



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

**DECEMBER 5, 2022 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, Lisa Gallagher, George Chauncey, School Board Rep Lisa Gagalis, Little Boar's Head Rep Brian Goode

ALSO PRESENT: Town Administrator Michael Tully, Finance Director Ryan Cornwell, Library Director Susan Grant, Library Trustees: Kathleen Kilgore, Susan Leonardi

Chairman Rick Stanton welcomed everyone to the December 5, 2022 North Hampton Municipal Budget Committee Meeting and called the meeting to order at 6:30 pm, followed by the Pledge of Allegiance.

**OLD BUSINESS** – None

**NEW BUSINESS**

**Second Review of Proposed Library Budget for FY2024**

Library Trustee Susan Leonardi said it is the Library's priority to get the position for Youth Librarian funded and reinstated to fulltime under Staff Salaries; a new contract was signed with Direct Energy for a lower electricity rate.

Library Director Grant said she spoke with Health Trust to get rates for different health plans and found a plan with considerably lower rates; the Youth Librarian would only need a 2-person plan, not a family plan. She said the bottom line budget is now 9% over last year's budget, increasing \$40,494 from \$453,192 prior year to a current FY2024 Budget of \$493,686.

Mr. Goode asked if Health Expenses listed as \$63,534 included three people, with change in Library hours -\$41,194 taking a person out of Staff Hourly and moving into Staff Salaries. Director Grant said the position was changed to a salaried fulltime position and moved from hourly line to salaried. She said the Library lost someone last week who moved to another library job with benefits. Mr. Ferraro said there are a number of lines with blanks or zeros in the lines and suggested they add \$1.00 to each.

Ms. Gallagher asked if donations should be part of the Budget; Ms. Leonardi said donations are not guaranteed and are not included in our regular budget. Ms. Gallagher asked where that money goes; Ms. Leonardi said the Friends Group is a private separate 501(c)(3) entity and that group holds the money. Library Trustee Kathleen Kilgore said all revenues accepted in during the year that are unexpected are reported in the Town Annual Report, and this was approved by voters years ago in a Warrant Article.

Director Grant said also the amounts requested for adult and youth programs are not sufficient so the Library depends on donations. Mr. Goode said that whole concept does not make sense to him, and said Little Boar's Head has to budget unknown amounts based on past spending or they do not get the money. Ms. Kilgore said the Town has the same issues with operating programs out of revolving funds. Vice-Chair Sununu said the Budget Committee is setting a cap on how much the Library can spend out of taxpayer money.

Mr. Ferraro reviewed the line items needing \$1.00 added; Ms. Kilgore eventually found 6 line items and added \$6.00 to the Library Budget (bringing total FY2024 Library Budget to \$493,692). Ms. Gallagher raised the issue of the Library renting out the conference rooms to make extra revenue. Ms. Leonardi said the issue is insurance. Ms. Gigalis asked if the Library had the staff to put in extra hours and Ms. Gallagher said that would be part of the charge. Ms. Leonardi said the conference rooms are for the public to use and our community members; taxpayers have paid for access to our building.

**Motion:** To accept the Library FY2024 Budget of \$493,692.17 as presented and amended; **Motion** by Mr. Chauncey; **Seconded** by Mr. Ferraro; **Vote:** Motion approved 7-2.

Ms. Kilgore said she would forward a new amended Budget with the additions to the Budget Committee Chairman.

### **Second Review of Town Proposed Budget for FY2024**

Town Administrator Michael Tully said the Proposed Town FY2024 Operating Budget of \$8,939,600 is \$619,972 or 7.37% over last year; with 3.5% of that due to Debt Service on new buildings, that gives an Administrative increase of 3.87%. The Default Budget is \$259,000 higher at 2.99%. He said he forwarded the updated Pie Chart to the Budget Committee as requested. At the last meeting the \$10,000 request of the Conservation Commission and the \$1,000 request of the Heritage Commission were discussed.

Mr. Ferraro said regarding the Conservation Commission and Heritage Commission, the responses sent do not reflect zero-based budgeting and there are not specific projects or needs. He questioned the \$5,000 spent by the Conservation Commission to maintain trails when the money was earmarked for Water Sampling & Testing, and said "we might need some money" is not a justification. Town Administrator Tully said the Commission moves across lines in that budget.

