TOWN OF NEWMARKET, NEW HAMPSHIRE
Agenda

Wednesday, February 2, 2022, 7:00 PM
Council Chambers

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1. **Pledge of Allegiance**
2. **Public Forum**
3. **Town Council to Consider Acceptance of Minutes**
   - **a.** January 19, 2022 Meeting Minutes
4. **Report of the Town Manager**
   - **a.** Town Manager's Report
5. **Committee Reports**
6. **Old Business**
7. **New Business/Correspondence**
   - **a.** **Town Council to Consider Nominations, Appointments and Elections**
     - *i.* ***Michael Hoffman - Ad hoc Riverfront Advisory Committee - Term Expiration June 30, 2024***
   - **b.** **Resolutions/Ordinances in the 1st Reading**
     - *i.* ***Resolution #2021/2022-23 - Creating an Advisory Committee on Racial Equity, Inclusion and Human Rights***
   - **c.** Correspondence to the Town Council
   - **d.** Closing Comments by Town Councilors
   - **e.** Next Council Meeting
     - *i.* ***February 16, 2022***
8. **Adjournment**

Visitor Orientation to the Town Council Meeting

Welcome to this evening's Council meeting. Please note that the purpose of the meeting is for the

Council to accomplish its work within a qualitative time frame. Meetings are open to the public, but public participation is limited. If you wish to be heard by the Council, please note the "Public Forum" at the beginning of the meeting to speak to items on a meeting agenda and/or matters pertaining to the business of the Council. In addition, public hearings may be scheduled for public comment on specific matters.

Speakers must be residents of the Town of Newmarket, property owners in the Town of Newmarket, and/or designated representatives of recognized civic organizations or businesses located in the Town of Newmarket. When they are at the podium, speakers first need to recite their name and address for the record. Visitors should address their comments to the presiding officer and the Council as a body and not to any individual member.

Each speaker shall be provided a single opportunity for comment, limited to three (3) minutes. Public forum shall be limited to fifteen (15) minutes. Visitors should not expect a response to their comments or questions since the Council may not have discussed or taken a position on a matter. Public Forum is not a two-way dialogue between speaker(s), Councilors, and/or the Town Manager. The Chair will preserve strict order and decorum at all Town Council meetings. Outbursts from the public are not permitted.

Town Hall
186 Main Street
Newmarket, NH 03857

Tel: (603) 659-3617
Fax: (603) 659-8508

Founded December 15, 1727
Chartered January 1, 1991

TOWN OF NEWMARKET, NEW HAMPSHIRE

ATTACHMENTS:

Description	Upload Date	Type
January 19, 2022 Meeting Minutes	1/26/2022	Cover Memo

TOWN OF NEWMARKET, NEW HAMPSHIRE

TOWN COUNCIL REGULAR MEETING
January 19, 2022 7:00 PM
Town Council Chambers
Draft Minutes

Councilors Present: Toni Weinstein, Chair; Helen Sanders, Vice-chair (via zoom); Jonathan Kiper, Megan Brabec, Scott Blackstone, Katanna Conley and Brian Ward.

Staff Present: Town Manager Stephen Fournier, Wendy Chase Recording Secretary and Police Chief Greg Jordan (in the audience).

Chair Weinstein convened the meeting at 7:00 PM and led the Pledge of Allegiance.

AGENDA

PUBLIC FORUM

Chair Weinstein opened the Public Forum at 7:01 PM.

Chair Weinstein closed the Public Forum at 7:01 PM without public comment.

TOWN COUNCIL TO CONSIDER ACCEPTANCE OF MINUTES

January 5, 2022

Councilor Sanders made a motion to Approve *the January 5, 2022 Meeting Minutes*, which was seconded by Councilor Conley.

Motion was Passed by a vote of 7-0-0.

REPORT OF THE TOWN MANAGER

Town Manager's Report

Town Manager Fournier reported on the following:

- The Deliberative Session is Saturday, February 5th at the Town Hall Auditorium at 9:00 AM.
- The Budget Committee added $52,000 to the town's operating budget at the January 10, 2022 Public Hearing. Members of the Committee explained that they did not feel the Capital Reserve Funds were sufficiently funded for leased fire equipment. Because the Town Manager was unaware of their intention prior to the meeting, he and the Finance Director were not prepared to explain the process to them that the leased equipment

would come out of the operating budget instead of the Capital Reserve Fund.

