

TOWN OF NEWPORT, NEW HAMPSHIRE
Board of Selectmen Regular Business Meeting & Budget Review
Minutes February 5, 2024

Municipal Building, 15 Sunapee Street, Newport, NH 03773

Meeting ID: 829 5291 9637

Passcode: 900805

<https://us02web.zoom.us/j/82952919637?pwd=V3FCaEJaZkp1ZG5EL3ZFbHNhY3FSdz09>

+1 (253) 215 8782 US (audio only, long-distance fees apply)

SELECTMEN PRESENT: Barry Connell, Chairman (Zoom); James Burroughs, Vice Chairman; Jeffrey Kessler, Jeffrey North

SELECTMAN ABSENT: Keith Sayer

STAFF PRESENT: Paul Brown, Interim Town Manager & Finance Director; Lee Dufort, Town Clerk

COMMUNITY MEMBERS PRESENT: Bert Spaulding Sr., Kurt Minich, Herb Tellor

NCTV: NCTV

CALL TO ORDER: Barry Connell called the meeting to order at 6:30 p.m., followed by the Pledge of Allegiance. (Full meeting can be found on www.nctv-nh.org)

AGENDA REVIEW: Budget Review under Informational will be after Communications.

MINUTES FROM PREVIOUS MEETING(S): Chairman Connell requests a spelling amendment. Minutes from January 15, 2023, were accepted by the Board **on motion made by Selectman Kessler, Seconded by Selectman Burroughs, 4-0-0.** Non-Public Minutes from January 15, 2024, have been accepted by the Board **on a motion made by Selectman Kessler, seconded by Selectman North. The Board voted, 3-1-0, with North abstaining.**

CONSENT AGENDA: *Selectman Kessler made a motion to accept the Consent Agenda, seconded by Selectman North, the Board voted unanimously. 4-0-0.*

INFORMATIONAL: Housing Projects Update: Interim Town Manager Brown relays to the Board, the Spring Street Apartments project is being wrapped up. They have more to do with the electricians, carpenters, and the elevators. Applications are strong and there have been a lot of inquiries. The hope is to have the building ready for people to move in by the end of the month. Additionally, 169 Sunapee Street is focusing on demolition work. Access fees should be paid by the end of the month regarding the resolution of the lawsuit. The estimated time for completion is intended to be the end of summer. The Municipal Per Unit (MPU) Grant has been fully filed and is in the process of being reviewed. The MPU Grant is applied to housing units that qualify under the states grant program for workforce housing. Newport will have 112 units that will be eligible. Bert Spaulding Sr. asks if there has been any conversation about the School Districts possibility of receiving money from the Spring Street Apartments and the 169 Sunapee Street. Kurt Minich adds he feels it would take some pressure off the school systems. Selectman Kessler clarifies the income from the projects will only give tax relief this year, which leads to taxes rising again in the future. He states this is not income that will be continuing where it would help level out the town or school taxes. Chairman Connell asks Town Manager Brown if there has been history or discussion of money from the government being split between two entities. Brown

responds, there has been no discussion and adds the rules on money are lenient. The Attorney General's office is supposed to make sure money is being properly expended. He states there has been no discussion on where the money will be used moving forward, if awarded. Additionally, Brown restates Selectman Kessler's point regarding having to pay back the reduction in taxes the following year. He states this creates a structural deficit. **Unity Road Bond:** Interim Town Manager Brown gives an update on the Unity Road water project. Town meeting approved \$1.33 million about four years ago for the project. The town has continuously applied to the State of New Hampshire for the State Revolving Loan Fund. The town was awarded the Fund in 2023. It is a twenty-year bond, at just over 2% and there will be 55% forgiveness before the town starts to pay back. Brown states roughly \$700,000 will come back to the town that will be granted to the water fund. The project is in final design and has two phases. The TRV, which controls the water pressure, and the waterlines. The project should be going out to bid soon.

