

Town of Peterborough

First Open “Deliberative” Session

Tuesday, April 2, 2019

Upper Town House

Moderator L. Phillips Runyon III called the meeting to order at 7:00 PM. Moderator Runyon led the Pledge of Allegiance then discussed the rules of debate and civility protocol, known as the “Peterson Principle”.

Moderator Runyon introduced Select Board member, Barbara Miller who made welcoming remarks and introduced Karen Hatcher and Tyler Ward of the Select Board; Town Attorney, Brendan O’Donnell; Town Clerk, Linda Guyette and IT Director, Fash Farashahi. She introduced members of the Budget Committee including Chairman, Roland Patten and members Rich Clark, Bob Hansen, Ed Henault, Carl Mabbs-Zeno, Ron McIntyre, Don Parkhurst, and Mandy Sliver and Supervisors of the Checklist: Denise Sweet, Karen Bannister and Carol Lenox. Ms. Miller also introduced Town Administrator, Rodney Bartlett; Deputy Town Administrator, Nicole MacStay and department directors in attendance: Corinne Chronopoulos, Jeff King, Pete Throop, Seth MacLean, Leo Smith, Chief Edmund Walker, and Chief Scott Guinard.

Ms. Miller discussed the budget process and indicated that the purpose of the deliberative session is to move to the official ballot articles 3-14. The remaining articles 15-19 will be discussed and voted on at the open session on May 15th.

Moderator Runyon then read Article 3:

Article 3. Budget for Fiscal Year 2020 - \$16,142,345

To see if the Town will vote to raise and appropriate the sum of **Sixteen Million One Hundred Forty-Two Thousand Three Hundred Forty-Five Dollars (\$16,142,345)** for the support of General Government, Water, and Wastewater. This represents the fiscal year 20120 budget period, July 1, 2019 to June 30, 2020. This article does not include appropriations in special or individual articles addressed separately.

The Select Board recommends this appropriation by a vote of 3-0

The Budget Committee recommends this appropriation by a vote of 6-1

Moved as read by Barbara Miller, second by Tyler Ward.

Ms. Miller spoke to the article and gave a brief overview of the whole budgeting process. The elected Budget Committee and the Select Board reviewed 18 department and committee budgets as well as the Capital Improvement Program (CIP) budget in a series of meetings over three months. Then, a public hearing was held to discuss the budget.

Town Administrator Rodney Bartlett then spoke to the article.

The Operating Budget is made of several components:

1. The Operation Budget – what it takes to operate the town day to day, pay staff, provide benefits, pay bills, supply services, maintain buildings, roads, etc.
2. The CIP Operating Budget – includes more costly items including equipment, vehicles, technology upgrades, roadway paving, sidewalk reconstruction and contributions to Capital Reserve funds all of which will be paid for in the next fiscal year.
3. Debt Service – funds used to pay the annual loan principal and interest payments for things that were financed thru bonds and multi-year lease-purchases.
4. Overlay and Credits – allowance for tax abatements plus elderly and veteran credits.

The Operating Budget is just one of several elements that effect the tax rate. There are other variables:

1. The town could end up with a surplus from FY2019 and the Select Board has the authority to use some of it to reduce the tax rate increase. (This is done most years; last year \$450,000 was used.)
2. Property valuation in town could change. New homes or commercial buildings, or building additions and improvements could increase revenue and reduce your tax burden.
3. In addition, the percentage rate of the bonds and the length of the bonds could change.

At this point in time it is difficult to accurately estimate what the next year's tax rate will be. Once the current fiscal year is closed and it is determined how much of a surplus we may have (unspent operating budget) that money would be added to the Unrestricted Fund Balance. At tax rate setting time, the Select Board often may take money from this Fund Balance to help reduce the tax rate increase. This can be done as the Fund Balance is not reduced below the State required minimum. Another big factor affecting the final overall tax rate is the school budget and their warrant articles and their Unrestricted Fund balance. They often use their Fund Balance to help reduce the impact of the tax rates in the District. There are many variables involved, including the town wide valuation, so we take all things in consideration as we set the final tax rate in the latter part of each calendar year.

There were several speakers to the article. Timothy Riley inquired who on the Budget Committee cast the single dissenting vote and why. Richard Clarke on the Budget Committee responded that he feels the town should pay up front for what they need rather than bond items. He feels our debt is higher than it should be.

Joanne Carr asked what the impact to the tax rate will be if all of the 'big ticket' items pass at town meeting. Town Administrator Bartlett responded that the only item scheduled to hit the FY2020 budget is the Roadway Systems Upgrade Capital Reserve Fund. The other items, including the new Public Works garage, will not hit until FY2021 or FY2022.