- **COVID-19 and Vaccination Update:** As of January 13, there are 132 active cases in the community. We have had 1,219 cumulative cases, an increase of 163 cases since January 5. There is no true number of the positive cases in the community due to home testing. The State DHHS changed their guidelines to align with the CDC's guidelines. Town Manager Fournier issued a new executive order as it relates to isolation for employees. If it is determined essential by the Town Manager, a department may suspend the new guidelines; determinations will be made on a case-by-case basis. 2,000 KN95 masks have been ordered; 1,000 will go to the school district.
- **FY22 Budget Update:** Halfway through the fiscal year we have expended 53% of the operating budget. Revenues: Building permits are up and vehicle registrations are down.
- The Director of Planning and Community Development is being advertised. The application deadline date is February 3rd.

Dale Pike reporting on the Coastal Adaptation Work Group and the Riverfront Advisory Ad hoc Committee

Mr. Dale Pike was present via zoom to give an update on the progress of the Coastal Adaptation Group and the Riverfront Advisory Committee:

The Coastal Adaptation Group is mainly made of up municipal employees from the area towns that surround Great Bay.

Great Bay cities and towns (including Newmarket) have been trying new meeting formats to facilitate communication between boards and committees. Several of us were asked to present our latest efforts in a roundtable format at the December CAW Talks meeting. I discussed the November 4 Newmarket All Boards at which Lisa Wise and Amanda Stone of the UNH Cooperative Extension spoke on Coastal Flood Risk. Here are highlights from other localities:

Exeter had an earlier all boards meeting with Lisa and Amanda. They have a webpage that links to related initiatives and documents (https://www.exeternh.gov/bcc-cc/climate-related-documents).

New Castle had an all boards call late last year. They reported the meeting was useful but engagement could have been better.

Dover has had annual all boards for a while. They have hired a full time Resilience Coordinator. Dover also has an ad hoc committee looking at stormwater and flood resilience funding.

Dover and Exeter had more staff available during all boards preparation and they have put a lot of emphasis on documents to communicate and organize within the town. Liz Durfee (who helped Newmarket with Path 2 Resilience documents) is now working with Dover.

Hampton has a standing Coastal Hazards Adaptation Team (CHAT) with membership from other boards and committees and meeting monthly.

Rockingham Planning Commission has hired a person to work with all boards resilience projects.

Barbara Richter, NH Association of Conservation Commissions, advised localities to be thinking about how they will prepare to compete for bipartisan infrastructure plan funds.

The Riverfront Advisory Committee is working with UNH on a plan for living shoreline at Schanda Park. The Committee will be meeting to discuss concerns of the parking area and runoff from that area flowing into the river and Great Bay. They are also going to discuss whether or not they should replace the culvert to allow back and forth flow.

Chair Weinstein thanked Mr. Pike for his update and said that she will be sending out notification to Boards and Committees to start thinking about setting up another all boards meeting.

Department Reports December 2021

Councilor Blackstone said that he visited NH DES in Concord recently and they informed him that Newmarket has one of the best sewer treatment facilities in the State and is a leader in treating nitrogen. They also expressed how fortunate the Town is to have Sean Greig employed as Director of Environmental Services.

Chair Weinstein reported highlights from the monthly Department Reports:

Environmental Services: "The wastewater treatment facility treated 172 million gallons of water for calendar year 2021. The new facility discharged its lowest amount of total nitrogen, 5,277 pounds since the facility began operation in July of 2017. This a 91% total nitrogen reduction as compared to the old wastewater treatment plant that discharged an average of 62,000 pounds a year of total nitrogen".

Police Department: The hybrid cruisers are operational.

Fire Department: The Fire Department received an American Flag made of old fire hoses from Mark Houle of Durham. Channel 9 was present and the story will be aired on Chronicle this evening at 7:00 PM.

