

Town of Peterborough

First Open “Deliberative” Session

Tuesday, April 5, 2022

Upper Town House

Moderator L. Phillips Runyon III called the meeting to order at 7:03 PM. Moderator Runyon led the Pledge of Allegiance then discussed the rules of debate and civility protocol, known as the “Peterson Principle”.

A brief moment of silence was held to recognize the recent passing of Ed Henault who was a founding member of the Open Space Committee and served on the Budget Committee.

Moderator Runyon introduced Select Board chair, Tyler Ward who made welcoming remarks and introduced fellow Select Board members, Bill Taylor and Bill Kennedy; Town Attorney, John Rattigan; Town Administrator, Nicole MacStay; Supervisors of the Checklist, Carol Lenox, Denise Sweet and Kathy Sullivan; and Town Clerk, Linda Guyette. He also introduced members of the Budget Committee including Chairman, Carl Mabbs-Zeno and members Ron McIntyre, Don Parkhurst, Al Lenos, Rick Lesser and Mandy Sliver. Department head Corinne Chronopoulos, Lisa Koziell-Betz, Danica Melone, Seth MacLean, Lilli Gilligan, Fash Farashahi, Chief Edmund Walker, and Chief Scott Guinard were also in attendance.

Mr Ward discussed the budget process and indicated that the purpose of the deliberative session is to move to the official ballot articles 3-12 that will be voted on May 10th. The remaining articles 13-15 will be discussed and voted on at the open session on May 11th.

Moderator Runyon then read Article 3:

Article 3. Budget for Fiscal Year 2023 - \$13,691,283

To see if the Town will vote to raise and appropriate the sum of **Thirteen Million Six Hundred Ninety-One Thousand Two Hundred Eighty-Three Dollars (\$12,691,283)** for the support of General Government, Water, and Wastewater Operations. This represents the fiscal year 2023 budget period, July 1, 2022 to June 30, 2023. 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 9-0

Moved as read by Tyler Ward, second by Bill Taylor.

Mr. Ward spoke to the article and gave a brief overview of the whole budgeting process. The elected Budget Committee and the Select Board reviewed the various department and committee budgets as well as the Capital Improvement Program (CIP) budget in a series of

meetings over three months. And this year, a Budget Committee member was paired with a department head to work through the budgeting process. Public hearings were held to discuss the budget.

Town Administrator Nicole MacStay then spoke to the article.

There are changes to how the budget is being presented this year:

Salaries, COLA and merit increases were moved to each employee’s primary department, unless they are split across funds. Enterprise funds (water & sewer) are still part of Article 3. However, revolving and special revenue funds which are supported by user fees (recreation, ambulance, etc.) were presented with the entire budget but will not be included in Article 3. In addition, capital reserve and expendable trust funds will no longer be included as offsetting revenues or budgeted expenditures. These funds receive the same scrutiny through the annual budgeting process from the Budget Committee and Select Board as the General Fund.

Budget	Approved FY '22	Proposed FY '23	Difference \$	Difference %
Administration	572,119	597,976	25,857	4.52%
Planning & Building	343,530	395,450	51,920	15.11%
Town Clerk	173,656	195,287	21,631	12.46%
IT & GIS	281,105	552,604	271,499	96.58%
Finance, Ins. & Debt	3,169,698	2,696,843	(472,855)	-14.92%
Recreation	592,727	602,000	9,273	1.56%
Library	605,188	646,270	41,082	6.79%
Police	1,903,953	1,948,085	44,132	2.32%
Fire & Emergency Mgt.	750,501	803,563	53,062	7.07%
Public Works	2,324,226	2,769,151	444,925	19.14%
<i>Total General Fund</i>	<i>10,716,703</i>	<i>11,207,231</i>	<i>490,528</i>	<i>4.37%</i>
Water Enterprise	1,483,702	970,774	(512,928)	-34.6%
Sewer Enterprise	1,510,880	1,513,278	2,398	0.2%
Total Gross Expenditure	13,711,285	13,691,283	(20,002)	-0.001%

Factors the impact the FY2023 budget include:

Health insurance up 2.8%

Northeast Consumer Price Index is up 5.4%

Merit and COLA increases at 4.6% combined

No increase for FY2023 in NH Retirement System

Electricity costs are expected to skyrocket and have been budgeted at a 30% increase

Cost of vehicle parts are up

No longer budgeting for veterans' credits, blind & elderly exemptions. (This will be accommodated when the tax rate is set.)

