



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

**JANUARY 12, 2023 6:30 PM**

**NORTH HAMPTON TOWN HALL**

***APPROVED MINUTES***

MEMBERS PRESENT: Chairman Rick Stanton, Vice-Chairman/Select Board Rep James Sununu, Sean Dionne, Andrew Raucci, Frank Ferraro, George Chauncey, School Board Rep Lisa Gagalis; Little Boar's Head Rep Brian Goode(Zoom), Lisa Gallagher (Zoom)

ALSO PRESENT: School Business Administrator (SAU21) Matt Ferreira, Town Administrator Michael Tully, Finance Director Ryan Cornwell

Chairman Rick Stanton welcomed everyone to the January 12, 2023 North Hampton Municipal Budget Committee Public Hearings for Town and School Budgets and Warrants and called the meeting to order at 6:30 pm, followed by the Pledge of Allegiance.

**Motion:** Vice-Chair Sununu made a motion To allow Lisa Gallagher and Brian Goode to participate in the meeting electronically; **Seconded:** Mr. Chauncey; **Vote:** Motion approved 7-0.

Chairman Stanton said from now on votes will be taken by roll call vote. He said the sequence of events is North Hampton School FY2024 Operating Budget and Warrant Articles, followed by Public Comment; Town FY2024 Operating Budget and Warrants followed by Public Comment.

**OLD BUSINESS**

Approve Draft Meeting Minutes of December 5, 2022 (postponed)

**NEW BUSINESS**

**PUBLIC HEARING - SCHOOL**

**Public Hearing North Hampton School FY2024 Operating Budget and Warrant Articles**

SAU21 Business Administrator Matt Ferreira said there are 6 Warrant Articles being brought to ballot by the School; power point presentation of School FY2024 Operating Budget is on record. He said with this

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Budget we tried to align how resources are allocated to our stated goals and mission: to School Improvements Plan, continuing MTSS model, increasing communication efforts, and commitment to high quality Special Education.

Warrant Article 1: School FY2024 Operating Budget is \$9,773,661, an increase of 0.8% or \$83,020 over prior year and 0.87% increase compared to Default Budget of \$9,689,510. Budget Drivers: cost escalations across the board due to inflation; significant cost increases in electricity and heating fuel anticipated; replacement of gym divider and addition of ceiling fans to cafeteria; SAU-wide COLA adjustments for non-union staff; increase in Special Education costs for out-of-district placement. Health Insurance was underbudgeted and there will be a reduction in retirement contribution for one year. Select Board and Budget Committee voted unanimously to recommend.

*Chairman Stanton opened the meeting to Public Hearing for the School District.*

Warrant Article 2: Seacoast Educational Association CBA Agreement for North Hampton Teacher Contract. Business Administrator Ferreira said this is the highest priority Warrant on the ballot; important to continue to maintain competitive compensation for teachers in the Seacoast area; needs to pass on all district ballots or it fails across the board for SAU21 District and there are no steps or COLA increases.

Warrant Article 3: School Resource Officer (SRO). Proposal to add fulltime School Resource Officer; Budget Committee has not yet voted on this warrant. The Officer will be a fulltime Police Department employee assigned to the School during the school year to assist with security and provide a conduit between students and police; initiated by the School Board with community support; salary of \$115,000; recommended by School Board 4-0.

Mr. Raucci said the School Resource Officer will be in the School 9 months out of the year and in the summer will be tasked with different responsibilities. Business Administrator Ferreira said the position is 12 months full salary and benefits which will change with actual hire; the Police Department will create a job description and define responsibilities during the school year and the summer.

Mr. Ferraro asked if the School would transfer the cost to the Town to pay for that officer. Business Administrator Ferreira said year one this warrant would pay the full cost of the officer; following years, if warrant passes, will put together an MOU between the School and the Town of North Hampton with a cost-share split; funds are only for the express purpose of an SRO. Ms. Gallagher asked if salary would be in the budget in following years and if it was a union contract subject to yearly raises. Business Administrator Ferreira said it would be in respective school/town budgets and was subject to the Police CBA Contract.