Councilor Blackstone mentioned the rabid skunk reported in the Police Report. Chief Jordan was present and said that the animal did not attack anyone so it was not tested. They are not certain if it had rabies. The Fish and Game Department was notified.

COMMITTEE REPORTS

Councilor Ward reported on the Budget Committee Meeting. The Committee cancelled their upcoming January 31st meeting. At the January 10th Public Hearing they requested $52,000 be added to the budget. The email sent by the Committee to Councilor Ward was sent to the wrong person so he was unable to inform the Town Manager of the change to the budget prior to the Public Hearing. The Budget Committee members would like to see a Town Council Representative to the Library Trustees. Councilor Ward expressed that he does not see the need for it.

Chair Weinstein commented that there was no one from the public at the town/school budget public hearing on January 10th. She hopes there will be a good attendance at the Deliberative Session on February 5th.

Councilor Brabec reported on the Riverfront Advisory Committee: She clarified that UNH is not involved with the Great Bay Living Shoreline project; NH DES is producing the design concept. They will be meeting with the Committee February 28th for a final presentation and will have the final draft completed in March. They will then go to the Town Council for guidance to their next steps.

Councilor Brabec reported on the Conservation Commission. The Tucker Well area - Lamprey River Advisory Committee sent comments to the Commission; they would like to make sure turtle nests are not disturbed in that area. Wiggin Farm has invasive bittersweet; the Commission is exploring options to get rid of it.

Chair Weinstein reported on the Energy and Environment Committee. They were unable to meet again due to lack of a quorum. The solarized project did launch.

NEW BUSINESS/CORRESPONDENCE

TOWN COUNCIL TO CONSIDER NOMINATIONS, APPOINTMENTS AND ELECTIONS

Debra Smith - Arts & Tourism Commission Member - Term Expiration - December 2024

Debra Smith's application was withdrawn.

CORRESPONDENCE TO THE TOWN COUNCIL

A letter from the Budget Committee.

CLOSING COMMENTS BY TOWN COUNCILORS

Councilor Kiper suggested prior to the mid-term election the Moderator, Town Clerk and election officials put together an informational public forum to answer any questions about the election process and the voting machine and to record it and air it every two to four years. Residents should also be encouraged to volunteer at the elections.

Chair Weinstein reminded everyone of the filing period from January 19, 2022 to January 28, 2022; there are many important positions available.

NEXT COUNCIL MEETING

February 2, 2022

ADJOURNMENT

Chair Weinstein adjourned the meeting at 7:40 PM without objection.

Respectfully submitted,

Wendy Chase, Recording Secretary

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TOWN OF NEWMARKET, NEW HAMPSHIRE

ATTACHMENTS:

Description	Upload Date	Type
TM 2/2/22 Report	1/28/2022	Cover Memo

STEPHEN R. FOURNIER
TOWN MANAGER

FOUNDED DECEMBER 15, 1727
CHARTERED JANUARY 1, 1991

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

REPORT OF THE TOWN MANAGER

February 2, 2022

COVID-19 and Vaccination Update: As of January 28, there are 83 active cases in the community, a decrease of 37% since the last report. We have had 1,503 (15.8% of the population) cumulative cases, an increase of 284 cases since the last report.

While these are interesting numbers to follow, they are no longer completely accurate. With the increase in home testing, we do not know the true number of people who have the virus in the community.

Our health region (Seacoast) and Rockingham County both have substantial levels of community transmission. The Seacoast Health Region has seen a 15.8% increase in new cases over the past week. This is down 8.3% from the previous report.

As for vaccinations, we had a slight increase in the percentage vaccinated.

	Pop.	At Least 1 Dose	% At least 1 Dose	Fully Vaccinated	%Fully Vaccinated
Newmarket	9,445	6,254	66.2%	5,633	59.6%

FY22 Budget Update: Deliberative Session will be this Saturday, February 5 at 9AM in the Town Hall Auditorium. The school district will be at 10AM.

Update Pole Licenses: Over the next few meetings, we will be having a number of documents and votes regarding the updating of our pole licenses. Pole licenses are licenses that we grant to utilities to allow them to be located in our right of ways. The law changed that requires us to have a statement for the properly assessed taxes in the license. We need to have a resident impacted petition for the council to act on this (the Town Clerk has agreed to this) then we need to have a public hearing and adopt a resolution. The Town Attorney and I are working on this.