Significant highlights of each budget include \$50,000 for a new assessing database (Administration); \$30,000 MAST Grant for visioning and engineering downtown Peterborough (Planning & Building); \$75,000 for security-related software licensing (IT/GIS); refinanced bonds including the early payoff of the West Peterborough TIF bond (Finance); the complete upgrade of the in-house video system (Police); \$50,000 transfer to Ambulance removed from budget (through a separate warrant article); \$28,000 for a glass crusher at the Recycling Center and \$100,000 for engineering in South Peterborough TIF (100% offset by TIF funds) (Public Works) and salary for Rodney Bartlett due to his work on the Cold Stone Springs project (Water & Sewer).

With no other speakers, Article 3 was remanded to the official ballot.

Article 4. Pay-As-You-Throw Special Revenue Fund – \$112,000

To see if the town will vote to raise and appropriate the sum of One Hundred Twelve Thousand Dollars (\$112,000) for the purpose of operating and maintaining the Town's Pay-As-You-Throw program, with said funds to come from Pay-As-You-Throw Special Revenue Fund and no additional funds to be raised through taxation.

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

The Budget Committee recommends this appropriation by a vote of 9-0

Moved as read by Bill Taylor, second by Bill Kennedy.

Ms. MacStay spoke to the article. The Pay-As-You-Throw fund is supported entirely by the sale of the blue bags required to dispose of household trash at the Recycling Center. The fees collected pay the hauling charges and other expenses related to the disposal of the household trash.

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

Article 5. Capital Reserve and Expendable Trust Funds - \$353,100

To see if the Town will vote to raise and appropriate the sum of Three Hundred Fifty-Three Thousand, One Hundred Dollars (\$353,100) to be placed in the following previously established capital reserve and expendable trust funds:

- Fifteen Thousand Dollars (\$15,000) to be placed in the GIS Capital Reserve Fund
- Eighteen Thousand One Hundred Dollars (\$18,100) to be placed in the Police Department Fleet Management Capital Reserve Fund

- One Hundred Thousand Dollars (\$100,000) Fire Department Apparatus and Equipment Capital Reserve Fund
- Five Thousand Dollars (\$5,000) to be placed in the Winter Operations Expendable Trust Fund
- One Hundred Fifty Thousand Dollars (\$150,000) to be placed in the Fleet Management Capital Reserve Fund
- Sixty-Five Thousand Dollars (\$65,000) to be placed in the Recreation Department Equipment Capital Reserve Fund

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 Bill Kennedy, second by Tyler Ward. Ms. MacStay spoke to the article. The request to fund capital reserves and expendable trust funds is the last step in the town's annual capital improvement planning process.

Sandy Bibace asked what department the fleet belong to regarding the \$150,000 fund request? Nicole responded that it is for the Department of Public Works.

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

Article 6. Roadway System Upgrades Capital Reserve Fund - \$400,000

To see if the town will vote to raise and appropriate the sum of Four Hundred Thousand Dollars (\$400,000) to be placed in the previously established Roadway System Upgrades Capital Reserve Fund.

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

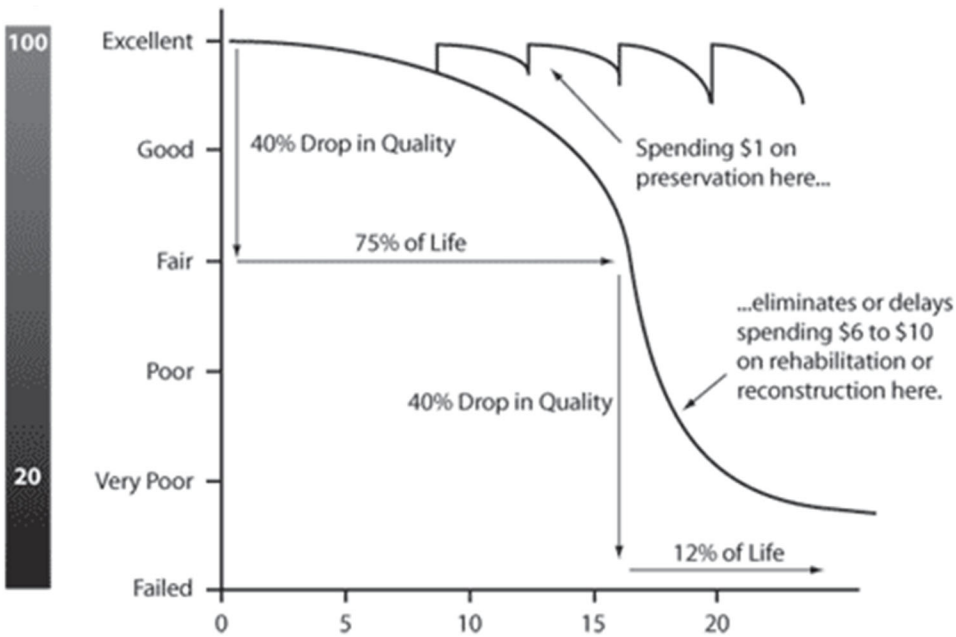
The Budget Committee recommends this appropriation by a vote of 9-0

Moved as read by Tyler Ward, second by Bill Taylor.

