

TOWN OF RYE BUDGET COMMITTEE
2024 TOWN BUDGET WORK SESSION
Thursday, December 14, 2023, 6:30 p.m.
Rye Town Hall

Budget Committee Present: *Chair Scott Marion, Vice-Chair Jeff Ross, Clerk Steven Borne, Dania Seiglie, Kate Dumas, Rye Beach District Rep Shawn Crapo, Rye Water District Rep Ralph Hickson, School Board Rep Katherine Errecart, and Selectmen's Rep Bob McGrath*

Others Present on behalf of the Town: *Town Administrator Matt Scruton, Finance Director Becky Bergeron, Police Chief Kevin Walsh, Public Works Director Jason Rucker, Deputy Fire Chief Kevin Wunderly, Recreation Director Dyana Martin*

I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Chair Marion called the meeting to order at 6:32 p.m. and led the Pledge of Allegiance.

II. APPROVAL OF MINUTES

- **November 15th**

There was discussion about Member Borne's request to have links to the department head's budget narratives posted within the meeting minutes to make the information easily accessible to the public. There was a general consensus amongst the Committee that it's important to get the budget information into a more concise fashion into the public realm; however, the minutes may not be the best place for the narratives. Chair Marion agreed to work with the Finance Director to see if there is a way to link this information into the minutes.

Motion by Kate Dumas to approve the minutes of November 15, 2023. Seconded by Ralph Hickson. All in favor.

III. WORK SESSION: 2024 TOWN PROPOSED BUDGET

A. Town Departmental Budgets – Any unfinished business

Legal: 4153-04 **\$179,778**

Finance Director Becky Bergeron explained that Rye has a Coalition Contribution, which is a group of communities that has hired an attorney to oppose the legislation that would return Rye to a donor town. The original estimate was \$5,070. A revised estimate has been received and

Rye's contribution is \$11,778. The Select Board has voted to increase the legal budget by the difference. The total for the legal budget is now \$179,778.

Motion by Shawn Crapo to reconsider the Legal Budget 4153-04. Seconded Steven Borne. Vote: 9-0

Motion by Shawn Crapo to recommend \$179,778 for the Legal Budget. Seconded by Kate Dumas. Vote: 9-0

B. Capital Outlay

Town Hall Annex:

Security System: 4902-68 \$51,050

Town Administrator Matt Scruton noted that this was tabled from a previous meeting, as there were questions from the Committee. He explained there are three systems that are all expandable. It's proprietary to a point. The access control is an open platform. The cameras are on an enterprise system and there are different manufactures that can create devices to fit into the system. The alarms are not on an open platform, but the devices are universal. The Town could never outgrow the access, as it can handle hundreds of different accounts and cameras can be added at any time. The only limitation is with storage. The Police Department has a video server that will be utilized to save some money. If the Town needs to expand, different devices will just need to be wired in and tied into the system. The system will be built in such a way that new cameras and new controls can be wired into the system. The Budget Committee also had questions with regard to ongoing maintenance costs. The proposal covers three years maintenance and support, which is for the cameras. The other items would be maintained inhouse. It was noted that the annex is the first phase of the security system, as that building has the greatest monetary needs and is the biggest security risk.

Motion by Steven Borne to recommend \$51,050 for the security system at the Town Hall Annex. Seconded by Dania Seiglie. Vote: 9-0

Conservation Commission:

Junkins Family Conservation Land/0 Pioneer Road (\$18,000 withdrawn)

Mike Garvan, Conservation Commission Member, noted that the RCC has met recently and has heard the concerns and opposition to the project proposed for the Junkins Family conservation land. The RCC has also heard the concerns from the residents about the impacts on the tax rate. RCC is withdrawing the capital outlay request and the project is going to be put on hold, at this time. RCC will be holding a public hearing to listen to the residents about their concerns and ideas for the property. The intent is to hold this meeting sometime in February.

C. Warrant Articles

ARTICLE Q. To see if the Town will vote to raise and appropriate the sum of ten thousand and 00/100 dollars (\$10,000.00) to be added to the Conservation Maintenance Expendable Trust Fund established by Article 13 at the 2021 Town meeting pursuant to RSA 31:19-a to repair and maintain land and buildings owned by the Town of Rye and managed by the Rye Conservation Commission. This appropriation is in addition to the operating budget. (Majority vote required.)