Letter of Audit Findings: Attached to this report is a copy of the letter of audit findings to the Town Council and Town Manager. Overall, I am happy to report we are in very good shape. The Auditors are recommending a number of changes that we need to make, but this is normal in any audit and welcomed. I am working with the Director of Finance and Administration to address them.

Providing Drinking Water to Newfields: I received a letter from the Newfields Water and Sewer District Commissioners asking that we begin discussions to sell Newfields drinking water. They are requesting on average 40,000 gallons a day. In comparison, Newmarket uses 400,000 gallons a day.

This could require a new connection between the two systems, which would be paid for by the Newfields Water and Sewer District. In addition, we would make additional revenues from a small amount of water.

The Director of Environmental Services and I are meeting with our consulting engineers. We will have more information later.

Director of Planning and Community Development: The period to apply will be closed this Friday. I will begin conducting interviews shortly after.

Respectfully Submitted,

Stephen R. Fournier
Town Manager

James A. Sojka, CPA*
Sheryl A. Pratt, CPA***
Michael J. Campo, CPA, MACCY
Scott T. Eagen, CPA, CFE
Karen M. Lascelle, CPA, CVA, CFE
Ashley Miller Klem, CPA, MSA
Tyler A. Paine, CPA***
Kyle G. Gingras, CPA
Thomas C. Giffen, CPA
Ryan T. Gibbons, CPA, CFE
Brian P. McDermott, CPA**
Justin Larsh, CPA
Patrick J. Mohan, CPA

* Also licensed in Maine
** Also licensed in Massachusetts
*** Also licensed in Vermont

January 20, 2022

To the Members of the Town Council and Town Manager
Town of Newmarket
186 Main Street
Newmarket, NH 03857

Dear Members of the Town Council and Town Manager:

We have audited the financial statements of the governmental activities, business-type activities, each major governmental and proprietary fund, and aggregate remaining fund information of the Town of Newmarket for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 17, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town of Newmarket are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Town of Newmarket during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Town of Newmarket's financial statements were:

> Management's estimates of the capital asset useful lives are based on historical information and industry guidance. We evaluated the key factors and assumptions used to develop the capital asset useful lives in determining that they are reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of the uncollectible ambulance receivables is based on knowledge of past collection rates. We evaluated the key factors and assumptions used to develop the uncollectible ambulance receivables in determining that it is reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of the accrued landfill postclosure care costs liability is based on estimates provided by the Town's contracted engineer. We evaluated the key factors and assumptions used by the Town's contracted engineers to develop the accrued landfill postclosure care costs liability in determining that it is reasonable in relation to the financial statements taken as a whole.

PLODZIK & SANDERSON, P.A.
Certified Public Accountants

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Management's estimates of the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense are based on assumptions of future events, such as employment, mortality, and estimates of value of reported amounts. We evaluated the key factors and assumptions used to develop the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimates of the other postemployment benefit (OPEB) liabilities, deferred outflows and inflows of resources related to OPEB, and OPEB expense are based on the assumption of future events, such as employment, mortality, and the healthcare cost trend, as well as estimates of the value of reported amounts. We evaluated key factors and assumptions used to develop the OPEB liabilities, deferred outflows and inflows of resources related to OPEB, and OPEB expense in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Adjustments proposed and approved were primarily of a routine nature which management expects the independent auditors to record as part of their year-end procedures. A list of these adjustments is attached to this letter.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 19, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Town of Newmarket's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Town of Newmarket's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Review and Reaffirmation of Town Policies

We reviewed the Town's key accounting and financial reporting policies and noted that many of them have not been reviewed or reaffirmed in a number of years. Regular review of key policies should be performed to ensure that policies are still meeting the desired objectives and reflect the latest changes in accounting practices and requirements. As a best practice, we recommend these policies be reviewed every three to five years.

In addition, a number of the Town's policies, including the Town charter, make reference to a Town Administrator. However, the Town of Newmarket operates with a Town Manager form of management. We recommend these policies and charter be updated to reference the Town Manager instead of Town Administrator.

