



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

JANUARY 19, 2021 6:00 PM

NORTH HAMPTON TOWN HALL

Approved November 1, 2021

MEMBERS PRESENT: Chairman Jonathan Pinette, Rick Stanton, George Chauncey, Frank Ferraro

VIA ZOOM: Tamara Le, Margaret Delano, Select Board Rep Larry Miller (arrived late)

EXCUSED: Vice-Chair Brian Goode, School Board Rep Tom von Jess

ALSO PRESENT: Town Administrator Michael Tully, Finance Director Ryan Cornwell, Public Works Director John Hubbard

VIA ZOOM: School Business Administrator Matt Ferreira, Emily Creighton, Susan Leonardi, Kathleen Kilgore

AGENDA

Chairman Jonathan Pinette welcomed everyone to the January 19, 2021 North Hampton Municipal Budget Committee Meeting and called the meeting to order at 6:03 pm, followed by the Pledge of Allegiance.

Roll-Call Attendance: Jonathan Pinette-present, Rick Stanton-present, George Chauncey-present, Frank Ferraro-present, Margaret Delano-present, Tamara Le-present (*Larry Miller arrived late*)

OLD BUSINESS – None

NEW BUSINESS

Minutes of the Budget Committee Meeting of December 21, 2020

Motion: To approve the Municipal Budget Committee Meeting Minutes of December 21, 2020 as presented.

Motioned: Mr. Ferraro

Seconded: Mr. Stanton

Roll Call Vote: George Chauncey-aye, Rick Stanton-aye, Jonathan Pinette-aye, Frank Ferraro-aye, Margaret Delano-aye, Tamara Le-aye,
Motion approved by a vote of 6-0

Town Warrant Articles

Please note: Town Warrant Articles are not yet numbered.

1. **Town FY2021-2022 Operating Budget** – To raise and appropriate through taxation \$7,682,313; Default Budget \$7,774,158 (majority vote required); recommended by the Select Board 3-0; Recommended by the Budget Committee 8-1.

2. **Proposed Fire Department Collective Bargaining Agreement** – To raise and appropriate the sum of \$24,243 for FY2022, first year of 3-year contract (majority vote required); recommended by the Select Board 3-0.

Mr. Ferraro asked for clarification of the yearly increases in the CBA contract. Finance Director Cornwell said the increases are exactly the difference between what is currently in the Town Operating Budget vs. the tentative agreement as written. Mr. Ferraro asked why there was a question in the Warrant Article regarding defeat of the article; Finance Director Cornwell said the sentence is required per DRA.

Motion: To recommend the *Proposed Fire Department Collective Bargaining Agreement Warrant Article* as presented.

Motioned: Mr. Stanton

Seconded: Ms. Le

Roll Call Vote: George Chauncey-aye, Rick Stanton-aye, Jonathan Pinette-aye, Frank Ferraro-aye, Margaret Delano-aye, Tamara Le-aye,
Motion approved by a vote of 6-0

3. **Lease Purchase of DPW Medium-Duty Truck** – To authorize Select Board to enter into a 5-year lease/purchase for \$90,000 with equipment, and to raise and appropriate \$18,000 through taxation for first-year payment (majority vote required); recommended by the Select Board 3-0.

Mr. Ferraro asked the cost of the truck outright, and Public Works Director John Hubbard said the last lease payment is the buyout amount on the lease and right now he does not have a set figure for an interest rate on the lease. He said the \$90,000 is the maximum amount (set 6 years ago by CIP) and he is waiting on a definitive trade-in value; to buy the truck outright would be approximately \$55,000 including equipment and trade-in. Mr. Ferraro said the vehicle should be purchased outright using Unassigned Fund Balance.

Mr. Stanton asked if the warrant can be either a lease or a purchase, and Director Hubbard said it is a lease/purchase with a buyout amount of \$1.00. He said the lease payments are spread over 5 years so it does not affect the budget all at once but there is a definite cost to that. Town Administrator Tully said the Select Board has a minimum of 5% for unassigned fund balance and a target of 8% and we are already below the target and they wanted to move to taxation for this lease/purchase.

Motion: To *not* recommend the *Warrant Article for the Lease/Purchase of a DPW Medium-Duty Truck*.

Motioned: Mr. Ferraro

Seconded: Mr. Chauncey

Roll Call Vote: George Chauncey-aye, Rick Stanton-nay, Jonathan Pinette-aye, Frank Ferraro-aye, Margaret Delano-nay, Tamara Le-nay, Larry Miller-nay

Motion fails by a vote of 4-3

Motion: Move to recommend the *Warrant Article for the Lease/Purchase of a DPW Medium-Duty Truck* as presented.