Motion by Ralph Hickson to recommend Article Q. Seconded by Dania Seiglie. Vote: 9-0

ARTICLE A. To see if the Town will vote to raise and appropriate the sum of two hundred thousand and 00/100 dollars (\$200,000.00) to be added to the Highway Heavy Equipment Capital Reserve Fund created in 1994. This appropriation is in addition to the operating budget. (Majority vote required.)

Current Balance: \$77,486.

The fund is used for the DPW's vehicle replacement program. The amount being requested is the same amount as last year, which will allow for the replacement of one of the big dump trucks in 2025. The estimate recently received for the dump truck was \$250,000. The current life of big trucks is 15 years; however, many towns use 7 years. The intent of DPW is to reduce the service life of the vehicles in future budgets. The repair costs, over the past five years, for the truck that is slated to be replaced totals \$37,000. The truck had over \$65,000 in repairs over its life.

Motion by Katherine Errecart to recommend Article A. Seconded by Shawn Crapo. Vote: 9-0

ARTICLE B. To see if the Town will vote to raise and appropriate the sum of one hundred thousand and 00/100 dollars (\$100,000.00) to be added to the Fire and Ambulance Vehicle Capital Reserve Fund the purpose of which was amended by Article 15 of the 2018 Town Meeting. This appropriation is in addition to the operating budget. (Majority vote required.)

Current Balance: \$403,704.

The amount being requested to add to this fund has not changed since 2016. An increase would support future projects; however, this year the Department will not be asking for an increase on the requested amount. The Fire Department will be going before the Select Board within the week with an ambulance purchase for \$370,000., which will bring the balance of this fund down to \$315,000., as the purchase is being covered from two funds. In looking towards the Department's twenty-year plan, an increase in the amount being added to this fund, on a yearly

basis, would be appropriate in the future because of a ladder truck replacement in 2040, which will be over two million dollars by that time.

Motion by Ralph Hickson to recommend Article B. Seconded by Kate Dumas. Vote: 9-0

ARTICLE C. To see if the Town will vote to raise and appropriate the sum of ten thousand and 00/100 dollars (\$10,000.00) to be added to the Emergency Management Capital Reserve Fund established by article 18 of the 2023 Town Meeting under the provisions of RSA 35:1 for the purpose of emergency preparation and management, infrastructure repair, pollution mitigation, coastal hazard response, and all other costs and expenditures related to any disaster, critical incident, accident, fire, flood, public health concern, storm, or weather-related event. This appropriation is in addition to the operating budget. (Majority vote required).

Current Balance: \$25,000.

Motion by Katherine Errecart to recommend Article C. Seconded by Ralph Hickson. Vote: 9-0

ARTICLE D. To see if the Town will vote to raise and appropriate the sum of fifteen thousand dollars (\$15,000.00) to be added to the Revaluation Capital Reserve Fund established by Article 24 at the 2020 Town meeting pursuant to RSA 35:1 for the revaluation of the Town at least as often as every fifth year as required by RSA 75:8-a. This appropriation is in addition to the operating budget. (Majority vote required.)

Current Balance: \$16,000.

The most recent revaluation cost the Town \$60,000.

Motion by Shawn Crapo to recommend Article D. Seconded by Kate Dumas. Vote: 9-0

ARTICLE E. To see if the Town will vote to establish a contingency fund pursuant to RSA 31:98-a for the current year for unanticipated expenses that may arise and further to raise and appropriate fifteen thousand and 00/100 dollars (\$15,000.00) to put in the fund. This sum to come from unassigned fund balance. Any appropriation left in the fund at the end of the year will lapse to the general fund. (Majority vote required)

Motion by Katherine Errecart to recommend Article E. Seconded by Ralph Hickson. Vote: 9-0

ARTICLE F. To see if the Town will vote to raise and appropriate the sum of ten thousand and 00/100 dollars (\$10,000.00) to be added to the Rye Public Library Building Maintenance Expendable Trust Fund established by Article 14 at the 2005 Town Meeting under the provisions of RSA 31:19-a, as a maintenance fund for the Rye Public Library building. This appropriation is in addition to the Library's operating budget. (Majority vote required.)