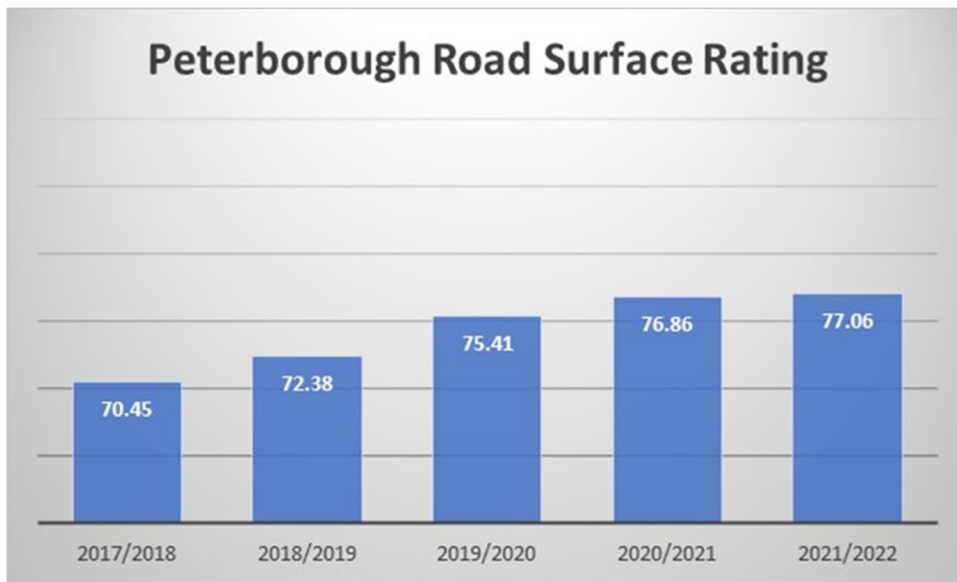
Director of Public Works Seth MacLean spoke to the article.

This is the fifth year of the Pavement Management Program, the practice of planning for pavement maintenance and rehabilitation with the goal of maximizing the value and life of the town's pavement network.

- \$450,000 Preventative Maintenance
- \$400,000 Repaving / Reclamation
- \$258k in the Expendable Trust, savings towards downtown rehabilitation work



Ideally, the plan is to spend 70% of the money in the fund each year on pavement projects.



Joanne Carr is very supportive of this program but did question the 19% increase in the DPW budget.

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

Article 7. 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 appropriation 3-0

The Budget Committee recommends this appropriation 9-0

Moved by Tyler Ward, second by Bill Kennedy. Mr. Ward spoke to the article. The amount is funded entirely by the sale of deeds for burial lots.

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

Article 8. MUNICIPAL FACILITIES CAMPUS EXPENDABLE TRUST FUND – \$350,082

To see if the Town will authorize the establishment of an Expendable Trust Fund (pursuant to RSA 31:19-a) to be known as the “Municipal Facilities Campus Expendable Trust Fund” for the purpose of retaining funds for the designing, engineering and construction of a municipal facilities campus off of Elm Street and to designate the Board of Selectmen as agents to expend; and further, to raise and appropriate the sum of Three Hundred and Fifty Thousand Eighty Two Dollars (\$350,082) from fund balance, to be placed in this new Municipal Facilities Campus Expendable Trust Fund, per the Acceptance of Unanticipated Moneys pursuant to RSA 31:95b of Local Fiscal Recovery Funds from the State of New Hampshire under the American Rescue Plan Act of 2021 accepted by the Selectmen on August 3, 2021 to be used for this purpose; no money to be raised through taxation.

The Select Board recommends this appropriation 3-0

The Budget Committee recommends this appropriation 9-0

Moved by Bill Taylor, second by Bill Kennedy.