Review and Reaffirmation of Investment Policy

We noted the Town's investment policy was last approved on June 1, 2016. In accordance with RSA 41:9 *Financial Duties*, the Town's investment policy should be reviewed and reaffirmed on an annual basis. The Town Council took corrective action by reaffirming its investment policy on August 18, 2021.

Adoption of Capital Asset Policy

We noted the Town has not adopted a capital asset policy. Such a policy is required in accordance with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – And Management's Discussion and Analysis – for State and Local Governments*. This policy is essential to ensure that capital assets are properly identified, recorded, classified, depreciated, and disposed. At a minimum, the policy should identify capital asset thresholds, reporting classifications, and useful lives. The Town Council took corrective action by adopting a capital asset policy on November 3, 2021.

Adoption of Information Technology Policies

We noted the Town lacks several key policies pertaining to information technology. Such policies are essential for ensuring the Town's continued effective operations at it moves toward an ever-increasing digital environment. Key policies the Town should consider adopting include a backup and data retention policy, business continuity/disaster recovery plan, information security policy, and change in management policy. We recommend the Town develop and adopt information technology policies.

Uninsured and Uncollateralized Bank Deposits

We determined the Town had bank deposits totaling $3,799,948 that exceeded Federal Deposit Insurance Corporation (FDIC) insurance coverage as well as Letters of Credit held by Kennebunk Savings. In the event of a bank failure, these deposits would be at risk of not being returned to the Town. We recommend the Town meet with the bank and review its processes and controls to ensure bank balances are adequately insured or collateralized.

Review and Approval of Adjusting Journal Entries

During our review of adjusting journal entries, we noted that entries are not being formally reviewed and approved by a second individual once they are posted to the general ledger. All journal entries should be reviewed and approved (as evidenced by a signature) by a second individual. This ensures that journal entries are properly posted and serves as a control to prevent the opportunity for fraud or errors to occur. We recommend that all journal entries be reviewed and approved by a second individual once posted.

Grants Management

We noted the Grants fund in the general ledger is being maintained on a cash basis of accounting instead of accrual basis. Additionally, the Grants fund is not being routinely reviewed to ensure it is in balance. As a result, the prior year financials reported a deficit in the fund of $193,843, which was a combination of grant revenue and receivables not recorded due to the accrual basis of accounting not being used as well as expenditures that were never reimbursed by grants. In general, Grant fund revenues should equal expenditures, resulting in zero fund balance. Revenues should be recorded at the same time expenditures are incurred, and any grant funding received in advance should be deferred on the balance sheet until eligible expenditures are incurred. We recommend the Town implement procedures to regularly reconcile the Grant fund and ensure it is in balance.

Transfers to Solid Waste Fund

We noted the Solid Waste fund (reported as a proprietary fund) received a transfer from the General fund of $630,653 in fiscal year 2021. In addition, the Solid Waste also received $571,087 in fiscal year 2020. On a budgetary basis of accounting, the fund balance in the Solid Waste fund has increased from $90,021 to $593,264 over these two fiscal years. Management is unaware of a specific purpose for accumulating such a large fund balance. We recommend the Town review and evaluate the purpose for maintaining the Solid Waste fund as a separate fund and determine whether it is appropriate to continue making such large transfers to the fund in excess of its annual operating costs.

Furthermore, we noted that the transfer of $630,653 made from the General fund to the Solid Waste fund was made without any appropriation. All transfers should be made with a proper appropriation. As a result, the General fund reports an overspent budget on its transfers out on the budgetary basis of accounting. We recommend the Town adopt budgets for all interfund transfers that it plans to make.

Adoption of Balanced Budgets

In reviewing the Town's annual budget we determined the Solid Waste fund budgeted for appropriations in excess of revenues of $353,903. Additionally, the Recreation fund budgeted revenues in excess of appropriations of $29,112. This resulted in the General fund budget reflecting a surplus of $324,791. In accordance with Municipal Budget Law (RSA 32), the Town should be adopting balanced budgets for each fund individually, in addition to the cumulative budget for all funds. We recommend the Town ensure that each respective fund's budget is balanced when preparing annual budgets.

