



**TOWN OF NORTH HAMPTON, NEW HAMPSHIRE
MUNICIPAL BUDGET COMMITTEE/SELECT BOARD
JOINT MEETING & PUBLIC HEARING**

JANUARY 18, 2022 6:00 PM

NORTH HAMPTON TOWN HALL

DRAFT MINUTES

BUDGET COMMITTEE MEMBERS PRESENT: Chairman Rick Stanton, Sean Dionne, Andrew Raucci, George Chauncey, Frank Ferraro, Select Board Rep James Sununu, School Board Rep Tom Von Jess
VIA ZOOM: Vice-Chairman Brian Goode, Charles Gallant

SELECT BOARD MEMBERS PRESENT: Chairman Jim Maggiore, Vice-Chair James Sununu
VIA ZOOM: Selectman Jonathan Pinette

ALSO PRESENT: Town Administrator Michael Tully, Finance Director Ryan Cornwell, School Business Administrator Matt Ferreira, Police Chief Kathryn Mone

AGENDA

Chairman Rick Stanton welcomed everyone to the January 18, 2022 Joint Meeting of the North Hampton Municipal Budget Committee and the Select Board, and called the meeting to order at 6:03 pm.

Chairman Stanton said the Budget Committee will be the host; order of events after introductions will be: (1) Two Warrant Articles for Safety Complex and rehabilitation of former Library for Town Offices; (2) Budget/Warrant Articles for Town; (3) Budget/Warrant Articles for School. Before that a Public Hearing will be opened for the Town, the School, and a Bond hearing through the Select Board.

Pledge of Allegiance.

Select Board Chairman Jim Maggiore opened the Select Board Meeting at 6:05 pm and asked permission to make a motion to allow Jonathan Pinette to participate in the meeting when he arrives.

Chairman Stanton said the Budget Committee has a quorum present with 2 members participating on Zoom, and asked for a motion to allow them to participate in the meeting.

Motion: Mr. Ferraro made a motion to allow Mr. Gallant to participate and allow Mr. Goode to participate in the meeting when he arrives; seconded by Selectman Sununu.
Motion approved 7-0, all in favor.

NEW BUSINESS

TOWN WARRANT ARTICLES/OPERATING BUDGET FY2023

Warrant Article for the New Safety Building

Select Board Chairman Maggiore read the Warrant Article for the New Safety Building in full:

To see if the Town will vote to raise and appropriate the sum of \$9,307,965 for the purpose of design and construction of a new Safety Building to house Police and Fire & Rescue Departments, including demolition of old buildings; sum to be raised through issuance of bonds or notes authorizing the Select Board to issue and negotiate such bonds/notes; and to raise and appropriate through taxation \$232,699 for the first year's payment on said bond. 3/5ths ballot vote required; approved by the Select Board 3-0.

Motion: Selectman Sununu made a motion to recommend the New Safety Building Warrant Article as presented; seconded by Mr. von Jess.

Discussion: Selectman Sununu said after the approval and construction of the new Library, the Select Board put out an RFP and selected a Design Team and Construction Management Team to put forth a proposal for the next phase for replacing our Town facilities and a valid Building Committee was put in place to advise. A final plan was submitted in December and costed out for a new building, with shared spaces by Police and Fire to provide areas needed, plus equipment bays for apparatus, resulting in a cost estimate developed by our Construction Management Team for \$9.3 Mil. The Select Board recommends this as a very critical part of the Town's infrastructure we need to address.

Mr. Ferraro agreed something needs to be done with the Fire and Police Stations with cramped quarters and structural issues in the Fire Station. He said at the last Select Board meeting the appearance of the Safety Building was questioned, and Mr. Ricci said it could be modified once passed, but any improvements will increase the cost of the project which may go over-budget. Selectman Sununu said the Board would not approve design changes which would significantly increase costs, and this budget contains a 10% contingency to allow flexibility in the numbers.

Chairman Stanton opened the Public Hearing at 6:20 pm covering all of the Warrant Articles/Budgets for the Town and School and the Bond Hearing.

