

## **APPROVED**

### Budget Committee Meeting

March 19, 2019

Members Present: T Smith, M Traister, and R Spaulding.

B Stewart and G Rumph excused themselves from attendance.

Also present: D Frampton, C McAllister, D McGuckin, A Schulte.

A quorum of the Budget Committee members being present, the Chairman commenced meeting at 5:02 pm. The quorum was present throughout the meeting.

Minutes of March 5th meetings were approved.

The six proposed Warrant Articles and revised budget sheets were distributed.

Substantial discussion took place over the TAP/Safe Path Warrant Article 6.

R Spaulding shared his concern regarding the adequacy of the FD budget increase with reference to public safety.

The 5 additional Warrant Articles were discussed.

The BC will meet on March 26 for a final review of the budget and to complete BC recommendations to Selectmen.

Attached to these minutes is a memo from T Maher regarding WA 6. This should have been discussed at the meeting but was an oversight on my part.

Meeting adjourned at 6:19pm.

Respectfully submitted,  
Tom F Smith, Chairman

TO: Tom Smith, Chairman of the Town of New Castle Budget Committee  
Members of the New Castle Budget Committee  
FROM: Tom Maher, Chair, Select Board, Town of New Castle  
DATE: March 18, 2019  
RE: The "TAP/Safe Path" Warrant Article

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Tom, based on conversations we have had, I am going to direct my comments to the one warrant article you had expressed interest in and some guidance on. For the sake of this memo, I will refer to it as the TAP/Safe Path Warrant Article (TAP).

As you know, the Select Board supports the TAP warrant article. We believe it will improve safety, accessibility and recreation on Wentworth Road. The general aim of the safe path effort in town is to make New Castle safer to walk, cycle and access. Our primary focus is Wentworth Road. But beyond these general benefits, I will address the budget issues that your committee is tasked with.

1. Based on conversations with our Town Accountant and the State TAP Manager, the expense to the Town's taxpayers will be limited to \$80,600.00. The concern that we will be subjected to paying the full \$403,000.00 is highly, highly unlikely. Based on feedback from Thomas Jameson, TAP Manager, our project will be phased in smaller segments where the expenditure of the full \$403,000.00 will not happen in one approval. The reality is we will likely phase the project into 3 to 4 phases where we, hypothetically, would expend \$100,000.00 at a time. Being mindful that with each phase we would move forward with expenditures after the approval of the TAP manager. We would segment any risk. This process would mitigate any risk to the tax payer. Finally, if the warrant is approved, we do intend to fulfill the requirements of the TAP program and complying with the rules, and thus, ensure we receive the full reimbursement.
2. Timing and phasing will ensure we do not trigger the necessity of borrowing funds to fulfill project execution. Tom, you raised a legitimate concern, if we need to expend a sizeable amount of money in October or November of any year, we could trigger the need to short term borrow funds. Working with the TAP Manager, we can communicate timing of expenditures and see to it that we minimize any additional costs to the Town.
3. The language has been modified to provide us as much flexibility to finish the project as possible. We have extended the end date to 2024, so that if we run into difficulties, we have more than enough time to recover and finish the project on time. This way we can stagger expenditures over several fiscal years.
4. The final argument is fiscal. As a town, we send a substantial amount of money to Washington in the form of federal income taxes. As a small town in New Hampshire, we get back a fraction, a tiny fraction, of those funds we pay in federal taxes. The \$322,400.00 we will leverage in the form of 80% match is our money. We should take advantage of this opportunity and put it to good use. There is not an over-abundance of opportunities to directly get our federal tax dollars back to our community. This happens to be one of them.