Marilyn Britton asked whether we would still need to spend the money on a new water supply if we didn't allow companies, like Monadnock Spring Water, to truck water out of our existing water supplies. Mr. Bartlett responded that the Morison well (aka Uplands Farm well) is not part the Town acquifer for that the three present wells are part of.

An amendment to Article 3 was proposed by resident, Andrew Dunbar:

To reduce the Community Development budget by \$10,500 (to eliminate the outside services expense of \$9,500 and eliminate the \$1,000 for public engagement expense).

Moved by Andrew Dunbar, second by Judy Ferstenberg.

Mr. Dunbar spoke to the amendment. He believes that with 4 full time employees in the Community Development department, the Town doesn't need to spend additional funds on outside services.

With no additional speakers, Moderator put the amendment to a voice vote where the amendment failed.

Rodney Bartlett spoke to the amended article. The proposed FY2020 budget is up 1.95% over the FY2019 operating budget. Health insurance premiums, the largest single expense, and dental insurance premiums did not increase. Other expenses increased in step with overall inflation. The estimated debt payments for all approved bond articles have been included in the proposed budget.

A second amendment was proposed to Article 3:

To see if the Town will vote to raise and appropriate the sum of **Sixteen Million Two Hundred Eighteen Thousand Eight Hundred Forty-Five Dollars (\$16,218,845)** for the support of General Government, Water, and Wastewater. This represents the fiscal year 2019 budget period, July 1, 2019 to June 30, 2020. This article does not include appropriations in special or individual articles addressed separately.

The Select Board recommends this appropriation by a vote of 3-0.

Also approved by the West Peterborough TIF District and the Economic Development Authority.

Moved by Karen Hatcher, second by Tyler Ward.

Mr. Ward spoke to the amendment. The purpose of the motion is to add \$76,500 to the operating budget, with an offsetting revenue from the West Peterborough TIF Funds. The funds will be used for engineering to address drainage and infrastructure concerns in the West Peterborough TIF District.

Resident Joanne Carr asked if there were any public hearings for this work or if it was part of the original West Peterborough improvement plans. Mr. Bartlett responded that it is part of the original plans.

With no additional speakers, the amendment was put to a voice vote and passed unanimously.

With no other speakers, Article 3 was moved as amended and remanded to the official ballot.

Article 4. Capital Reserve and Expendable Trust Funds - \$95,000

To see if the Town will vote to raise and appropriate the sum of **Ninety-Five Thousand Dollars (\$95,000)** to be placed in the following previously established capital reserve funds:

- Five Thousand Dollars (\$5,000) to be placed in the GIS Capital Reserve Fund
- Eighty Thousand Dollars (\$80,000) to be placed in the Fleet Management Capital Reserve Fund
- Ten Thousand Dollars (\$10,000) to be placed in the Winter Operations Capital Reserve Fund

The Select Board recommends this appropriation by a vote of 3-0

The Budget Committee recommends this appropriation by a vote of 8-0

Moved as read by Karen Hatcher, second by Barbara Miller.

Ms. Hatcher spoke to the article. To simplify and shorten the ballot, the Town Charter allows the Select Board to combine certain warrant articles. Article 4 seeks to fund three previously established capital reserve funds: the GIS Capital Reserve Fund, the Fleet Management Capital Reserve Fund, and the Winter Operations Capital Reserve Fund.

As there were no speakers, Article 4 was remanded to the official ballot.

Article 5. Transfer from Cemetery Fund - \$3,000

To see if the Town will vote to raise and appropriate the sum of **Three Thousand Dollars (\$3,000)** to be added to the previously established Cemetery Expendable Trust Fund, and further, to transfer said amount from the Cemetery Trustee's checking account to the Cemetery Expendable Trust Fund. This amount is funded 100% by the sale of deeds for burial lots.

The Select Board recommends this article by a vote of 3-0

The Budget Committee recommends this appropriation by a vote of 8-0

Moved as read by Tyler Ward, second by Karen Hatcher. Mr. Ward spoke to the article.

With no additional speakers, Article 5 was moved as presented and remanded to the official ballot.

Article 6. Police Department Fleet Capital Reserve Fund - \$18,100

To see if the Town will authorize the establishment of a Capital Reserve Fund (pursuant to RSA Chapter 35) to be known as the "Police Department Fleet Capital Reserve Fund" for the purpose of the orderly replacement of the Police Department's vehicles and equipment necessary to outfit said vehicles, and further to raise and appropriate the sum of **Eighteen Thousand One Hundred Dollars (\$18,100)** toward the purpose and to designate the Select Board as agents to expend.

The Select Board recommends this appropriation by a vote of 3-0

The Budget Committee recommends this appropriation by a vote of 7-0

Moved as read by Tyler Ward, second by Barbara Miller.