Chairman Stanton asked that the Select Board allow non-resident Mr. John Ricci, Construction Manager, to speak. Town Administrator Tully said Mr. Ricci is here and prepared to speak, and said he wanted to make sure this is the Bond Hearing as well as the Public Hearing for the Budget.

Motion: Selectman Sununu made a motion to allow Mr. Jonathan Pinette to participate electronically; seconded by Select Board Chairman Maggiore; Roll Call vote: Jim Maggiore-aye, James Sununu-aye.
Motion approved 2-0,

Roll Call Vote to approve New Safety Building: Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-nay, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye, Brian Goode-nay, Chuck Gallant-aye. *Motion approved by a vote of 7-2.*

Warrant Article for the Expansion and Renovation of the Former Library Building into Town Offices

Selectman Sununu read the Warrant Article for the Expansion and Renovation of the Former Library Building into Town Offices in full:

To see if the Town will vote to raise and appropriate the sum of \$1,549,912 for the purpose of expansion and renovation of the former North Hampton Public Library building into Town offices; authorize the Select Board to use \$930,274 of unassigned fund balance, \$469,638 of American Rescue Plan Act Local Fiscal Recovery Funds, and to withdraw \$150,000 from Town Building Capital Reserve Fund; approval of this Article will have no effect on the tax rate. Majority Ballot Vote required, recommended by Select Board 3-0.

Motion: Selectman Sununu made a motion to approve the Warrant Article for the Expansion and Renovation of the Former Library Building into Town Offices as presented; seconded by Mr. von Jess.

Discussion: Vice-Chair Goode said there was a definite need to do something with this building but felt adding 4,000 sq ft is much too large for Town employees even with storage. Town Administrator Tully said the 5,450 sq ft building has a 2,000 sq ft addition of 2 floors. He said he was surprised because Mr. Goode voted in favor of it as a Building Committee member after visiting other towns. He said they are trying to build a 50-year building, and currently Town employees have just under 5,000 sq ft and do not have enough space. Vice-Chair Goode said that the amount for the building has changed since the Building Committee vote, and said he also felt the cost for the New Safety Building was too high.

Town Administrator Tully said unfortunately the Town is in this situation because we did not act on these 6 years ago and wanted to hold off despite the need at that time. He said in comparison with other Fire/Police Stations the square footage price is low, this a building about needs not wants, and we have a responsibility to our employees.

Chairman Stanton said it is also fair to say the longer we hold off from doing a major project it will only cost more, especially in today's environment, and said we need room for our Administrative Offices and storage. Town Administrator Tully added that currently the Fed is predicting 3 rate hikes this year, along with inflation, and does not see this being cheaper next year.

Selectman Sununu said we have a 26,000 sq ft Safety Center unanimously approved by the Building Committee and construction costs have come to \$318/sq ft; the budget for this project is reasonable for what we have designed, and if you acknowledge the need for new buildings, especially Police & Fire which is critical, the cost is reasonable and the need is significant. For the renovation of the former library to Town offices we have a 9,516 sq ft building with the renovation cost of \$148/sq ft including the addition.

Mr. Chauncey asked if they were absolutely sure they could use the American Rescue Funds for Town Offices. Selectman Sununu said the State & Local Fiscal Recovery Fund (SLFRF) can be used on government services up to revenue loss amount over time due to economic impacts of COVID-19. He said those funds have been accepted and according to guidelines this is a more than appropriate use of those funds.

Mr. Ferraro said he was concerned about drawing down unassigned fund balance to within 5% minimum, and said using SLFRF funds for capital projects is severely limited. Town Administrator Tully said he has gone forward and asked for information from the State. He said the money could be used for HVAC and there are other aspects in the building we would be able to spend it on. Vice-Chair Goode asked if the figures for the complexes include furniture and everything else that will be needed, and Town Administrator Tully said all are included so we can move forward.

