



**TOWN OF NORTH HAMPTON, NEW HAMPSHIRE  
MUNICIPAL BUDGET COMMITTEE MEETING**

**DECEMBER 3, 2018 7:00 PM**

**NORTH HAMPTON TOWN HALL**

MEMBERS PRESENT: Chairman Jonathan Pinette, Vice-Chairman/School Board Rep James Sununu, Rick Stanton, Tamara Le, Laurel Pohl, Charles Gallant, Frank Ferraro, Select Board Rep Larry Miller

EXCUSED: Little Boar's Head Rep Brian Goode

ALSO PRESENT: Town Administrator Bryan Kaenrath, Finance Director Ryan Cornwell, Fire Chief Michael J. Tully, Police Chief Kathryn Mone

**AGENDA**

Chairman Jonathan Pinette welcomed everyone to the December 3, 2018 North Hampton Municipal Budget Committee Meeting and called the meeting to order at 7:04 pm, followed by the Pledge of Allegiance.

Chairman Pinette stated that Brian Goode was excused.

**OLD BUSINESS** – None

**NEW BUSINESS**

**Approval of the Minutes of the November 19, 2018 Budget Committee Meeting**

**Motion:** To approve the minutes of the November 19, 2018 Budget Committee Meeting.

**Motioned:** Larry Miller

**Seconded:** James Sununu

**Vote:** Approved 6-0 (only 6 members present at that time)

**2<sup>ND</sup> REVIEW OF TOWN PROPOSED FY2020 BUDGET**

Budget Committee Meeting  
December 3, 2018

Town Administrator Bryan Kaenrath said he had provided the Budget Committee with an updated copy of the Town FY2020 Budget, and said there was a slight decrease under Insurance due to a lower GMR for property/liability, with approximately \$6,000 in savings.

Finance Director Ryan Cornwell distributed information requested from the last meeting. He said the projected savings from Affinity LED lighting was \$9,000, with a reduction of \$3,000 showing in the budget. He provided the information requested on services and Health Agencies showing how the money was spent, a summary of legal expenses for the last 7 fiscal years, and reports for all software/hardware upgrades and purchases over the last 3 fiscal years. He explained how he arrived at some of the proposed salary numbers, and said all merit came from one merit pool and merit increases were assigned in June by the Select Board and would appear in the next year's budget in the individual salary lines. Chairman Pinette asked that copies of all the documents be emailed to him for distribution to Committee members.

Finance Director Cornwell said he had the numbers for the Cadillac Tax projected for 2022, and said the Town currently had significant exposure and they were looking at approximately \$70,000 in excise tax, assuming no changes or increases in insurance. He said they had also written into their collective bargaining agreements that due to the Cadillac Tax, things could change and contracts could be revisited mid-bargaining. Vice-Chair Sununu said the School also used Health Trust but had lower plan rates. Finance Director Cornwell said that Police and Fire raised the rates for the Town.

Mr. Stanton asked if the Town audit had been completed, and Finance Director Cornwell said it had and there were no deficiencies, and he would put the financial report on the website. Mr. Stanton said that at the last meeting he had questioned the \$7,000 budgeted for the Economic Development Committee (EDC) and the amount budgeted for Fire Department Vehicle Maintenance. Fire Chief Michael Tully said there were forced cuts in the Fire Department budget last year and Fire Prevention and Emergency Repairs were both currently underfunded. Chairman Pinette said there was a request for a public presentation.

**Presentation:** Ms. Kathy Kilgore, a member of the Select Board, respectfully asked that the Budget Committee leave the \$7,000 requested funding for the Economic Development Committee in the proposed budget for FY2020. She gave a brief history of the committee and said they were partnering with UNH to survey the Town to participate in their Business Retention Expansion Program. She said the intention was to come up with a strategic plan to move forward with Economic Development in North Hampton. She said the Planning Board would also review the Town's planning and zoning ordinances for suggested updates and changes.

Mr. Ferraro said that due to new changes in the law for the Default Budget, a number of the salary lines needed to be corrected to be consistent with the rules. Finance Director Cornwell agreed and said the Select Board would need to meet to discuss them. Mr. Ferraro asked about the \$9,000 for a Repeater listed under PD Equipment and recommended it be put a Warrant Article to be paid by fund balance. Police Chief Kathryn Mone said it would not cover the entire cost of the repeater and said they were looking to use the \$9,000 as 25% matching funds for a possible grant.

**Motion:** To remove the \$9,000 from PD Equipment in the budget and put it in a Warrant Article using unrestricted fund balance.