Chief Scott Guinard spoke to the article. This replaces our lease/purchase program and saves the town money by eliminating the cost of interest payments.

Michael Strand asked if this will increase the number of vehicles in the Police fleet. Chief Guinard responded that it will not. The Peterborough Police currently has six vehicles.

With no additional speakers, Article 6 was remanded to the official ballot.

Article 7. Fire Department Apparatus and Equipment Capital Reserve Fund - \$40,000

To see if the Town will authorize the establishment of a Capital Reserve Fund (pursuant to RSA Chapter 35) to be known as the "Fire Department Apparatus and Equipment Capital Reserve Fund" for the purpose of the orderly replacement of the Fire Department's vehicles and necessary equipment, and further to raise and appropriate the sum of **Forty Thousand Dollars (\$40,000)** toward the purpose and to designate the Select Board as agents to expend.

The Select Board recommends this appropriation 3-0

The Budget Committee recommends this appropriation 8-0

Moved by Barbara Miller, second by Karen Hatcher. Ms. Miller spoke to the article. The first use of this fund will be for the replacement of the department's portable radios which are critical in emergency and non-emergency situations. The current radios are from 2005 and, because Motorola no longer supports radios of that age, it is difficult to have them repaired or to find parts for them. By replacing all of the radios at one time, it ensures that all responders will have the same radio. The new radios are expected to provide the same 15-year life expectancy.

With no additional speakers, Article 7 was remanded to the official ballot.

Article 8. Fire Department Utility Alarm Truck Purchase - \$75,000

To see if the Town will raise and appropriate the sum of **Seventy-Five Thousand Dollars (\$75,000)** for the purchase of a Utility Alarm Truck for the Fire Rescue Department.

The Select Board recommends this appropriation 3-0

The Budget Committee recommends this appropriation 7-0

Moved by Tyler Ward, second by Barbara Miller.

Mr. Ward spoke to the article. It seeks to replace the existing fire department bucket truck with a used truck that better meets the current needs of the town. The current truck is a 2000 Ford 450 with a 24-foot boom bucket. The truck no longer reaches the heights needed for fire alarm wires. The truck is also used regularly by the Recreation Department, Buildings & Grounds, and the Utilities Department.

With no additional speakers, Article 8 was remanded to official ballot.

Article 9. Veterans Tax Credit

To see if the Town will vote to modify the Veterans Tax Credit in accordance with RSA 72:28, II from its current tax credit of \$500 per year to \$750.00 per year.

The Select Board recommends this article by a vote of 3-0

Moved by Karen Hatcher, second by Tyler Ward.

Ms. Hatcher spoke briefly to the article. A revision in State law allows towns to increase the maximum tax credit to \$750.00.

Article 9 was remanded to the official ballot.

Article 10. Service-Connected Total Disability Tax Credit

To see if the town will vote to modify the provisions of RSA 73:35 for an optional tax credit of \$4,000 for a Service-Connected Total Disability on residential property.

The Select Board recommends this appropriation by a vote of 3-0

Moved by Barbara Miller, second by Karen Hatcher.

Ms. Miller spoke briefly to the article. The Town currently has a \$2,000 maximum limit for this credit. In 2018 the State legislature increased the maximum limit to \$4,000.

Kathleen Allen asked who makes up for these tax credits? Mr. Bartlett responded that the annual operating budget includes a line of \$150,000 to offset abatements and tax credits.

With no additional speakers, Article 10 was remanded to the official ballot.

Article 11. Elderly Tax Exemption Asset Limits

To see if the Town will vote to modify the provisions of RSA 72:39-a for elderly exemption from property tax in the Town of Peterborough, based on assessed value, for qualified tax payers, to be as follows:

- for a person 65 years of age up to 75 years, \$80,000
- for a person 75 years of age up to 80 years \$120,000
- For a person 80 years of age or older \$160,000

To qualify, a person must have been a New Hampshire resident for at least 3 consecutive years, own the real estate individually or jointly, or if the real estate is owned by such person's spouse, they must have been married to each other for at least 5 consecutive years. In addition, the single tax payer must have a net income of not more than \$34,000, and the married tax payers shall not have a joint net income of more than \$52,000; taxpayers, singly or jointly, shall not own assets in excess of \$100,000 excluding the value of the person's residence

The Select Board recommends this appropriation by a vote of 3-0

Moved by Tyler Ward, second by Barbara Miller.

Mr. Ward spoke to the article. Presently the Town's income limits are \$28,000 for single residents and \$45,000 for married residents. These limits have been in place since 2005. During the past two years, four residents lost their qualification for this credit because they exceeded the income limits. If the recommended limits had been in place at the time, those residents would have remained qualified.