Mr. von Jess said we need Town Offices and there are some good things here: access to SLFRF and unassigned Fund Balance. As far as size, this is a long-term plan and will be less expensive to have builders build the right building the first time. Mr. Dionne said he is very much in favor of the Safety Complex and moving Town employees to a better building. He felt one of the issues was getting more people involved in the conversation and participating, and said he is hopeful that between now and the March vote we can at least get people to hear the message.

Chairman Stanton said he looks at the cost increase over the years, and for every \$10,000 we have to spend we save \$0.01 on the tax rate. He said the project will cost more, but we need it and have to finance in the best, most economical way possible. Town Administrator Tully said we do not yet know the bond rates, but they are suggesting \$0.35 and \$0.40 for a rate come July for a Bond sale. Select Board Chairman Maggiore added that the Town spends on average \$50,000-\$75,000-\$100,000 on maintenance of these buildings.

Selectman Pinette said we have 2 votes that are a "no" at this point; one was a design and appearance issue and the second was a money issue. He said with a 10% contingency it seems everyone is on board with the Safety Complex and it would be beneficial having a unanimous vote toward getting this complex approved by the voters. Town Administrator Tully said he is asking if there is a motion to reconsider, would those who voted *no* change their vote.

Roll Call vote on Expansion/Renovation of former Library Building for Town Offices: Brian Goode-nay, James Sununu-aye, Charles Gallant-aye, Sean Dionne-aye, Tom von Jess-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye.
Motion approved by a vote of 8-1.

Warrant Article for Town FY2023 Operating Budget

Chairman Stanton read the Warrant Article for the Town FY2023 Operating Budget in full.

To see if the Town will vote to raise and appropriate through taxation as an operating budget the amount of \$8,092,929; if defeated Default Budget shall be \$7,893,437; or the governing body may hold one special meeting to take up the issue of a revised operating budget only. Majority Ballot Vote Required; Recommended by the Select Board: 3-0; Recommended by the Budget Committee: 9-0.

Warrant Article for Proposed Police and Highway Departments Collective Bargaining Agreement

Mr. von Jess read the Warrant Article for Proposed Police & Highway Departments Collective Bargaining Agreement in full.

To see if the Town will vote to approve the cost items included in a three-year collective bargaining agreement reached between the Select Board and the New England Police Benevolent Association, calling for the following increases in salaries, including fringe and other cost items, at current staffing level: 2023 \$1,373,070, increase \$15,529; 2024 \$1,441,531, increase \$15,146; 2025 \$1,501,817, increase \$13,977; and further, to see if the Town will

vote to raise and appropriate through taxation the sum of \$15,529 for Fiscal Year 2023. Majority vote required; recommended by Select Board 3-0.

Motion: Selectman Sununu made a motion to recommend the Warrant Article for Proposed Police and Highway Departments Collective Bargaining Agreement (CBA) as presented; seconded by Mr. von Jess.

Discussion: Mr. Ferraro asked for clarification on whether or not the Police Contract contained an extra day of pay per holiday for Police as in the Fire Department, and referred to page 25 of the contract which stated Police Officers shall be compensated for holidays whether worked or not, by payment of 11 additional days pay. Police Chief Kathryn Mone said whether working or not they get paid for 8 hours of straight time for each holiday, with a second check in December which was the same in the prior contract.

Mr. Ferraro asked about the Health Insurance. Town Administrator Tully said the current language has been changed and employees now contribute 10% rather than 15% towards Health Insurance. He explained that to get healthcare costs under control they chose a health plan that is significantly cheaper monthly but with a higher deductible; they have an HSA with the Town self-insuring from the HSA up to the maximum of the plan price with an HRA (Health Reimbursement Account). He said we save with cheaper plan price and save for every employee who does not utilize those funds. Selectman Sununu said they traded dramatically low premiums and in return a dramatically high deductible, and lowered the employee contribution to incentivize them to agree.

Vice-Chair Goode commended the administration on looking into this as a process that could save money for the Town and for employees, and asked if there was discussion of possible putting these savings into some type of Trust account to draw on over the years. Town Administrator Tully said the problem is that they are required to provide health insurance to employees, and said he also discussed funding partly through the budget.

Roll Call Vote: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye.