**Motion:** Vice-Chair Sununu made a motion to recommend Warrant Article 3 for a School Resource Officer as presented; **Seconded:** Mr. Chauncey; **Roll Call Vote:** Brian Goode-nay, Lisa Gallagher-nay, Lisa Gagalis-aye, Frank Ferraro-aye, Sean Dionne-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye; Recommended by the Budget Committee 7-2.

Warrant Article 4: Long-Term Maintenance. Annual Warrant to address maintenance; for this year: repair and replacement of rubber Playground surface and Gym exterior doors. Part of CIP plan; School Board and Budget Committee voted unanimously to recommend.

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Warrant Article 5: Building & Maintenance Expendable Trust. Calls for contribution of \$50,000 to that fund using unreserved Fund Balance; School Board and Budget Committee voted unanimously to recommend.

Warrant Article 6: Discontinuation of Technology Expendable Trust. School Technology Plan initiated with replacement cycle and embedded in Budget; fund no longer needed.

*Chairman Stanton asked the public for any questions or comments.*

**Motion:** Mr. Ferraro made a motion to close the School District Public Hearing; **Seconded:** Vice-Chair Sununu; **Roll Call Vote:** Brian Goode-aye, Lisa Gallagher-aye, Lisa Gagalis-aye, Frank Ferraro-aye, Sean Dionne-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye; Recommended by the Budget Committee 9-0.

## **PUBLIC HEARING - TOWN**

### **Public Hearing Town of North Hampton FY2024 Operating Budget and Warrant Articles**

Town Administrator Tully said the Town FY2024 Operating Budget is \$8,980,101 for a difference of \$654,473 or 7.86%; Default Budget is a difference of \$354,758 or 4.26%. Major increases in personnel costs and increases across the Seacoast and across the State.

*Chairman Stanton opened the meeting to Public Session for the Town Budget and Warrant Articles.*

Warrant Article 1: Town FY2024 Operating Budget of \$8,980,101 and Default Budget of \$8,683,086. General increase of 7.86% with 3.56% due to debt service, Town realistically at 4% increase; Default 4.26%.

Warrant Article 2: Replace Fire & Rescue Command Vehicle, \$75,000; to replace 2013 Police Cruiser. Fire Department Ambulance Fees back into an account to pay for equipment; have seen cost increases and ambulance orders are 3 years out. Funds stay in account with no effect on tax rate; currently \$383,000 in account.

Warrant Article 3: Police Cruiser \$55,000. Police Department runs 7 cruisers, 2 administrative, 1 detail, 3 patrol vehicles, and 1 supervisor car; this warrant replaces a 2017 Cruiser with 82,000 miles; cruiser orders up to 15 months out.

Warrant Article 4: Refurbish Rescue Engine 1, \$250,000. Pump needs complete overhaul, electrical issues, paint; any monies leftover will stay in account.

Warrant Article 5: Public Works Medium Duty Dump Truck, \$107,000. Replacing 2012 F650 originally put in as lease/purchase; currently looking at rate of 6.9% and decided to purchase outright.

Warrant Article 6: Road Resurfacing, \$285,000 Cost of asphalt going up; looking at approximately 3 miles in town; Highway Department monitors for water damaged roads. Withdrawal of \$30,000 from Municipal Transportation Improvement Capital Reserve Fund and raising \$250,000 through taxation.

Chairman Stanton said people can look at the CIP plan available online with schedule of roads in town. Because streets are named, if warrant fails could not work on that street; less visibility on names because of that based on need. Town Administrator Tully said Director Hubbard looks at top coating versus tearing up and reclaiming. He said the next two Warrants are more or less place holders.

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Warrant Article 7: Philbrick Pond Marsh Restoration, \$20,000. Grants were received for first portion, Cobble Weir and second portion to investigate fixing health of the marsh. First project more expensive than anticipated and DES transferred funds into first to complete Cobble Weir; Conservation looking into going forward with secondary projects and grant opportunities. Town Administrator Tully said he wanted to be able to cover an 80:20 grant.