Approval of Disbursements

We identified debt payments made to the USDA which are automatically withdrawn each year are not being included on manifests and reviewed by either the Town Council or Town Manager. State statute requires all disbursements to be approved prior to funds being disbursed. We recommend the Town prepare manifests for these USDA loan payments which are approved by the Town Council or Town Manager prior to the funds being withdrawn.

Stale Dated Checks

Based on review of the year-end bank reconciliations, we identified nineteen stale dated checks (older than 6 months). As part of the monthly reconciling process, the outstanding checks should be reviewed for any stale dated checks. If any are identified, they should be followed up with the vender to determine if the check should be cancelled and reissued or handled in accordance with the State of NH's unclaimed property procedures.

Federal Compliance

For the *Water and Waste Disposal Systems for Rural Communities* program the following findings were noted:

- In accordance with Town purchasing policy and Federal requirements 2 CFR 200.318 through 200.326, any purchases over $10,000 require formal bidding documentation and vendor selection by the Town Council. In three of the four water projects, we noted that two of the vendors (one vendor was the same on two different projects) had no formal documentation supporting their selection or that the bidding process was performed. We recommend that the Town follow their purchasing policy by obtaining bids for all purchases over $10,000 and that the bids be approved by Town Council. If bidding is not going to be followed the Town should follow their policy related to approval of sole source vendors.
- If a non-federal entity contracts with a vendor for over $25,000 or expected to be over $25,000 and the vendor is paid with Federal funds, the non-Federal entity must verify the vendor's suspension and debarment status. The Town contracted with four vendors over $25,000 and performed the required verification on three of the four vendors at the time the contracts were entered into. The one vendor in question had their verification done after the contract was entered into. We recommend that the Town perform the necessary suspension and debarment verification on any vendor paid with Federal funds with a contract over $25,000 as required by Federal regulations.
- Out of the seven vendor contracts tested for the water projects, we noted one vendor had no formal contract with the Town for the specific project they worked on. Contracts should be formally documented and approved by Town management in order to outline the work that is to be performed and the agreed upon price. We recommend that the Town maintain formally approved contracts for all vendors working on Town projects.

<u>Other Matters</u>

Implementation of New GASB Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial presentations.

Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements.

GASB Statement No. 87, ***Leases,*** issued in June 2017, will be effective for the Town with its fiscal year ending June 30, 2022. This Statement will improve accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases.

GASB Statement No. 89, ***Accounting for Interest Cost Incurred Before the End of a Construction Period,*** issued June 2018, will be effective for the Town with its fiscal year ending June 30, 2022. This Statement will enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period.

GASB Statement No. 91, ***Conduit Debt Obligations,*** issued May 2019, will be effective for the Town with its fiscal year ending June 30, 2023. This Statement will provide a single method of reporting conduit debt obligations and eliminate differences in practice.

GASB Statement No. 92, ***Omnibus 2020,*** **issued in January 2020,** will be effective for the Town with its fiscal year ended June 30, 2023. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

GASB Statement No. 93, ***Replacement of Interbank Offered Rates,*** issued in March 2020, will be effective for the Town with its fiscal year ended June 30, 2022. The objectives of this Statement are to address accounting and financial reporting implications that result from the replacement of an IBOR.

GASB Statement No. 94, ***Public-Private and Public-Public Partnerships and Availability Payment Arrangements,*** issued in March 2020, will be effective for the Town with its fiscal year ended June 30, 2023. The objectives of this Statement are to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs).

GASB Statement No. 96, ***Subscription-Based Information Technology Arrangements,*** issued in May 2020, will be effective for the Town with its fiscal year ended June 30, 2023. This Statement will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition.

GASB Statement No. 97, ***Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an Amendment of GASB Statements No. 14 and No. 84 and a Supersession of GASB Statement No. 32,*** issued in January 2020, will be effective for the Town with its fiscal year ended June 30, 2022. The objectives of this Statement will result in more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans and other employee benefit plans, while mitigating the costs associated with reporting those plans.