Motioned: Mr. Stanton

Seconded: Ms. Le

Roll Call Vote: George Chauncey-nay, Rick Stanton-aye, Jonathan Pinette-nay, Frank Ferraro-nay, Margaret Delano-aye, Tamara Le-aye, Larry Miller-aye

Motion approved by a vote of 4-3

4. Purchase of an Automated Fingerprint Scanner – To raise and appropriate \$15,000 through taxation (majority vote required); recommended by the Select Board 3-0.

Town Administrator Tully said this was taken out of the Budget as a Capital purchase and put in as a Warrant Article.

Motion: Move to recommend the Warrant Article for the *Purchase of an Automated Fingerprint Scanner* as presented.

Motioned: Mr. Ferraro

Seconded: Mr. Chauncey

Roll Call Vote: George Chauncey-aye, Rick Stanton-aye, Jonathan Pinette-aye, Frank Ferraro-aye, Margaret Delano-aye, Tamara Le-aye, Larry Miller-aye

Motion approved by a vote of 7-0

5. Road Resurfacing – To raise and appropriate \$240,000 by withdrawing \$30,000 from Municipal Transportation Improvement Capital Reserve Fund and raising \$210,000 through taxation (majority vote required); recommended by the Select Board 3-0.

Town Administrator Tully said they use some of these funds for matching Road Block Grants from the State and received \$105,000 last year.

Motion: Move to recommend the *Road Resurfacing Warrant Article* as presented.

Motioned: Mr. Stanton

Seconded: Selectman Miller

Roll Call Vote: George Chauncey-aye, Rick Stanton-aye, Jonathan Pinette-aye, Frank Ferraro-aye, Margaret Delano-aye, Tamara Le-aye, Larry Miller-aye

Motion approved by a vote of 7-0

6. Paving at Recycling Center – To raise and appropriate \$33,000 through taxation (majority vote required); recommended by the Select Board 3-0.

Motion: Move to recommend the *Paving at Recycling Center Warrant Article* as presented.

Motioned: Mr. Stanton

Seconded: Mr. Chauncey

Roll Call Vote: George Chauncey-aye, Rick Stanton-aye, Jonathan Pinette-aye, Frank Ferraro-aye, Margaret Delano-aye, Tamara Le-aye, Larry Miller-aye

Motion approved by a vote of 7-0

7. Contribution to the Earned Time Settlement Capital Reserve Fund – To raise and appropriate \$20,000 through taxation for deposit in the fund (majority vote required); recommended by the Select Board 3-0.

Town Administrator Tully said the money in this fund pays for earned time for employees throughout their career, and they are adding to the account to be fiscally responsible.

Motion: Move to recommend the *Contribution to the Earned Time Settlement Capital Reserve Fund Warrant Article* as presented.

Motioned: Mr. Stanton

Seconded: Selectman Miller

Roll Call Vote: George Chauncey-aye, Rick Stanton-aye, Jonathan Pinette-aye, Frank Ferraro-aye, Margaret Delano-aye, Tamara Le-aye, Larry Miller-aye

Motion approved by a vote of 7-0

8. Contribution to the Coakley Landfill Capital Reserve Fund – To raise and appropriate \$75,000 through taxation for deposit into said fund (majority vote required); recommended by the Select Board 3-0.

Town Administrator Tully said the Town's portion comes to around \$50,000 annually and this year's payment has not yet made. They are also looking forward in this year's payment to \$250,000 which will be due in 2030, increasing yearly contributions by \$25,000 for the next 10 years. Mr. Stanton said the Town is also on the hook for their expenses to mediate if they are so directed by the EPA and the State.

Motion: Move to recommend the *Contribution to the Coakley Landfill Capital Reserve Fund Warrant Article* as presented.

Motioned: Mr. Ferraro

Seconded: Mr. Stanton

Roll Call Vote: George Chauncey-aye, Rick Stanton-aye, Jonathan Pinette-aye, Frank Ferraro-aye, Margaret Delano-aye, Tamara Le-aye, Larry Miller-aye

Motion approved by a vote of 7-0

9. Establish Town Land Environmental Remediation Capital Reserve Fund – To raise and appropriate \$34,500 for deposit in said fund (majority vote required); recommended by the Select Board 3-0.

Town Administrator Tully said the NH DES has required the Town to do environmental studies on possible PFAS contamination on their property; \$34,500 is the cost of the assessment to get this done. They are starting the Capital Reserve Fund because of more chemicals coming out over the past few years and to fund future possible investigations on other Town property.