Ms. MacStay spoke to the article. In March 2021 we learned that Peterborough would be receiving \$700,000 in proceeds from the State and Local Fiscal Recovery Fund created by the American Rescue Plan Act. The first half of the funds was accepted by the Select Board after a public hearing on August 3rd. To ensure that those funds were used in compliance with the US Treasury Department’s guidelines, the Select Board agreed to put those funds toward the Fire and Ambulance Facility and Municipal Campus project. This expendable trust fund will ensure that those funds remain available as the project moves forward.

Robert Stephenson asked whether there will be public hearings on the new fire department project. Nicole responded that there have been public informational sessions and hearings and that they will continue as the project moves forward.

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

Article 9. Sewer Capital Reserve Fund– \$75,000

To see if the Town will vote to raise and appropriate the sum of Seventy-Five Thousand Dollars (\$75,000) to be placed in the following previously established Sewer Capital Reserve Fund. This amount is funded 100% funded by Sewer Fees.

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

The Budget Committee recommends this appropriation 9-0

Moved by Bill Kennedy, second by Bill Taylor.

Ms. Hatcher spoke briefly to the article that seeks to support the Utilities Division's capital reserve plan. It is funded through sewer user fees, not tax funds, and is being considered separately from the other capital reserve and expendable trust funds.

With no speakers, Article 9 was remanded to official ballot.

Article 10. Discontinue Fund

To see if the Town will vote to discontinue the following Capital Reserve Fund with said funds accumulated interest to date of withdrawal, to be transferred to the municipality's general fund:

- Fire Department Fleet Management Capital Reserve Fund, date of establishment 5/13/2014, with an approximate balance of Thirty-One Dollars and Twenty-Five cents (\$31.25)

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

Moved by Bill Taylor, second by Tyler Ward.

Mr. Taylor spoke briefly to the article. This fund has been replaced by the Fire Department Apparatus and Equipment Capital Reserve Fund.

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

Article 11. Community Power Plan

To see if the Town will vote to adopt the Peterborough Community Power Plan pursuant to RSA 53-E:7, which authorizes the Select Board to develop and implement Peterborough Community Power as described therein. Under the Community Power Plan, the town is authorized to buy electricity in bulk for its residents and businesses. The plan's goal is to help ratepayers save money on their electric bills, while also getting more energy from renewable sources. The plan will be self-funding, with no amount to be raised from taxation. Each ratepayer will be able to

choose from among four optional rate tiers with varying percentages of renewable energy and rates, or they may opt-out of the plan if desired.

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

Moved by Bill Kennedy, second by Tyler.

Mr. Kennedy spoke to the article and commended the Peterborough Community Power Taskforce for their work on this plan that can be found on the town website. He then introduced Tony Cassidy who made their presentation.

Community Power is a way for towns to help ratepayers save money on their energy bills while also getting more energy from renewable sources. The NH State legislature passed a law (RSA 53-E) that allows local governments to pool the total energy needs of all their residents and small businesses to make bulk purchases of electricity at wholesale prices, potentially at a lower rate than Eversource's default rate. It is similar to the way the Town of Peterborough has aggregated the energy supply for its municipal buildings and how the ConVal School District is buying the electricity for its buildings.

With Community Power, the program is operated by experienced service providers who know the electricity market, and will not tie up the town staff with its administration. With Community Power, the town doesn't own or maintain the poles or wires. Repairs, power outages and routine upgrades are still the responsibility of Eversource.

In a Community Power program, the Town of Peterborough would pool the town's total energy demand and make a bulk purchase of electricity for residents and small businesses. Eversource would continue to deliver the electricity to customers in Peterborough but the Town, not Eversource, would buy the electricity, in bulk, for its residents and small businesses.

With more local choice, Peterborough would have more control over its energy mix, where it comes from and how rates are set. Peterborough could choose to buy more energy from renewable sources, like solar, wind and hydro, helping Peterborough attain its goal of transitioning to 100% renewable sources of electricity by 2030 (as voted at the 2021 Town Meeting).

The charges on one's Eversource invoice are broken out into two parts. The top portion is for the Supplier charges. This is the portion that is changed under the Community Power program, as the supplier will become Peterborough Community Power. The bottom portion of the charges is for delivery – what Eversource charges to deliver the electricity using their poles and wires. This portion will not change under Community Power.

Under the Community Power plan, any homes and businesses with on-site renewable energy sources such as solar, wind or hydro may continue to sell their excess electricity back to the grid through net metering.

Income eligible households who qualify for discounts on their electric bills under the Electric Assistance Program, and are enrolled in assistance program, will continue to receive their discount under the Community Power Plan.

Community Power allows residents of all income levels and housing types to enjoy the benefits of renewable energy. You don't have to have solar panels on your house. You just need to pay your electric bill.