**Motioned:** Mr. Ferraro

**Seconded:** Ms. Pohl

Discussion: Mr. Miller said he did not want to risk the Warrant failing on the Ballot. Vice-Chair Sununu said they were trying to prototype a piece of equipment to see if it worked and felt it made sense to put it in the budget, and Chairman Pinette agreed. Fire Chief Tully reminded the Committee members that the grant was to purchase a \$40,000 piece of equipment, and if it failed as a Warrant Article they would have to return the grant money. He said the funds were put in the budget to fund a mobile unit for testing and it also worked as their 25% of the matching grant.

**Motion Withdrawn:** Ms. Pohl withdrew her second of the motion and Mr. Ferraro withdrew his motion to remove the funds from PD Equipment in the budget.

Mr. Ferraro stated that the other salaries for the Default that needed adjustment were under Fire & Rescue, Highway, and the Library. Finance Director Cornwell said he would discuss each of them in detail and said he believed some of it was contractual. Mr. Ferraro said he also wanted to review the information provided by Finance Director Cornwell on line-item transfers.

Mr. Stanton said he would make a motion to reduce the Economic Development Committee line item from \$7,000 to \$1.00. He said he was also a member of the EDC, but said the committee as a whole had not come together to ask for any additional funding. He said his next motion would be to add the money to the Fire Department Equipment line item.

Discussion: Mr. Ferraro said the money requested was to do surveys and he felt the EDC should have some funds. Mr. Stanton said they could go to the Select Board to request funding but that it should not be part of the budget. Chairman Pinette said he agreed. Vice-Chair Sununu said he seconded the motion as the EDC did not need the money now and had no plan for what they wanted to achieve.

**Motion:** To reduce the Economic Development Committee line item from \$7,000 to \$1.00.

**Motioned:** Mr. Stanton

**Seconded:** Vice-Chair Sununu

**Vote:** Motion approved by a vote of 5-3

Mr. Stanton said he would make a motion to increase the budget line for Fire Department Vehicle Maintenance by \$6,999 based on the \$20,000 3-year average. Mr. Miller pointed out that the department had recently seen a \$5,000 savings through insurance. Fire Chief Tully verified the 3-year average of \$20,000 and said the portion for Emergency Repairs was only \$6,500. Mr. Stanton felt it should be closer to the average because of the ladder truck, which could not be replaced until a new facility was built. Mr. Gallant agreed and said as a firefighter in charge of vehicle maintenance, they currently had a truck that had been out of service for 3 months. Mr. Ferraro felt it made sense to leave some money in EDC and suggested they add \$5,280 to FD Vehicle Maintenance.

**Motion:** To increase the funding in the Fire Department Budget line 01-4220-10-660 FD Vehicle Maintenance to \$22,000.

**Motioned:** Mr. Stanton

**Seconded:** Mr. Miller

**Vote:** Motion approved by a vote of 8-0

Mr. Ferraro questioned some of the transfers from the 2018 budget as the line items appeared to be already overspent. Vice-Chair Sununu said all of the salaries were coded the same, and it was the aggregate of all those salaries. Finance Director Cornwell said it all came from the same account

Mr. Stanton asked if all the changes to the Town Budget had been noted, and Finance Director Cornwell said \$6,999 was taken out of EDC. Vice-Chair Sununu said that referencing the FD 660 line-item the difference would be \$5,270. Chairman Pinette said overall they had reduced the Budget by \$1,729.

**Motion:** To approve the Town Proposed FY2020 Budget as amended.

**Motioned:** Mr. Stanton

**Seconded:** Mr. Ferraro

**Vote:** The Town FY2020 Budget was approved by a vote of 8-0

Mr. Ferraro requested that after the Select Board met to discuss the default, they send out a final version with this number incorporated into the Default Budget.

## **SCHEDULE**

Vice-Chair Sununu asked about the Town Warrant Articles, and Town Administrator Kaenrath said there would be a workshop meeting around December 18-20<sup>th</sup>. Mr. Stanton said he believed the deadline was January 12<sup>th</sup>, and felt the Committee should set the date now for the Town Public Hearing. Chairman Pinette suggested January 7, 2019 for the Public Hearing. Vice-Chair Sununu said he would need to check on the schedule for the School, and said they would need to have their discussion and vote on the Town Warrants before the hearing. January 3, 2019 was suggested as a possible date for reviewing the Warrant Articles and was agreed on by the Budget Committee. Vice-Chair Sununu said the School Warrants were ready and could be reviewed at the 2<sup>nd</sup> School Budget Review meeting scheduled for December 17, 2018.

**PERIOD OF PUBLIC COMMENT** – None

**NEXT MEETING:** December 17, 2018

## **ADJOURNMENT**

Vice-Chair Sununu made a motion to adjourn the meeting which was seconded by Mr. Gallant.

The motion was approved by a vote of 8-0 and the Budget Committee Meeting was adjourned at 8:44 pm.

Respectfully submitted,

Patricia Denmark, Recording Secretary