Mr. Ferraro said the problem with the Heritage Commission request of \$1,000 is there is \$26,000 left in the Heritage Commission Account now and they plan to spend \$18,000 for the Sidewalk. He said in September of 2020 the Heritage Commission had \$7,000 and the next year had \$25,000. Vice-Chair Sununu said the \$17,000 donation for the Walkway had been added. Mr. Ferraro said the Walkway has money and does not need more.

Vice-Chair Sununu said the Town has to go out and rebid once all the buildings are done so we do not know the final cost of the Walkway. Town Administrator Tully said they are also talking about a Pocket Park they would like to do for the Rail Trail; he said they have projects but it is hard to set a timeline because we are holding them back on the Walkway and the State is holding them back on the Rail Trail. Mr. Ferraro said both projects should be Warrant Articles and anything over \$10,000 should go to CIP.

Town Administrator Tully said the Heritage Commission worked to find donors so we did not have to do a Warrant Article. Mr. Ferraro said the \$10,000 for the Conservation Commission should be drastically reduced and the \$1,000 for the Heritage Commission eliminated. Vice-Chair Sununu said the \$10,000 for the Conservation Commission is to do water testing and the Town has had problems with bacteria at the beach which is difficult to track down. He said they are using the money where they feel it will have the most effect, and he does not have a problem as long as in the end the money is spent on Conservation Commission Projects.

Mr. Ferraro said there is money in end-of-year unspent revenue that could be moved into other spaces; Finance Director Cornwell said last year's undesignated fund balance was under \$80,000. Vice-Chair Sununu said \$80,000 on an \$8 Mil Budget (1%) is not much leeway. Town Administrator Tully said the Budget Committee needs to make the decision regarding the \$10,000 Conservation Commission request, and said it is not responsible budgeting to say if you have money left over or at the end of the year and it needs to be planned for in the Budget.

**Motion:** Mr. Ferraro made a motion to reduce the Water Testing & Sampling line for the Conservation Commission from \$10,000 to \$2,500.

**No seconds; Motion failed.**

**Motion:** Vice-Chair Sununu made a motion to add \$1.00 to the line item for Police Department Deputy Chief; **Seconded** by Mr. Ferraro; **Vote:** Motion approved 9-0.

Mr. Dionne asked if any information had been received from the Water Commission regarding what money had been spent by Aquarion for infrastructure. Town Administrator Tully asked that he resend the question and he would reroute it to the Water Commission. Ms. Gallagher asked if the budget information included the library and Town Administrator Tully said it includes the Library level-funded.

**Motion:** Vice-Chair Sununu made a motion to recommend the total Town FY2024 Budget of \$8,980,101; **Seconded** by Mr. Goode; **Vote:** Motion approved 9-0.

Vice-Chair Sununu clarified that the Budget Total included the \$6.00 from the Library and the \$1.00 added above.

## **APPROVAL OF MINUTES**

### **Minutes of the Budget Committee Meeting of November 17, 2022**

**Motion:** Vice-Chair Sununu made a motion to approve the Budget Committee Meeting Minutes of November 17, 2022 as presented; **Seconded** by Mr. Raucci; **Vote:** Motion approved 9-0.

### **Minutes of the Budget Committee Meeting of November 21, 2022**

Municipal Budget Committee Meeting

December 5, 2022

**Motion:** Vice-Chair Sununu made a motion to approve the Budget Committee Meeting Minutes of November 21, 2022 as presented; **Seconded** by Mr. Raucci; **Vote:** Motion approved 9-0.

Ms. Gallagher asked Vice-Chair Sununu about the Library spending unappropriated funds. She said both the School and the Town give back money to taxpayers but the Library just keeps spending. Vice-Chair Sununu said typically they spend their whole budget every year because they have other costs; they have a cap and can only spend that much and donation money is spent on whatever they want.

Chairman Stanton spoke about the new schedule (inaudible because of talking).

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

**PERIOD OF PUBLIC COMMENT**

**Next Budget Committee Meeting:** December 19, 2022; Second Review of North Hampton School Proposed Budget for FY2024.

**ADJOURNMENT**

**Motion:** Mr. Goode made a motion to adjourn, seconded by Ms. Gagalis, all in favor.

Chairman Stanton adjourned the Municipal Budget Committee Meeting at 7:27 pm.

Respectfully submitted,

Patricia Denmark, Recording Secretary