In addition, a Community Power plan can establish a reserve fund to be used to finance a variety of locally determined projects including local renewable energy development, energy efficient renovations for low-to-moderate income homes, and batteries to store energy for use during power outages.

Community Power will be completely optional. All Peterborough residents and businesses who currently receive Eversource's default energy supply will be automatically enrolled in the Community Power plan. Ratepayers who are not on Eversource's default supply rate but who have previously chosen a third-party supplier, may opt-in to the program whenever they like.

The Peterborough Community Power Plan will offer four rate tiers. Each tier will have a different percentage of renewable energy along with a different cost.

- The default tier, with automatic enrollment, will have a rate that is equal to, or lower than the current Eversource default rate, along with a slightly higher percentage of renewable energy sources.
- There will be one "opt down" tier with an even lower rate but with less renewable energy than the default tier.
- There will be two "opt-up" tiers. One with roughly 50% renewable energy sources, and another with 100% renewable energy, each with its own rate.
- All Peterborough rate payers will be placed on the default tier unless they either opt out of the plan or choose one of the three optional tiers.
- Anyone may choose to change tiers or opt out of the plan entirely at any time, without any fee or penalty.

There were questions to the article. Corinne Chronopoulos asked who is responsible for selecting the service provider, and who decides on what projects the reserve fund will be used for. Joel Huberman, taskforce co-chair responded that the taskforce will recommend service providers to the Select Board, who will then make the decision. The Select Board will also decide on what projects the reserve fund will be used for.

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

Article 12. Economic Development Authority Support - \$31,000 – By Petition

To see if the Town will vote to raise and appropriate Thirty-One Thousand Dollars (\$31,000) for the purpose of a contractual service to support the Economic Development Authority in their efforts to promote business retention and new business development.

The Select Board does not recommend this article by a vote of 1-2

The Budget Committee does not recommend this article by a vote of 2-4

Jeanne Dietsch moved the article, second by James Kelly.

Jeanne Dietsch spoke to the article. In addition, Megan Suokko spoke in favor of the article. She moved her business to Peterborough in 2019 and joined the Economic Development Authority. James Kelly said that the EDA has had good success in the last 5 years but that they need to be allowed to keep going. Sarah Steinberg polled the Select Board and Budget Committee as to who did not recommend the article. Per Chairman Ward, they voted against the article because the FY2023 budget is already so tight and it didn't seem the time to spend an additional \$31,000 on this. Budget Committee Chair Mabbs-Zeno indicated that the information provided was lacking. River Marmorstein inquired as to what the \$31,000 would be spent on and indicated that it seems like a lot of money that doesn't need to be spent right now. Dewey Clark said that a town that isn't growing is dying. Carol Nelson asked whether the marketing could be done by the Town's employees. Ms. MacStay responded that the town staff could competently handle the web marketing. Dewey Clark inquired as to what contractual services will the money be spent on and Ms. Dietsch responded that DRUM will do the marketing and websites.

Kerry Rourke proposed an amendment to the article, seconded by Tina Kriebel:

To see if the Town will vote to raise and appropriate Ten Thousand Dollars (\$10,000) for the purpose of a contractual service to support the Economic Development Authority in their efforts to promote business retention and new business development.

After brief discussion, Moderator Runyon put the amendment to a voice vote where the amendment failed.

Ms. Dietsch asked if the article could be removed from the ballot and discussed at Town Meeting. Attorney John Rattigan responded that the Select Board has the authority to consider moving the article to the open meeting. However, Chairman Ward said that the article was discussed at the public hearing and it was decided to put the article on the ballot.

A second amendment was proposed to Article 12 by Sarah Steinberg – half the amount asked for in the current article, second by Bryan Field:

To see if the Town will vote to raise and appropriate Fifteen Thousand Five Hundred (\$15,500) for the purpose of a contractual service to support the Economic Development Authority in their efforts to promote business retention and new business development.

Michelle Rourke asked if the Select Board and Budget Committee would re-vote as to whether they will support the article. When polled, the Select Board voted 2-1 in favor of the article and the Budget Committee voted 4-2 in favor. Said vote to be reflected on the official ballot.

Select Board member Bill Taylor said that he believes that the town staff is capable of handling the online presence for the EDA.

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

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

With no other business, Moderator Runyon adjourned the meeting at 8:55 PM.

Total Registered Voters on Checklist:	4,818
Total Registered Voters at Meeting:	74

This is a true and certified copy.

Linda M. Guyette, Town Clerk
Peterborough, NH