Warrant Article 8: Rail Trail Equipment and Capital Improvements, \$10,000. Expense not known at this time but Rail Trail has widespread support North Hampton residents; put forward as a place holder to have money available. Project has an opportunity for Economic Development in community; small investment for any initial improvements. May purchase equipment with other towns and work together; Select Board rejected setting up a Capital Reserve Account for this purpose.

Town Administrator Tully said either the money would get spent, returned to Fund Balance, or get encumbered with a contract for a certain service or product by end of 2024 for the Rail Trail. Mr. Raucci asked if it was anticipated money would be allocated to this purpose in the next fiscal year and Town Administrator Tully said he did. Mr. Raucci asked if \$10,000 is enough.

Vice-Chair Sununu said they do not actually know; the State is building the trail and towns the trail passes through are responsible for its maintenance. He said Rockingham Planning Commission is spearheading coordination between towns and establishing a not-for-profit organization with towns as members sharing maintenance costs. Chairman Stanton asked what the Select Board argument was against a Capital Reserve fund. Vice-Chair Sununu said it will probably end up in the budget as a line item for Rail Trail Maintenance. Town Administrator Tully said if a non-profit develops, donations could be made.

Ms. Gallagher asked who actually constructs the trail. Town Administrator Tully said the State of New Hampshire owns the land and will construct the Rail Trail then look to cross towns to maintain their portion. He said the Town has an MOU with the State of New Hampshire that once turned trails are turned over to towns as completed, towns are responsible for maintenance; also looking at trash removal; North Hampton is in the first phase of the project. Chairman Stanton asked if the warrant failed would there be any funds available. Vice-Chair Sununu said the trail will not be ready for use until 2024; will come back in a year with more information and a better target.

Warrant Article 9: Contribution to Coakley Landfill Capital Reserve, \$75,000. Town Administrator Tully said the average contribution of \$50,000/yr was increased by \$25,000 to cover the \$1/4 Mil payment due in 2030.

Warrant Article 10: Earned Time Settlement Capital Reserve Fund, \$75,000. Allows the Town to purchase time from employees both during and at end of careers; less expensive to purchase in today's dollars. Town is in a situation where \$143,000 may be payable before July 1, 2024 due to possible retirements; \$63,383 currently in fund.

Warrant Article 11: Contribution to Town Revaluation Capital Reserve Fund, \$14,000. Balance in fund is \$56,612. Paying revaluation now; started saving for it 5 years ago.

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Warrant Article 12: Rent or Lease Municipal Property. Allows Select Board to rent or lease municipal property not in public use for up to 5 years without further vote of Town; looking at Cell Tower and solar power for buildings that require longer-term contracts.

Chairman Stanton asked about RSA 41:11-a that talks about leasing public land which Select Board can do for 1 year without voter approval; Vice-Chair Sununu said the statute says the Select Board needs to get permission and this is that permission from the voters; a way to do a project without waiting for Town Meeting. Chairman Stanton said voters have no idea what the projects will be and said he did not agree.

Warrant Article 13: Readopt All Veterans Tax Credit. State Legislature changed wording in Veterans Tax Credit that allows current active-duty military to receive the credit; need to readopt to cover everyone; spoke with Assessor on language.

Town Administrator Tully said the last two warrant articles are not Town warrants but Petition Warrant Articles. Chairman Stanton read the articles in full.

Warrant Article 14: Taxpayer Funds Towards Eminent Domain (by Citizens Petition)

On behalf of at least 25 registered voters, pursuant to RSA 39:3 to see if Town will vote to raise and appropriate through taxation the sum of Zero Dollard (\$0) for obtaining an eminent domain easement in connection with a Cell Town in North Hampton. Not recommended by the Select Board 0-3. Chairman Stanton said it has a monetary unit and the Budget Committee will need to vote on the warrant.