Leo Smith, Finance Director clarified that only the income maximums are being adjusted, not the exemption. And the age is based on the age of the oldest owner of the property.

With no additional speakers, Article 11 was remanded to the official ballot.

Article 12. Blind Tax Exemption

To see if the Town will vote to adopt the provisions of RSA 72:37, Exemption for the Blind, to allow an inhabitant who is legally blind as determined by the blind services program, to be exempt each year on the assessed value, for property tax purposes, of his or her residential real estate to the value of \$15,000.

The Select Board recommends this article by a vote of 3-0

With no speakers, Article 12 was remanded to the official ballot.

Article 13. Renegotiate Contoocook Valley School District Articles of Agreement (by petition)

To see if the Town will vote to direct the Town of Peterborough and such other towns that may wish to join, to renegotiate the Contoocook Valley School District’s “Articles of Agreement” to better reflect and address the changing conditions of the Contoocook Valley region and to better serve the member towns through both educational and financial fairness and equity.

Moved as read Johnathan Ericson, second by Judith Ferstenberg.

Mr. Ericson spoke to the article. The intent of the article is for Peterborough to take the lead in trying to get together other Select Boards in the ConVal school district, with a hired mediator, to propose a workable change in the Articles of Agreement. The articles were drawn up over 50 years ago and favor those small towns with underutilized schools as does the makeup of the school board. Earlier this year, the ConVal School Board voted not to place a workable school consolidation solution on the ballot for March even though they had assured that they would. It is clear that the School Board will not – or cannot – address this issue.

Select Board member Karen Hatcher believes that the members of the ConVal School Board and the Select Board Advisory Committee are working hard to rectify the current issues.

Judith Ferstenberg stated that people are losing their homes because they can’t afford to live here any more.

Michael Strand asked if there are any efforts being made to get the State to fund education. State Representative Ivy Vann said that the House is currently working on getting \$164,000,000 in additional State funding.

Norman Makechnie reminded us that any change in the Article of Agreement require a 2/3 majority of all the ConVal towns.

With no additional speakers, Article 13 was moved as presented and remanded to the official ballot.

Article 14. Renegotiate Contoocook Valley School District Articles of Agreement (by petition)

Whereas nine nations together have over 14,000 nuclear weapons in their arsenals, most far more destructive than the two that killed hundreds of thousands in Japan in 1945;

Whereas detonation of even a small number of these weapons could have catastrophic human and environmental consequences affecting everyone on the planet;

Whereas the United States maintains hundreds of nuclear missiles in underground silos on hair-trigger alert, to be launched within minutes with great risk of accidental, mistaken or unauthorized launch;

Whereas the United States reserves the right to use nuclear weapons first, making a nuclear war more likely;

Whereas the U.S. president has the sole and unchecked authority to order the use of nuclear weapons;

Whereas over the next 30 years, the United States plans to spend an estimated \$1.7 trillion to replace its entire nuclear arsenal;

Whereas the United States, as well as Britain, China, France and Russia, are obligated under the Nuclear Non-Proliferation Treaty (NPT) to take concrete steps towards eliminating their nuclear arsenals;

Now therefore be it resolved that the Town of Peterborough calls upon the U.S. government to embrace the Treaty on the Prohibition of Nuclear Weapons and make global nuclear disarmament the centerpiece of our national security policy.

Be it further resolved that the Town of Peterborough calls upon the U.S. government to spearhead a global effort to prevent nuclear war by:

- Renouncing the option of using nuclear weapons first;
- Ending the sole, unchecked authority of any president to launch a nuclear attack;
- Taking U.S. nuclear weapons off hair-trigger alert;
- Cancelling the plan to replace its entire arsenal with enhanced weapons; and
- Actively pursuing a verifiable agreement among nuclear-armed states to eliminate their nuclear arsenals.

And be it further resolved that our Board of Selectmen will send copies of this resolution with a record of its adoption to all members of our Congressional Delegation.

Moved as read by Barbara Jo Kingsley, second by Ivy Vann.

Ms. Kingsley spoke to the article. President Reagan initiated the treaty with the Russians but the U.S. is now withdrawing from that treaty. Nobody wins a nuclear war.

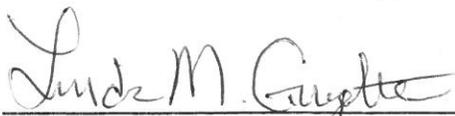
Several residents spoke in favor of this article.

Article 14 was remanded to the official ballot.

With no other business, Moderator Runyon adjourned the meeting at 8:47 PM.

Total Registered Voters on Checklist:	5,632
Total Registered Voters at Meeting:	100

This is a true and certified copy.



Linda M. Guyette, Town Clerk
Peterborough, NH