 50% from 2020 to 2021. J. Lamson would like S. Penny to give the committee the budget history for the SAU administration and how positions were added and when. The history of the budget and how it had grown and why. J. Kent Weiner pointed out that

Newington only had 52 students out of the 850 in the SAU. Newington is paying 12% of the budget and we only have 6% of the students. S. Penny said that the state has put together the formula that decides how much each town pays to the SAU. J. Kent Weiner suggested that the Town petition the State for a change in the formula. J. Semprini pointed out that the utilities don't pay any school taxes but they are counted in our valuations. S. Penny said that Newington's valuation was down from last year. J. Lamson asked if the SAU was having trouble filling positions. S. Zadravec said that they are only down one part time music teacher. E. Savinelli asked if the school had a Spanish teacher. S. Zadravec said that they just hired one.

Town-Expenditures and Revenues:

M. Roy reviewed the expenditure report that showed that 56% of the town budget had been expended as of 9/15/22. The Town Buildings are over budget because of the increase in electricity and fuel. The Police and Fire budgets show a decrease in the wages expense line because they are having trouble filling some positions. B. Arsenault said that Finance Director S. Bagley has done a really good job updating the Board on expenditures during the year. B. Arsenault pointed out that the Chiefs are picking up midnight shifts due to being short staffed. J. Kent Weiner said that she really liked the report but understands that many expenses come at the end of the calendar year. It would be helpful if there was a list of outstanding items that will be paid in the fourth quarter. S. Bagley said that the budget is not trended. 8.3% each month is what is expected to be spent of the budget. B. Arsenault thought it would be helpful if the committee could see a report quarterly comparing to the previous year. J. Lamson asked that S. Bagley keep the committee informed about how the budget is progressing in the fourth quarter.

B. Arsenault read through the budget and explained items:

Town Buildings- the Board has looked into getting smart thermostats for the buildings but the buildings have to have WiFi in order for them to work. Getting WiFi in all the buildings would be a big expense. The Board is going to meet with the two churches who use the Meeting House to try to find ways to cut costs. The Board talked to L. Pickering about reducing costs for the Parsonage. The Highway Department has had a lot of maintenance costs this year. The Transfer Station is in good shape.

The Library uses the interest from their trust funds for their budget in addition to the money that is raised from taxpayers. The Library has an operating expense line in their budget. This money is paid over to the Library each quarter, before any expenses have been incurred. If there is any money left over at the end of the year, they keep the extra money. The Library believes they can keep this leftover money and the Town believes it should be given back to the Town, like every other department does, to reduce taxes. Both sides believe that the RSA says they can do it. The Town and the Library are currently getting legal opinions on this. The Library has added a legal expense line to their budget this year for \$2,000. J. Kent Weiner thought that it is important that the committee know the legal implications of the RSA before it meets with the Library.

C. Wayss said that when he went to budget training at the NH Municipal Association, a lawyer spoke to the group and pointed out that any money that is raised by taxes has to be returned to the Town. S. Bagley said that there are two RSAs that say different things. B. Arsenault pointed out that there is no written agreement between the Town and the Library. J. Lamson said the libraries are a little different and have a different system, but money coming back to the Town should be universal. S. Bagley said that this is a problem for many towns because it is not handled consistently. B. Blonigen said that the Board of Selectmen have asked a lawyer for their opinion and the Library has asked a different lawyer for their opinion. We are waiting to hear back from them. E. Savinelli asked if we could find out the balances in the library's accounts. M. Roy said yes, it is a public record.

B. Arsenault explained that the fee for renting the hydrants from Portsmouth water increased. E. Savinelli asked if the Town had a contract with Portsmouth. J. Kent Weiner said they did, but it was from the 1960s and believes that this contract should be looked at and renegotiated. The fees for renting portable restrooms increased drastically in 2022, so the Town removed the one at the Old Town Hall to save money.

C. Wayss asked about the Fox Point line being overspent. M. Roy said that there are two major projects happening at Fox Point. One is the dock repairs and the other is the repair to the beach stairs. J. Belanger asked if there were any erosion grants that could be used for these projects. M. Roy said that the Board is very protective of grants at Fox Point, because a condition of many grants is that the area be used by the public. Fox Point is a Newington Residents only park. The HDC has asked for extra money for taking the minutes and other projects. The EDC's budget is down from last year. The Sewer department's rates are way down, they didn't use any money from their enterprise fund in 2022 and their 2023 budget is lower than their 2022 budget. J. Belanger asked if the new LED lights in town reduce light pollution. M. Roy said that it wasn't part of the bid. J. Belanger asked if there were any areas where the town could do a regional partnership to reduce costs. Do we have three administrative people where only one is needed. Could we share IT with another town? J. Lamson said that the Town shares the bidding with the State. J. Kent Weiner thought it is important to hold departments accountable for their budget's month to month.

Review of Carryover Items:

The committee reviewed the carryover items and asked that the balances of all the capital reserve funds be available to the committee when they are reviewing the warrant articles.

Minutes: C. Wayss moved to approve the minutes of February 2, 2022. E. Savinelli seconded the motion. All were in favor.

Draft Budget Calendar 2022-2023 Review:

E. Savinelli thought that there were too many departments coming to the December 7th meeting and asked if one of them could be moved to a different date. C. Wayss moved

to switch the Historic District Committee from December 7th, 2022 to January 11th, 2023. J. Kent Weiner seconded the motion. All were in favor.

C. Wayss moved to accept the calendar as amended after M. Roy checks with the departments. E. Savinelli seconded the motion. All were in favor.

Election of Officers:

J. Belanger nominated John Lamson as Chair of the Budget Committee. B. Arsenault seconded the motion. All were in favor.

J. Kent Weiner nominated E. Savinelli as Vice-Chair of the Budget Committee. C. Wayss seconded the motion. All were in favor.

Budget Committee Open Position:

J. Lamson told the committee that there is one opening on the committee and they need to fill the vacancy. The person should be thoughtful and do their homework for meetings. The term of this position would be until town meeting.

C. Wayss would like to make sure that all the department heads understand how important it is for them to attend the budget committee meetings when their warrant articles are up for discussion. Last year items had to keep getting postponed because there was no one in attendance to discuss the warrant articles.

School Board Rep on the Budget Committee:

E. Savinelli moved that M. Roy draft a letter to the Newington School Board about the RSA and the importance of having a School Board on the Budget Committee and attending the meetings. C. Wayss seconded the motion. All were in favor. The Chair will sign the letter on behalf of the Committee.

Adjournment: E. Savinelli moved to adjourn at 7:45pm. C. Wayss seconded the motion with all in favor.

Respectfully submitted,

Eleanor Boy
Recording Secretary