Motion approved by a vote of 9-0.

Town Administrator Tully asked that the Bond Hearing be closed and Mr. Ricci be allowed to leave.

Motion: Hearing no Public Comments on the Bond, Mr. Ferraro moved to close the Bond Hearing; seconded by Mr. Chauncey; all in favor.

Chairman Stanton closed the Bond Hearing at 7:18 pm but left the Public Hearing open.

Warrant Article to Replace Fire & Rescue Engine 2

Mr. Dionne read the Warrant Article to Replace Fire & Rescue Engine 2 in full:

To see if the Town will vote to raise and appropriate the sum of \$800,000 for the purpose of purchasing and equipping a new pumper truck for the Fire & Rescue Department with said funds to come from the Fire Department Equipment and Apparatus Special Revenue Fund; CIP approved project; no effect on the tax rate; special warrant article. Majority Ballot Vote required; recommended by the Select Board 3-0.

Motion: Mr. Ferraro made a motion recommend the Warrant Article to Replace Fire & Rescue Engine 2; seconded by Mr. Chauncey.

Discussion: Selectman Sununu said this is part of CIP on a replacement schedule. Town Administrator Tully said the Capital Reserve Account in the Fire Department is funded with money collected from Ambulance fees, and there are enough funds to cover remaining apparatus on the plan moving forward.

Roll Call Vote: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye.
Motion passes by a vote of 9-0.

Warrant Article for Purchase of a Police Cruiser

Mr. Ferraro read the Warrant Article for Purchase of a Police Cruiser in full.

To see if the Town will vote to raise and appropriate the sum of \$45,000 for the purpose of purchasing and equipping a cruiser for the Police Department, by withdrawing \$33,750 from the Police Detail Revolving Fund, and raising \$11,250 through taxation; CIP approved. Majority Ballot Vote required; recommended by the Select Board 3-0.

Motion: Selectman Sununu made a motion to approve the Warrant Article Purchase of a Police Cruiser; seconded by Mr. Chauncey.

Discussion: Town Administrator Tully said he decided this year, since there is approximately \$45,000 in the fund, to take some of the cost from taxation. Selectman Sununu said they have stretched the life of the cruisers and are now only purchasing 1 cruiser per year and looked at extended warranties.

Roll Call Vote: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye.
Motion passes by a vote of 9-0.

Warrant Article on Road Resurfacing

Mr. Chauncey read the Warrant Article on Road Resurfacing in full.

To see if the Town will vote to raise and appropriate the sum of \$240,000 for the purpose of resurfacing and reconstructing approximately three miles of road, by withdrawing \$30,000 from the previously established Municipal Transportation Improvement Capital Reserve Fund created for this purpose, and raising \$210,000 through taxation; approved by CIP. Majority Ballot Vote required; Recommended by the Select Board 3-0.

Motion: Selectman Sununu moved the Road Resurfacing Warrant Article as presented; seconded by Mr. Chauncey.

Discussion: Town Administrator Tully said this is a normal warrant article each year, funded by a Capital Reserve Fund with \$5 for every vehicle registered in North Hampton; fund currently has \$60,000; part of a 15-year Road Plan.

Roll Call Vote: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye.
Motion passes by a vote of 9-0.

Warrant Article for Purchase of DPW Compact Utility Tractor

Mr. Raucci read Warrant Article for Purchase of DPW Compact Utility Trailer in full.

To see if the Town will vote to raise and appropriate through taxation the sum of \$27,000 for purchasing and equipping a compact utility tractor for the Department of Public Work; approved by CIP. Majority Ballot Vote required; Recommended by the Select Board: 3-0

Motion: Mr. Ferraro moved to recommend the Warrant Article for DPW Compact Utility Tractor; seconded by Mr. Chauncey.

Discussion: Town Administrator Tully said we are looking at a 26-HP tractor with cabin loader to assist with cleaning walkways and snow removal for the whole Town Campus. Mr. Gallant said 2 articles from now there is a second DPW Utility Tractor/Loader. Town Administrator Tully said that is to replace a 2004 tractor at the Recycling Center.