Budget Review: January 31, Manager Brown presented the Board with budget electronically for state law. Brown goes on to read his transmittal memo, stating the current projection of the tax rate is an increase of \$0.54 or 7.1%, and the budget had a higher increase than Brown had intended. The operating budget has an increase of \$655,379, or 7.6% in the general fund. With the slight increase in operating revenues, the result is an increase in the amount to be raised by taxes of \$597,106, or 10.51%. Brown recognizes this rate is high. He used this number to eliminate the impact, or the changes, based on revaluation. The town will have an overall increase of 2.4% over a ten-year period, which is the same average as the Northeast CPI for the same period. Brown goes on to state the proposed budget maintains services at the same level as the prior year. There are two part-time positions proposed, which are the restoration of two positions previously budgeted. He adds, the budget tracks expenditure line items closer to historical averages. The town is faced with a 25% increase in health insurance and an 18% increase in property liability insurance. The budget for the Unions, are \$1.75 million for the Police, \$1.5 million for Public Works. Capital expenditure maintained close to prior years, with equipment of approximately \$125,000 for fire, \$75,000 for ambulance, \$200,000 for highway \$65,000 for police. Additional capital expenditure consists of \$75,000 in computer upgrades to the Town Office and Police Station, and \$65,000 for upgraded floor drain systems at the Fire Station. Capital projects remain limited due to the final payment of the paving bond, which was roughly \$273,000 from 2021, but includes \$100,000 for sidewalk rehabilitation and \$50,000 for road work. The water, sewer, and airport funds have changed, but remain within the projected planned revenues for those funds. Brown states this is his vision of what he thinks the town needs to operate in the future. Interim Town Manager Brown adds the budget will start to be reviewed tonight after the business portion of the meeting. Thursday, February 8, 2024, will be public safety night with the Police and Fire Departments. Monday, February 12, 2024, will be recreation, airport, library, and general fund portion of Public Works. February 15th will be a wrap-up of general fund portion of Public Works and will move to Water and Sewer funds. There is a regular business meeting on February 19, 2024. February 22, 2024, will be held for remaining questions, and Brown is asking for a preliminary vote. The Budget Advisory Committee (BAC) will meet after the preliminary vote is made. There will be a Public Hearing March 18, 2024, and the warrant needs to be posted by March 25th. There will be a Deliberative Session April 2, 2024, and a May 14th Town Meeting. There is a discussion about the format of the school's budget created by the School Board. The administrative portion of the Budget Review will be discussed after Communications.

ACTION ITEMS: Town Manager Appointment: Selectman Burroughs, substituting for absent Chairman, states it is his pleasure to bring forward the Town Manager contract for Kyle Harris. ***On a motion made by Selectman North to approve the contract, seconded by Selectman Kessler, the Board voted unanimously, 4-0-0.*** Selectman Burroughs explains there was a Town Manager Search Committee created to review applicants. They gave the Board four of the top candidates, which the Board had follow up interviews. The Board selected Kyle Harris as new Town Manager. Selectman Burroughs reads

the bio of Kyle Harris which includes his experience in municipal government and higher education. Originally from New Jersey, Kyle is excited and eager to come to New Hampshire. Kyle's first day with the Town of Newport will be February 26, 2024. The Board expresses their excitement to welcome Kyle Harris to the town. Chairman Connell thanks the Town Manager Search Committee and Paul Brown for their help, as well as Selectman Burroughs for making a trip to New Jersey. The Board collectively thanks Paul Brown for his tireless efforts to help make the town a better place. Bert Spaulding Sr. also thanks Brown, adding he has given the town tremendous leadership and guidance over the years. **Board of**

Selectman Retreats: The Board of Selectman will have two Board Retreat meetings held on February 19, 2024, at 3:00 p.m., and March 6, 2024, at 3:00 p.m. (was not voted on)

OPEN FORUM: Kurt Minich asks if there is an update on how the Master Plan is coming. Selectman Burroughs responds by saying the Master Plan is being worked on by each respective position within the town. There are various levels of progress being made. Brown adds after talking to Planning and Zoning, the goal is January 1, 2025. Minich additionally asks if anything has been done about people not obeying the speed limit on Pine Street. Brown will follow up with Police Chief Lee about patrolling the area and what the plan should be going forward.

COMMUNICATIONS: Selectman North states the town has been doing a good job with snow removal along Main Street. He commends the staff members who took the Christmas decorations down around town in a timely manner. **Interim Town Manager Brown** adds there has been some equipment problems within the Highway Department as well as open positions, so he's thankful it has been minimal snowfall. However, the equipment is being fixed and the open positions are hoping to be filled soon. Brown states the departments are doing their best and he appreciates the town's patience. **Selectman Burroughs** states there was a good turnout for the Primary Vote. He thanks the school, and the school staff, for their willingness to help aside from set up and take down. Additionally, Burroughs adds the schedule for the 108th Winter Carnival is out and encourages people to look at it. He thanks the Recreation Center staff, citizens, and businesses, who help make the Witner Carnival possible. Newport has the oldest, consecutive, town municipal Winter Carnival in the country.