We applied certain limited procedures to the following, which are required supplementary information (RSI) that supplements the basic financial statements:

- Management's Discussion and Analysis,
- Schedule of the Town's Proportionate Share of Net Pension Liability,
- Schedule of Town Contributions – Pensions,
- Schedule of the Town's Proportionate Share of the Net Other Postemployment Benefits Liability,
- Schedule of Town Contributions – Other Postemployment Benefits,
- Schedule of Changes in the Town's Total Other Postemployment Benefits Liability and Related Ratios, and
- Notes to the Required Supplementary Information

Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual fund schedules, and Schedule of Expenditures of Federal Awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the members of the Town Council, Town Manager, and management of the Town of Newmarket and is not intended to be, and should not be, used by anyone other than these specified parties.

Respectfully,

Plodzik & Sanderson
PLODZIK & SANDERSON
Professional Association

Attachment:
Gov Letter Journal Entries

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TOWN OF NEWMARKET, NEW HAMPSHIRE

ATTACHMENTS:

Description	Upload Date	Type
Mike Hoffman Application	1/28/2022	Cover Memo

RECEIVED

JAN 27 2022

TOWN OF NEWMARKET
MANAGERS OFFICE

TOWN OF NEWMARKET, NH
EST. DEC. 15, 1727

APPLICATION FOR APPOINTMENT TO A BOARD, COMMISSION, OR COMMITTEE POSITION WITHIN THE TOWN OF NEWMARKET, NEW HAMPSHIRE

Applicant's Name: Michael Hoffman

Address: 300 Durham Pt Rd Phone/Cell 603-817-8071

RSA 669:19 Newmarket Registered Voter: Yes No # of years as a resident: Ø
RSA 91:2 Are you an American Citizen Yes No
(You must be an American Citizen and registered voter to Serve)

Email address: MIKE@STONECHURCHROCKS.COM

State desired Position and indicated Term Expiration Date: RIVERFRONT ADVISORY COM.

The following experience and background qualify me for this position:

VESTED INTEREST IN A VIBRANT & ATTRACTIVE DOWNTOWN

SEEKING NON-RESIDENT BUSINESS OWNER POSITION

[signature] 1-27-22
Signature Date

You are welcome to submit a letter or resume with this form. Applicants are requested to attend the Council Meeting to address the Town Council prior to the decision-making process. Applicants will be notified of the time and date of this meeting in advance. Thank you for your application and interest in the Town of Newmarket.

Town Hall
186 Main Street
Newmarket, NH 03857

Tel: (603) 659-3617
Fax: (603) 659-8508

Founded December 15, 1727
Chartered January 1, 1991

TOWN OF NEWMARKET, NEW HAMPSHIRE

STAFF REPORT

DATE: February2, 2022

TITLE: Resolution #2021/2022-23 - Creating an Advisory Committee on Racial Equity, Inclusion and Human Rights

PREPARED BY: Steve Fournier, Town Manager

TOWN MANAGER'S COMMENTS - RECOMMENDATION:
I recommend passage of this resolution.

BACKGROUND:

DISCUSSION:

FISCAL IMPACT:

RECOMMENDATION:

ATTACHMENTS:

Description	Upload Date	Type
Resolution @2021/2022-23 Creating an Advisory Committee for Racial equity	1/25/2022	Cover Memo

TOWN OF NEWMARKET, NEW HAMPSHIRE
By the Newmarket Town Council

Resolution #2021/2022-23

Creating an Advisory Committee on Racial Equity, Inclusion, and Human Rights

WHEREAS the Newmarket Town believe that all citizens deserve justice, fair treatment, and recognition of their valuable contributions to the community, and

WHEREAS In order to dismantle systemic and structural discrimination within our government and community, local leaders must commit to a long-term action plan that recognizes the differences between individual, institutional, and structural discrimination, as well as the history and current reality of inequities for all marginalized groups, and

WHEREAS the Town Council wishes to develop ideas and information to educate individuals, within the organization as well as in the community, focusing on topics of (but not limited to) awareness, sensitivity, equity, inclusion, and diversity.