Warrant Article 15: Consideration for Cell Phone Tower (by Citizens Petition)

On behalf of at least 25 registered voters, pursuant to RSA 39:3 to see if Town will vote to require the Select Board to review the placement of the proposed Cell Town on the Town-owned property known as Map 7, Lot 161; placement on the specified 85.3 acre lot, Parcel ID 7-161 would not require the Town to obtain land use rights through Eminent Domain. Budget Committee does not have a say on this warrant.

### **Consideration and Recommendation of Town Warrant Articles**

**Motion:** Mr. Ferraro moved to recommend Warrant Article 2 Fire & Rescue Command Vehicle Replacement for \$75,000; **Seconded:** Vice-Chair Sununu; **Roll Call Vote:** Brian Goode-aye, Lisa Gallagher-aye, Lisa Gagalis-aye, Frank Ferraro-aye, Sean Dionne-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye; Recommended by the Budget Committee 9-0.

**Motion:** Vice-Chair Sununu moved to recommend Warrant Article 3 Purchase of Police Cruiser \$55,000; **Seconded:** Mr. Raucci; **Roll Call Vote:** Lisa Gagalis-aye, Frank Ferraro-aye, Sean Dionne-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye, Brian Goode-aye, Lisa Gallagher-aye; Recommended by the Budget Committee 9-0.

**Motion:** Ms. Gagalis moved to recommend Warrant Article 4 Refurbish Rescue Engine 1, \$250,000; **Seconded:** Mr. Dionne; **Roll Call Vote:** Lisa Gagalis-aye, Frank Ferraro-aye, Sean Dionne-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye, Brian Goode-aye, Lisa Gallagher-aye; Recommended by the Budget Committee 9-0.

**Motion:** Vice-Chair Sununu moved to recommend Warrant Article 5 Purchase of Public Works Medium Duty Dump Truck \$107,000; **Seconded:** Mr. Ferraro; **Roll Call Vote:** Lisa Gagalis-aye, Frank Ferraro-aye,

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Sean Dionne-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye, Brian Goode-aye, Lisa Gallagher-aye; Recommended by the Budget Committee 9-0.

**Motion:** Mr. Ferraro moved to recommend Warrant Article 6 Road Resurfacing **Seconded:** Ms. Gagalis; **Roll Call Vote:** Lisa Gagalis-aye, Frank Ferraro-aye, Sean Dionne-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye, Brian Goode-aye, Lisa Gallagher-aye; Recommended by the Budget Committee 9-0.

**Motion:** Vice-Chair Sununu moved to recommend Warrant Article 7 Philbrick Pond Marsh Restoration \$20,000; **Seconded:** Mr. Raucci; **Roll Call Vote:** Lisa Gagalis-aye, Frank Ferraro-aye, Sean Dionne-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye, Brian Goode-aye, Lisa Gallagher-aye; Recommended by the Budget Committee 9-0.

**Motion:** Ms. Gagalis moved to recommend Warrant Article 8 Rail Trail Equipment and Capital Improvements \$10,000; **Seconded:** Vice-Chair Sununu; **Roll Call Vote:** Lisa Gagalis-aye, Frank Ferraro-aye, Sean Dionne-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye, Brian Goode-aye, Lisa Gallagher-aye; Recommended by the Budget Committee 8-1.

**Motion:** Vice-Chair Sununu moved to recommend Warrant Article 9 Contribution to the Coakley Landfill Capital Reserve Fund \$75,000; **Seconded:** Mr. Raucci; **Roll Call Vote:** Lisa Gagalis-aye, Frank Ferraro-aye, Sean Dionne-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye, Brian Goode-aye, Lisa Gallagher-aye; Recommended by the Budget Committee 9-0.

**Motion:** Mr. Ferraro moved to recommend Warrant Article 10 Contribution to Earned Time Settlement Capital Reserve Fund \$75,000; **Seconded:** Mr. Raucci; **Roll Call Vote:** Lisa Gagalis-aye, Frank Ferraro-aye, Sean Dionne-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye, Brian Goode-aye, Lisa Gallagher-aye; Recommended by the Budget Committee 9-0.