Roll Call Vote: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye.
Motion passes by a vote of 9-0.

Warrant Article to Rebuild Stone Wall at Center Cemetery

Chairman Stanton read the Warrant Article to Rebuild Stone Wall at Center Cemetery in full.

To see if the Town will vote to raise and appropriate the sum of \$36,750 for the purpose of rebuilding the historic stone wall at Center Cemetery, by accepting donations in the amount of \$20,000, and raising \$16,750 through taxation; approved by CIP. Majority Ballot Vote required; Recommended by the Select Board 3-0.

Motion: Selectman Sununu moved to recommend the Warrant Article to Rebuild Stone Wall at Center Cemetery; seconded by Mr. Ferraro.

Discussion: Town Administrator Tully said this is a project ongoing for the last few years; first trees were removed and stumps ground, covered by Power Company with no cost to the Town; trees were causing problems with stone wall.

Roll Call Vote: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye.
Motion passes by a vote of 9-0.

Warrant Article for Purchase of DPW Utility Trailer/Loader

Mr. Raucci read the Warrant Article for Purchase of DPW Utility Trailer/Loader in full.

To see if the Town will vote to raise and appropriate through taxation the sum of \$57,000 for the purpose of purchasing and equipping a utility tractor/loader for the Department of Public Works; approved by CIP. Majority Ballot Vote required; Recommended by the Select Board 3-0.

Motion: Vice-Chair Goode made a motion to recommend the Purchase of DPW Utility Trailer/Loader; seconded by Mr. Chauncey.

Discussion: Town Administrator Tully said this is a 50-HP tractor with mower/loader/cabin fork used at the Recycling Center and for other road projects. The full amount of the tractor was put in the Warrant as

the current 2004 John Deere tractor will be given to the Elementary School; new tractor will also be used by the Cemetery.

Roll Call Vote: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye.
Motion passes by a vote of 9-0.

Warrant Article for Purchase of Police Speed Monitoring Trailer

Selectman Sununu read the Warrant Article for Purchase of Police Speed Monitoring Trailer in full.

To see if the Town will vote to raise and appropriate through taxation the sum of \$16,818 for the purpose of purchasing a speed monitoring trailer for the Police Department; approved by CIP. Majority Ballot Vote required; Recommended by the Select Board 3-0.

Motion: Mr. Ferraro made a motion to approve the Purchase of a Police Speed Monitoring Trailer; seconded by Mr. Raucci.

Discussion: Town Administrator Tully said this equipment was in the Police Department Budget but he pulled it for a Warrant Article. He said Chief Mone has received a lot of complaints of speeding on local roadways in the Town, and this trailer keeps speeds in a memory and gives the traffic count as well.

Roll Call Vote: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye.
Motion passes by a vote of 9-0.

Warrant Article for Contributions to Social Service Organizations

Chairman Stanton read Warrant Article for Contributions to Social Service Organizations in full.

To see if the Town will vote to raise and appropriate through taxation the sum of \$25,000 for the purpose of making monetary contributions to various social service organizations around the Seacoast. Majority Ballot Vote required; Recommended by the Select Board 2-1.

Motion: Mr. Ferraro made a motion to approve the Warrant Article for Contributions to Social Services Organizations; seconded by Mr. Chauncey.

Discussion: Mr. von Jess said this was taken out of the Budget to give members of the community the chance to see these services that are delivered to North Hampton residents who may be in need. Vice-Chair Goode said this is an important sum of money the Town gives to these organizations, which benefits the Town for a nominal amount. Mr. Ferraro agreed but felt it should have been in the Operating Budget. Chairman Stanton said it gives better visibility to the legislative body and voters.

Selectman Sununu noted for the record that he was the dissenting Select Board vote, and said he is not comfortable with this use of taxpayer funds.

Roll Call Vote: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-nay, Rick Stanton-nay, James Sununu-nay.
Motion passes by a vote of 6-3.