Budget Review: The budget is broken up by departments set by the state. The departments were told to give Brown what they felt they needed to run their departments properly. If there were new services, they were told to highlight them and add them. Executive Department, Brown states there was a change in the Managers request from the previous year. Brown states at the bottom of the executive section, there is a line titled "General Reduction", this is an amount that is 4% of the non-payroll line items for that department. It is up to the Department Head to communicate where the money is going to come from. The 4% reduction is included in the total change. Selectman Burroughs asks in the two part-time positions the town is adding will be included in the Manager request. Brown states the largest change on Page 1, is the increase in health insurance and increase in property liability insurances, which accounts for \$15,000 of the \$20,000 increase. Chairman Connell asks about the \$1,000 set aside for staff training. Brown states for the Executive Department, it would apply to classes for the Town Manager or Selectman, and the Managers Assistant. Election, Registration, and Statistics, which is the Town Clerks Office and the supervisors of voting. Under the Finance Department, there is a part-time position of Tax Deputy being added with the salary of \$25,700 with roughly a 4% benefit. This position would act as a backup for the three disciplines in that office, Assessing, Water and Sewer, and Tax Collection, as well as sending bills and succession. Finance Department, Brown states there are no other changes to the Finance Department in this section, however there will be changes to the capital items added to the budget under the department. Brown states offices are suffering with the computer systems. The servers that are currently being used were installed in 2013. Brown states there are three main servers that need

replacement, the main file server and the emailer server at the Police Department, and the file server at the Town Offices. This would mean everything would be cloud based. The town's current and previous vendor recommend this for security.

Property Revaluation, this is a part-time Assessing Clerk. This also includes the computer program, the online maps, assessing, and avatars, as well as the Contract Assessor. In Capital there is a request for \$100,000 that Brown stated he cut for the next revaluation. There is discussion regarding whether the full amount should be cut. The Board will revisit this at a later Budget Review meeting. Under the category Legal, Brown states most of the legal expenses have fallen from the New London Hospital Abatement case, which went to Supreme Court in October.

TOPAZ Department has requested a part-time administrative secretary. Brown believes it is more beneficial to the town and to the residents to have someone in the office to allow the administrator to focus on other tasks at hand. Building permits help offset expenses for that department. Selectman Burroughs suggests each department go account for what it is they are giving fees for and costs, to ensure everything is consistent to generate a document that shows revenues for each department. Insurance deductible, on Page 7, the deductible is \$1.00, and the purpose is to keep the line item open so that if someone is ever sued through public officials liability, that's a \$10,000 deductible. Solid Waste Collection, Brown explains Household Hazard Waste Collection happens every other year which is split by \$2,000 per year. Economic Development is experiencing increases. The Conservation Commission is asking for \$1,200.

Brown reminds the Board they have a Public Hearing on February 19, 2024, and through the state budget they received over \$200,000 in supplemental highway grants. He adds there will be roads being repaved this summer. There is a pavement package going out to bid for roads based on the pavement survey the town did roughly four years ago.

There are four pole pads being accounted for to be used for elections. Lee Dufort, Town Clerk, mentions the reason for four different pole pads is because the town needs to be prepared for presidential primaries and presidential elections. She states New London has this election equipment and their average check in time was 17 seconds for the primary. This will make the process more efficient and save lots of manpower. There are reoccurring maintenance fees and program fees, although included in the \$8,000 that was budgeted for this year.

ADJOURNMENT: On a motion made by Selectman Kessler seconded by Selectman Burroughs the Board voted unanimously to adjourn at 9:19 p.m., 4-0-0.

Respectfully submitted,



Riely Skarin, Recording Secretary

The Board of Selectman Budget Review meetings are scheduled for Thursday, February 8, 2024; Monday, February 12, 2024; Thursday February 15, 2024; and Thursday, February 22, 2024, at 6:30 p.m.

The next regular meeting of the Board of Selectman is scheduled for **February 19 at 6:30 p.m.**

Approved: February 19, 2024