**Motion:** Vice-Chair Sununu moved to recommend Warrant Article 11 Contribution to Town Revaluation Capital Reserve Fund \$14,000; **Seconded:** Ms. Gagalis; **Roll Call Vote:** Lisa Gagalis-aye, Frank Ferraro-aye, Sean Dionne-aye, Andrew Raucci-aye, George Chauncey-aye, Rick Stanton-aye, James Sununu-aye, Brian Goode-aye, Lisa Gallagher-aye; Recommended by the Budget Committee 9-0.

Warrant Article 12 is not a Budget item.

**Motion:** Vice-Chair Sununu moved to recommend Warrant Article 13 Readopt All Veterans Tax Credit; **Seconded:** Mr. Ferraro;

Discussion: Chairman Stanton asked Finance Director Cornwell if he had any idea how much this would cost taxpayers; Finance Director Cornwell said they were unable to identify how many people this would actually affect going forward. Vice-Chair Sununu said they do not know out of the 4,000 in Town how many are active duty and who might apply for the credit.

**Roll Call Vote:** Lisa Gagalis-aye, Frank Ferraro-aye, Sean Dionne-aye, George Chauncey-aye, Andrew Raucci-aye, Rick Stanton-aye, James Sununu-aye, Brian Goode-aye, Lisa Gallagher-aye; Recommended by the Budget Committee 9-0.

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Warrant Article 14: Town Administrator Tully clarified that this is not taking land but taking rights to an easement that already exists on a property. Mr. Chauncey said this is something that should be explained; Vice-Chair Sununu said there is a Public Hearing at the January 23<sup>rd</sup> Select Board Meeting about this issue. Mr. Ferraro said there will also be a 25-ft wide construction easement. Town Administrator Tully said this is Town property.

Ms. Gallaher asked why the Select Board voted against this warrant. Vice-Chair Sununu said because this is a Citizens' Petition the Select Board did not put forward and the purpose of this article is to gum up the works and prevent the Select Board from moving forward with proposed eminent domain to access an easement. Mr. Ferraro said at Deliberative voters could add money in.

Mr. Goode asked if the easement was the exact same easement. Vice-Chair Sununu explained there is a property that exists on another back lot to access through this property and install a pipeline with and access road to property above ground. Mr. Goode asked the width of the easement; Vice-Chair Sununu said it is 15 ft, needs to be at least 25 ft, and will be a single-lane road.

**Motion:** Mr. Ferraro moved Warrant Article 14 Taxpayer Funds Towards Eminent Domain (by Citizens Petition); **Seconded:** Mr. Chauncey; **Roll Call Vote:** Lisa Gagalis-nay, Frank Ferraro-aye, Sean Dionne-nay, Andrew Raucci-nay, George Chauncey-abstain, Rick Stanton-abstain, James Sununu-nay, Brian Goode-aye, Lisa Gallagher-nay; Not recommended by the Budget Committee 2-5 with 2 abstentions.

Chairman Stanton asked if there were any comments from the public; none were forthcoming.

Mr. Ferraro said the total amount raised and appropriated through these Warrants would be \$611,000 and would add 7% to the current Budget.

*Chairman Stanton closed the Public Session for the Town Budget and Warrant Articles.*

**ANY OTHER ITEM THAT MAY LEGALLY COME BEFORE THE COMMITTEE**

Mr. Ferraro thanked Town Administrator Tully, Finance Director Cornwell, and Department Heads for answering all his questions, and thanked the School and SAU21. He said his tenure expires in March and he does not intend to run for reelection.

**Next Budget Committee Meeting:** Select Board Meeting Public Hearing January 23, 2023; Town Deliberative Session February 4, 2023

**ADJOURNMENT**

**Motion:** Chairman Stanton made a motion to adjourn the meeting, **seconded** by Mr. Dionne, all in favor.

Chairman Stanton adjourned the Municipal Budget Committee Meeting at 7:54 pm.

Respectfully submitted,

Patricia Denmark, Recording Secretary