

**NEW DURHAM BUDGET COMMITTEE**  
***Joint Meeting with the Budget Committee***  
**New Durham Town Hall**  
**August 29, 2019, 6:30 p.m.**

**Final Approved 11-25-19**

**Present**

Chair David Swenson and Select Board Representative to the Budget Committee  
Selectman Cecile Chase  
Selectman Dorothy Veisel

**Budget Committee Present**

Terry Jarvis, Chair Budget Committee  
Ellen Phillips, Budget Committee  
Joan Swenson, Budget Committee  
Cathy Orlowicz, Budget Committee

**Excused absence**

Mark Sullivan, Vice Chair, Budget Committee  
Ken Fanjoy, Budget Committee

**Also Present**

Scott Kinmond, Town Administrator  
Ron Uyeno, Resident

**Call to Order**

Select Board Chair Swenson called the Select Board meeting to order at 6:31 p.m.

Chair Jarvis called the Budget Committee meeting to order at 6:31 p.m.

Budget Committee Chair Ms. Jarvis stated the Capital Improvement Committee report was completed and submitted for review by the Planning Board. She stated she recently met with the Planning Board and answered questions they had.

Chair Jarvis noted Mark Sullivan and Ken Fanjoy have excused absences from this Budget Committee meeting.

Chair Swenson asked Ms. Jarvis what was the recommended CIP CRF / ETF amount for 2020. Ms. Jarvis stated the recommendations from CIP are approximately \$600,000. Chair Swenson asked how that compares to prior years. Chair Jarvis stated the highest in the past was about \$800,000 and explained some recommendations are for continuing to build a reserve towards projects that will likely be addressed in the Space Needs Study which will be completed in 2019. She stated they received \$1.2 million in requests but they didn't

*New Durham Budget Committee Meeting  
August 29, 2019*

want to recommend any major changes or improvements at this point until the Space Needs Study is completed. There were funds recommended for immediate needs.

Chair Swenson explained the purpose of this joint meeting between the Board of Selectmen and Budget Committee is to exchange different ideas to get a baseline or guidelines to be used by Department Heads for their 2020 Budget requests and presentations. He stated it was previously scheduled to have all Departmental budget requests due to the TA by September 13, 2019 with reviews by the Board of Selectmen to begin September 23, 2019.

Chair Swenson distributed a summary of discussion points / guidelines for review. He noted he did not present a percentage to hold to, as he has in the past. (See Guidelines attached)

Chair Swenson noted the Board of Selectmen was informed recently that the 2020 school budget is going to be \$250,000 more than the prior year with one of the highest dollar increases in the district, even higher on a % basis than Wolfeboro. He explained there are other variances including equalization values and property values which could affect that tax rate impact including the recent application of the New Durham Impact Fees. These Impact Fees are estimated to reduce the tax rate by \$0.19 per thousand but rough calculations indicate the school rate will be an increase of about \$0.63 per thousand before impact fee application. Ms. Orlowicz clarified this is just the Governor Wentworth Regional School District rate and does not include the state portion. Ms. Swenson asked if the percentage of students increase and what is the percentage rate in relationship to other towns in the district. Chair Swenson replied he will get that information to share with the committees. Selectman Chase stated the charge is based on 75% average attendance and 25% of equalized property value. She explained they can only control so much of the costs as they are a small portion of voters in the district. Ms. Orlowicz suggested a collaborative between the towns to make their voices heard. Chair Swenson explained there was a start of that last year but it was a small turnout with a couple people from each town. The School Board did hear what they had to say but did not seem to understand the magnitude of the problem nor put anything in place to address the issue. Ms. Orlowicz stated she attended the Deliberative Session of the School Board but she found the participation of teachers and the Board members was very disrespectful towards the people trying to participate. She noted the school's operating budget seemed to have a lot of areas that could have been looked at closer which would have affected the bottom line including building maintenance, etc. and she asked for information. She stated she has to date never received the information requested. Selectman Chase stated there was a proposal presented that would develop a committee comprised of one person from each town with one vote. However, that was voted down. Ms. Orlowicz stated one of the line items she questioned was classroom supplies which was very under spent but yet they hear of teachers having to use their own money to stock supplies.

Chair Swenson stated he did an analysis last year for the New Durham operating budget and explained the operating budget is approximately 67% due to employee head count, associated benefits, and insurances and bonds.

*New Durham Budget Committee Meeting  
August 29, 2019*

Chair Swenson pointed out some accounts where he expects there may be increases including Assessing and Solid Waste. Town Administrator Kinmond explained the Assessing re-valuation cycle will continue in 2020 with an increase due to requirements to complete the process.

Selectman Chase explained the Board of Selectmen has worked to research and compare wage rates for positions in Town in order to be a competitive employer in the workforce. Town Administrator Kinmond stated they have also worked to reduce the positions of full time benefited employees. Ms. Orlowicz asked if all departments are fully staffed at this point. Chair Swenson replied its always changing but at the moment there is one open position. Ms. Jarvis asked if the Town is competitive with the area from which they draw employees. Chair Swenson replied they have done analysis on the start rates and Selectman Chase explained they cannot always expect to be competitive with larger municipalities of the seacoast or Manchester areas.

Chair Swenson outlined the projected review timeline of the budget accounts by the Board of Selectmen. He suggested a joint session with the Budget Committee in late October for discussion of the CRFs and ETFs. Chair Jarvis suggesting having a way to make all the information reviewed and discussed available for public access. There was also discussion of the final due dates for budgets and upcoming meetings.

It was agreed the next joint meeting for CRF / ETF preliminary discussion would be October 23, 2019.

**Ms. Orlowicz made a motion to adjourn the Budget Committee meeting. Ms. Phillips seconded the motion. Motion passed 4-0-0.**

The Budget Committee meeting was adjourned at 7:30 p.m. The Select Board continued in session following the Budget Committee adjournment.

Respectfully Submitted,

Jennifer Riel, Recording Secretary

August 29, 2019

## **FY 2020 Budget Baseline Concepts**

- 1) Recognize that the 2020 School Budget for New Durham (\$250,000 increase over prior year) had one of the highest dollar increases of any town in district including Wolfeboro.
- 2) Understand that approximately 67% of New Durham operational budget is due to headcount and associated benefits plus property / liability insurances / bonds (detailed 2019 budget analysis available by request).
- 3) Budget requests are fully rationalized.
- 4) Expect increases in Water Quality (Cyanobacteria), DPW (new solid waste contract – Account 4324), Assessing / Land Use.
- 5) Virtually all increases in most of the accounts is attributable to wage increases and the corresponding FICA, etc. that tracks that directly. Exceptions are those noted above.
- 6) Operational costs excluding any headcount reductions / changes will hopefully remain flat or able to be reduced.
- 7) BoS budget review schedule on operational accounts (accounts numbered below 4900) expected to be done by mid-October 2019. Budget Committee reviews projected to be completed late November 2019. CRF / ETF budget reviews (accounts number above 4900) expected to be completed by BoS in early November 2019 and Budget Committee by mid-December 2019.
- 8) From BoS perspective most extensive discussions will likely be in the CRF / ETF areas with those discussions expected to start in mid-October.
- 9) CRF / ETF replenishment in identified accounts will need to be balanced against identified priorities and overall tax rate impact. May want a joint BoS / Budget Committee discussion on that in late October or early November 2019.