Warrant Article for Contribution to the Coakley Landfill Capital Reserve Fund

Mr. Raucci read the Warrant Article for Contribution to the Coakley Landfill Capital Reserve Fund

To see if the Town will vote to raise and appropriate through taxation the sum of \$75,000 for deposit into the Coakley Landfill Capital Reserve Fund; purpose of this fund is to account for expenses incurred by the Town under the Superfund Cleanup Program; Balance in Fund \$229,612 as of December 31, 2021. Majority Ballot Vote required; Recommended by the Select Board 3-0.

Motion: Mr. Dionne made a motion to approve the Warrant Article for Contribution to the Coakley Landfill Capital Reserve Fund; seconded by Mr. Chauncey.

Discussion: Town Administrator Tully said the Town sees about \$50,000 in yearly costs; in addition a \$250,000 payment is due in 2030 from our community. He said we put away \$50,000 yearly plus \$25,000 to make sure we can make the 2030 payment. Chairman Stanton said if there are any costs associated with Coakley North Hampton bears 4% of the cost.

Roll Call Vote: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye.
Motion passes by a vote of 9-0.

Warrant Article for Contribution to the Town Land Environmental Remediation Capital Reserve Fund

Selectman Sununu read Contribution to the Town Land Environmental Remediation Capital Reserve Fund in full.

To see if the Town will vote to raise and appropriate through taxation the sum of \$10,000 for deposit into the Town Land Environmental Remediation Capital Reserve Fund; purpose of this fund is to account for expenses incurred related to environmental remediation to Town-owned land; Balance in Fund \$2,152 as of December 31, 2021. Majority Ballot Vote required; Recommended by the Select Board 3-0.

Motion: Mr. Ferraro made a motion to recommend the Warrant Article for Contribution to the Town Land Environmental Remediation Capital Reserve Fund; seconded by Mr. von Jess.

Discussion: Town Administrator Tully said this Capital Reserve Fund was opened when the Town was required to do a PFAS investigation on town-owned property where the Safety Complex is. The report has been issued but have not yet heard back from DES; need to make sure we keep up with DES requirements.

Roll Call Vote: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye.
Motion passes by a vote of 9-0.

Citizens Petition to Discontinue Use of the Former Library Building as a Town Library and Turn Over Control to the Select Board

Chairman Stanton read the Citizens Petition to Discontinue Use of the Former Library Building as a Town Library and Turn Over Control to the Select Board in full.

Upon petition of at least 25 registered voters, to see if the Town will vote to discontinue the use of the former public library building located at 237A Atlantic Avenue as the Town library; after an affirmation vote, and with the approval of the Commissioner of Natural and Cultural Resources, the North Hampton Library Trustees shall turn over control

of the 237A Atlantic Avenue building, and immediately adjacent property, to the North Hampton Select Board. Nothing in this action shall relinquish any authority of the Trustees pursuant to RSA 202:A with respect to the new library building at 239 Atlantic Avenue and all property of the Town related to the Public Library. Majority Ballot Vote required; Recommended by the Select Board: 3-0

Chairman Stanton said the Budget Committee does not make a recommendation on this Citizens Petition, but said a letter was received from the Library Trustees. He read that letter in full which stated that following the logic of RSA 202-A:11 and A:18 the best procedure would be to deem the old library discontinued with a Town vote required to complete handover; NHMA information was confirmed with NH Library Trustees Association which clarifies jurisdiction and protects the Select Board and the Library Board from any misinterpretations of responsibility.

Motion to reconsider: Mr. von Jess made a motion to reconsider the New Safety Building; seconded by Selectman Sununu.

Roll Call Vote to reconsider: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye. Motion passes by a vote of 9-0.

Motion: Mr. von Jess made a motion to recommend the New Safety Building Warrant Article as presented; seconded by Selectman Sununu..

Discussion: Vice-Chair Goode asked what would happen if the 10% contingency was not spent. Town Administrator Tully said once a Bond is pulled the money cannot be returned; but the Select Board could consider using that to make some of the yearly payments on the Bond. Selectman Sununu said it would reduce the overall taxation taken over the life of the Bond by that amount; he said his goal here is to get to a unanimous vote and hoped people will recognize the needs and the importance to the Town.