NOW THEREFORE LET IT BE RESOLVED BY THE NEWMARKET TOWN COUNCIL,

1. There is hereby established the Advisory Committee on Racial Equity, Inclusion, and Human Rights.

2. Seven regular members of the Committee shall be appointed by the Town Council. The Council shall work to include members with a wide variety of perspectives and interests on the Committee. To assist in fulfilling the missions and goals of the Committee, the membership of the Committee should reflect a diverse array of perspectives, including diversity of race, ethnicity, gender, sexual orientation, socioeconomic status, age, physical ability, religious belief, political belief, and other characteristics and beliefs.

3. There shall also be four nonvoting members of the Committee. These nonvoting members shall include:

    a. The Town Manager or designee as an ex officio member.

    b. The Chief of Police or designee as an ex officio member.

    c. The Superintendent of Schools or designee as an ex officio member.

    d. A student attending Newmarket Junior-Senior High School.

4. Regular members of the Committee shall be selected primarily based on the guidelines outlined above, but preference may be given to appointing members who are residents of the Town of Newmarket. Regular and student members shall receive no compensation for their service.

5. The term of each regular member shall be for three years or until his or her successor has been appointed and has qualified; provided that of the members first appointed, three shall be appointed for a term of one year, three for a term of two years, and three for a term of three years. The determination of which first appointed members are appointed for term lengths shall be made randomly.

    a. Any vacancy shall be filled in the same manner for the unexpired term.

    b. No regular member shall serve more than two complete consecutive terms.

6. The Committee shall annually elect a Chairperson and a Vice Chairperson.

7. The Committee shall meet at least quarterly.

8. Prior to December 31 of each calendar year, the Committee may prepare and submit to the Town Council an annual report outlining its activities during the preceding twelve-month period.

9. The Committee's mission is to:

a. Develop ideas and information to educate individuals, within the organization as well as in the community, focusing on topics of (but not limited to) awareness, sensitivity, equity, inclusion, and diversity.

b. Review and advise Town staff regarding policies and practices to recruit, hire, on-board, promote, and retain a diverse and inclusive workforce. Specifically, the Committee's work will focus on mitigating the potential for bias in the hiring and retention decisions through consistent, evidence-based tools, procedures, and training.

c. Review applicable ordinances, policies, and programs to ensure that they promote the goal of accepting, respecting, and valuing differences, including attributes such as age, race, gender, ethnicity, religion, sexual orientation, gender expression, sexual identity, ability, language, family circumstances and cultural backgrounds. These efforts will assist Newmarket's community in developing diversity and inclusion.

d. Create greater awareness about opportunities to advance issues of age, race, gender, ethnicity, religion, sexual orientation, gender expression, sexual identity, ability, language, family circumstances and cultural backgrounds, to ensure concerns are heard and considered when creating Town policy and ordinances.

10. The goals of the Committee are as follows:

a. Promote ideas and information to further the spirit of diversity and inclusion.

b. Provide Town staff with input on administrative policies that impact employees, recruitment, hiring, on-boarding, promotional opportunity, and retention of a diverse workforce.

c. Engage and be a resource for the community in ways to incorporate diversity, inclusion, and equity into our community through development of ordinances, policies, and programs.

d. Educate community members about and refer community members to other potentially useful resources

11. In the course of its duties, the Committee may from time-to-time address matters in which some related materials are confidential and therefore not accessible by the Committee, such as employee records or discipline or police investigations. Committee members shall respect the confidentiality of such records.

12. The Committee is not intended as a replacement for, or to prevent community members from going to, the New Hampshire Human Rights Commission, Equal Employment Opportunity Commission, or other legal bodies.

First Reading:	*February 2, 2022*
Second Reading:	*February 16, 2022*
Approval:	*February 16, 2022*

VOTING RECORD Date of Vote:	YES	NO	ABSTAIN
Councilor Conley			
Councilor Ward			
Councilor Blackstone			
Councilor Brabec			
Councilor Kiper			
Vice Chair Sanders			
Chair Weinstein			
Total Votes:			
Resolution: Does | Does Not pass.			

Approved: ____

Toni Weinstein, Chair Town Council

A True Copy Attest: ____

Terri Littlefield, Town Clerk

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