Motion: Move to recommend the Warrant Article to *Establish a Town Land Environmental Remediation Capital Reserve Fund* to as presented.

Motioned: Mr. Stanton

Seconded: Ms. Le

Roll Call Vote: George Chauncey-aye, Rick Stanton-aye, Jonathan Pinette-aye, Frank Ferraro-aye, Margaret Delano-aye, Tamara Le-aye, Larry Miller-aye

Motion approved by a vote of 7-0

Public Comment

To participate call 603-758-1447; or comment via Zoom.

Chairman Pinette opened the Public Hearing to Public Comment at 6:41 pm.

Emily Creighton of 32 Post Road asked if the Town Land Environmental Remediation Fund would cover the Library as well; Town Administrator Tully said it will cover all Town property. Mr. Creighton said the Budget Committee should have reviewed the Library Budget submitted by Library Trustees as defined by RSA and not the Select Board Budget. Chairman Pinette said the Budget Committee used the budget submitted through the Budget Books as they do every year. Ms. Creighton said she wants the public to understand that by RSA the Library Trustees Budget is submitted directly to the Budget Committee and not through the Select Board.

Town Administrator Tully said the Library Board submits a Budget underneath the Town Budget. This year the Select Board made changes to the Library Budget for approximately \$13,000; the Budget Committee took off an additional \$2,014 for the current budget of \$405,000. Mr. Ferraro said there is an RSA that states the Library submits their Budget directly to the Budget Committee. Chairman Pinette said the Budget Committee was in agreement when the vote on the Library Budget was taken.

Kathleen Kilgore of 220 Atlantic Avenue stated that the Library Budget introduced to the Select Board was for approximately \$429,000 which was refined to \$420,000; the Select Board cut that to \$407,000 and the Budget Committee cut again to \$405,000. She asked the percentage of the Library Budget in the Town Budget and Finance Director Cornwell said 5.2%. Ms. Kilgore said she made an investment as a resident in a \$3.9 Mil asset and would expect the Town and the Library Trustees to protect that investment.

Town Administrator Tully said the Select Board had some difficult decisions to make looking at a Default Budget of 4.7% and trying to get down to the 3% range, and other departmental budgets were cut from prior-year levels. Susan Leonardi said she wants the Budget Committee to understand the Library is independent from other Town entities in New Hampshire, and she listed the RSAs applicable to the Library and its Board of Trustees. She said she believes there is a confusion between the Library Foundation and Friends of the Library and their availability for use for capital or operating expenses for

the Library. The North Hampton Public Library & Cultural Center Foundation provides capital to defray costs of constructing and equipping the Library; the mission of the Friends is to enhance the resources of the Library by through in-kind contributions and time. Finance Director Cornwell said decreases for each department from prior-year budgets are listed on page 1 of the Budget Worksheet.

Chairman Pinette said the Budget Committee has the option to add or subtract off the Budget and they are following the law and following SAU.

Motion: Move to close the Public Hearing.

Motioned: Mr. Ferraro

Seconded: Mr. Chauncey

Roll Call Vote: George Chauncey-aye, Rick Stanton-aye, Jonathan Pinette-aye, Frank Ferraro-aye, Margaret Delano-aye, Tamara Le-aye, Larry Miller-aye

Motion approved by a vote of 7-0

Chairman Pinette closed the Public Hearing at approximately 7:08 pm.

ANY OTHER ITEM THAT MAY LEGALLY COME BEFORE THE COMMITTEE

Chairman Pinette reviewed the Budget Committee Schedule and said January 25th is the last date to post warrants and propose budgets, February 2nd is School Deliberative Session at 8:30 am, and Saturday February 6th is the Town Deliberative Session. Town Administrator Tully said the Town Deliberative Session will be held in the School Gymnasium and will be available on Channel 22 and Zoom; comments can be made on Zoom but voting or making motions cannot be done via Zoom.

School Business Administrator Ferreira said it would be the same process for the School Deliberative Session and voting and motions must be done in person. Masks are encouraged for all attendees.

PERIOD OF PUBLIC COMMENT

ADJOURNMENT

Motion: To adjourn the Municipal Budget Committee Meeting of January 19, 2021.

Motioned: Mr. Ferraro

Seconded: Mr. Stanton

Roll Call Vote: George Chauncey-aye, Rick Stanton-aye, Jonathan Pinette-aye, Frank Ferraro-aye, Margaret Delano-aye, Tamara Le-aye, Larry Miller-aye

Motion approved by a vote of 7-0

Chairman Pinette adjourned the Municipal Budget Committee Meeting at 7:13 pm.

Respectfully submitted,

Patricia Denmark, Recording Secretary