Mr. Ferraro said he recalled that the total presented by Mr. Ricci was for both projects and asked if the contingency was just on the Safety Building. Selectman Sununu said the contingency is for both; Safety Building \$8,467,803, and Town Offices \$1,410,012, with a proportion of the 10% contingency for each.

Second Roll Call Vote for Safety Building Warrant Article: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye.

Motion passes by a vote of 9-0.

Motion to reconsider Expansion/Renovation of former Library Building into Town Offices: Mr. von Jess made a motion to reconsider the Warrant Article for Expansion/Renovation of former Library Building into Town Offices; seconded by Selectman Sununu.

Discussion: Vice-Chair Goode said if you are approving one building you almost have to approve the other, but still felt the size should be reduced.

Roll Call Vote to reconsider: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye.

Motion passes by a vote of 9-0.

Motion: Selectman Sununu made a motion the Budget Committee recommend the Expansion/Renovation of the former Library Building into Town Offices; seconded by Mr. Raucci.

Second Roll Call Vote on Town Offices Warrant Article: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye.
Motion passes by a vote of 9-0.

Select Board Chairman Maggiore said he cannot thank the Budget Committee enough for the actions they have taken tonight, and said this is an extremely important project for all citizens of North Hampton.

Town Administrator Tully said Mr. Cornwell will need to do the 737 to get ready for the Warrant; should be ready by Thursday, and I will need all Budget Committee members to sign it any time after Friday morning.

Select Board Chairman Maggiore adjourned the Select Board meeting at 8:07 pm.

SCHOOL WARRANT ARTICLES/OPERATING BUDGET FY2023

School Warrant Article 1 – FY2023 Operating Budget

School Business Administrator Matt Ferreira read Article 1 for the School FY2023 Operating Budget in full.

Shall the School District raise and appropriate as an Operating Budget, not including appropriations by special warrant, the amount set forth or as amended by vote of first session for the purposes set forth therein, the sum of \$9,690,641; if not Default Budget will be \$9,578,869; recommended by the School Board 5-0. Majority Vote required; recommended by the Budget Committee 9-0.

School Warrant Article 2 – Long-term Maintenance

Chairman Stanton read the School Warrant Article for School Long-term Maintenance in full.

To see if the School District will vote to raise and appropriate the sum of \$30,000 to carry out long-term maintenance work in the North Hampton School Building and grounds (projects listed); will be a non-tax appropriation per RSA 32:7, Sect 6, and not lapse until projects completed, on or by June 30, 2025, whichever comes first.

Motion: Mr. von Jess moved to recommend School Warrant Article 2 for Long-term Maintenance; seconded by Mr. Chauncey.

Discussion: Mr. von Jess said this is primarily for HVAC inside the Nurse's office and front offices. Chairman Stanton explained that Mr. von Jess is the School Representative to the Budget Committee.

Roll Call Vote: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye.
Motion passes by a vote of 9-0.

School Warrant Article 3 – Special Education Expendable Trust

Chairman Stanton read the School Warrant Article 3 for Special Education Expendable Trust in full.

To see if the School District will vote to raise and appropriate \$35,000 to be added to existing Special Education Expendable Trust Fund with up to \$35,000 to be funded from June 30, 2022 Unassigned Fund Balance, available for transfer on July 1, 2022; no additional amount through taxation; Majority Vote required.

Motion: Selectman Sununu made a motion to recommend the School Warrant Article for Special Education Expendable Trust; seconded by Mr. von Jess.

Discussion: Mr. Dionne asked for clarification. School Business Administrator Ferreira said the School has a number of Expendable Trusts set up, one in Special Education with a current balance of \$363,000, and this contribution will bring it to the targeted amount of \$400,000. The purpose of this Expendable Trust is to safeguard the School from unanticipated Special Education costs, including tuition and transportation.

Roll Call Vote: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-aye, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye.
Motion passes by a vote of 9-0.

School Warrant Article 4 – Fund Balance Retention

School Business Administrator Ferreira read School Warrant Article 4 for Fund Balance Retention in full.

To see if the School District will vote to authorize indefinitely until rescinded to retain year-end unassigned general funds in an amount not to exceed in any fiscal year 5% of current fiscal year's net assessment in accordance with RSA 198:4b-2; Majority Vote required.

Discussion: Selectman Sununu said the Budget Committee does not make a recommendation on this.

Motion: Mr. Ferraro said given this article could financially impact taxpayers and pursuant to RSA 32:5 V(a), I move that the Budget Committee consider Article 4 Fund Balance Retention for a vote of recommend or non-recommend; seconded by Vice-Chair Goode.

Mr. Ferraro explained that the RSA specifically says the Budget Committee can require tallies of its vote be printed next to the affected Warrant Article, and according to the New Hampshire Supreme Court, also on non-monetary warrants. School Business Administrator Ferreira said he confirmed this with the NH Department of Revenue (DRA) and they indicated this is non-monetary.

Roll Call Vote for Budget Committee recommendation on Fund Balance Retention: Brian Goode-aye, Chuck Gallant-aye, Tom von Jess-aye, Sean Dionne-nay, Frank Ferraro-aye, George Chauncey-aye, Andrew Raucci-nay, Rick Stanton-aye, James Sununu-abstain.
Motion passes by a vote of 6-2, with 1 abstention.

Motion: Mr. Ferraro made a motion to recommend Warrant Article 4 Fund Balance Retention; seconded by Mr. Goode.

Discussion: Mr. Ferraro said he raised this issue because of possible significant financial impact on the Town; the School District has returned over \$300,000/year and could take all of any one year up to maximum of 5%. He said with Town Unassigned Fund Balance the Select Board can only use the funds to pay down the tax rate, or if a warrant specifically designated use of that money; for the School Board all that is required is a Public Hearing with no other limitations. He added that the School Board already has

an RSA that allows them to dip into current year funds for unexpected expenses at the end of the fiscal year, so there is already a mechanism to obtain money for emergencies.

Chairman Stanton agreed on the control. Mr. von Jess said the Budget Committee does have control because they ultimately approve the Budget. Mr. Ferraro disagreed. Selectman Sununu said he has no issue with the Town process, but with School Board as agents to expend funds with no specific purpose, he shares Frank's concerns about the structure of this particular RSA.

School Business Administrator Ferreira said the purpose of this warrant is a contingency or safeguard for emergency or unanticipated expenses, and allow the School the ability to work with the Town to smooth out the tax rate. He said there were two recent changes in Legislation allowing Schools the ability to tap additional funds without having to petition the Department of Education and go through a much more laborious process than this.

Vice-Chair Goode said the School already has \$700,00 in trust accounts. Mr. Ferraro said he misspoke regarding emergencies, and said this warrant was to go from 2.5% to 5% retention and could be used for emergency expenditures of over-expenditures, with no limits on what it can be spent on. Selectman Sununu suggested this article be updated by the School Board to put in the stipulation that said funds will not be expended without a vote of the legislative body. School Business Administrator Ferreira said he would look into that.

Roll Call vote to recommend Warrant Article 4 Fund Balance Retention: Yes vote is to recommend; no vote to not recommend.

Brian Goode-nay, Chuck Gallant-nay, Tom von Jess-aye, Sean Dionne-nay, Frank Ferraro-nay, George Chauncey-nay, Andrew Raucci-nay, Rick Stanton-nay, James Sununu-nay.

Motion not approved by a vote of 1-8; Warrant Article 4 not recommended by the Budget Committee.

Chairman Stanton closed the Public Hearing on Town and School Budgets/Warrants at 8:38 pm.

OTHER INFORMATION THAT MAY LEGALLY COME BEFORE THE COMMITTEE

ADJOURNMENT

Chairman Stanton adjourned the Municipal Budget Committee Meeting at 8:39 pm.

Respectfully submitted,

Patricia Denmark, Recording Secretary