Current balance: \$35,433

Motion by Shawn Crapo to recommend Article F. Seconded by Kate Dumas. Vote: 9-0

ARTICLE N. To see if the Town will raise and appropriate a sum not to exceed one hundred and sixty thousand dollars (\$160,000) towards improvements to the Library Common, a public space in the Town Center adjacent to the Rye Public Library which shall supplement private donations and other non-appropriated funds, including prior donations, to be used for the project. This appropriation is in addition to the operating budget. This article is non-lapsing until December 31, 2026 or until the project is complete, whichever comes first. (Majority vote required).

Michael Moody, Rye Library Trustees Chair, spoke to the Budget Committee about the proposal for the Library Common. The intent is to make the property the focal point of the Town Center by developing a town green that will be both functional and useable for library programming. The idea is to develop a performance space, which will be used for programming, band concerts, and other events that people in Rye have said that they want. In addition, the proposal will include smaller sitting areas for people to gather, as well as a terrace area in front of the library. A longer-term plan is to add stonework along the front to tie the spaces together with the rest of the community. It's anticipated that the initial phase of the project can be done for \$500,000. The Library is asking for the taxpayers to fund about a third of the initial phase. The remaining balance would be covered by existing funds received from donations, along with additional fundraising for the project.

Joann Hodgdon, 63 Cable Road, spoke about the anticipated support that will be received from the community through fundraising.

Selectmen's Rep McGrath noted that he voted against the article when it went before the Select Board. He thinks it's a wonderful project, but not this year because of the tax burden that's been put on the residents. He doesn't see this as being a project that needs to be utilized right away because the Town is already using the property and enjoying it. Once this project is done, there will be some limitations because of the landscape. It will also create a new budget line item for the maintenance of that landscape.

**Motion by Kate Dumas to recommend Article N. Seconded by Steven Borne. Vote: 8-1
Opposed: Bob McGrath**

ARTICLE O. To see if the Town will vote to raise and appropriate the sum of twenty thousand and 00/100 dollars (\$20,000.00) to be added to the Rye Public Library HVAC Capital Reserve Fund established by Article 12 at the 2016 Town meeting under the provisions of RSA 35:1, for the purpose of replacing the Rye Public Library's aging and inefficient current heating, ventilation and air conditioning system. This appropriation is in addition to the Library's operating budget. (Majority vote required.)

Current Balance: \$80,000

The existing HVAC system is old and parts to keep it running long-term are not available. The intent for this year is to come up with a concrete plan for replacement. The Library thinks it's prudent to add to the fund to prepare for a significant replacement cost.

Motion by Katherine Errecart to recommend Article O. Seconded by Dania Seiglie.

Vote: 9-0

ARTICLE G. To see if the Town will vote to raise and appropriate the sum of two thousand five hundred and 00/100 dollars (\$2,500.00) to help support Center for Wildlife, 375 Mountain Road, Cape Neddick, ME, a non-profit organization, and the services it provides to families in Rye and the Rye Police Department with nature-based education and treating injured and orphaned wildlife. This appropriation is in addition to the Library's operating budget. (Majority vote required).

Sentence to be added to article: This appropriation is in addition to the operating budget.

Motion by Scott Marion to recommend Article G. Seconded by Dania Seiglie.

Note: *Dania Seiglie recused herself from discussion and vote, as she is on the finance committee and provides investment advisory for the Center for Wildlife.*

It was noted by Selectman McGrath that this organization takes all of Rye's injured animals and rehabs them, so they can return to their habitat.

Member Crapo explained that the Town has a section of the budget that's for regional associations. The Town has vetted these organizations and they must serve or benefit the residents of Rye in some way. The way to get on the list is to get on a warrant article the first year. The Town has a review process where the organization has to reapply each year and provide valid financials. The Center for Wildlife is not yet on Rye's regional association list.

Linda Toumpas, Regional Association Committee Chair, read an email from Ronna Werner, Regional Association Committee Member, in regard to the work of the Rye Regional Association Committee.

Susan Ross, Regional Association Committee Member, also spoke about the work of the Regional Association Committee and the recommendations they made to the Select Board in

terms of support to the organizations that requested funds. She also requested that the amount being allocated for this warrant article be reduced.

There was discussion about the request to reduce the amount being funded. It was noted by Chair Marion that reductions in funding must be made at the Deliberative Session.

Chair Marion called for a vote on the motion to recommend Article G.

Vote: 7-1-1 Opposed: Jeff Ross Abstained: Dania Seigle

ARTICLE H. To see if the Town will vote to raise and appropriate the sum of seventy-five thousand and 00/100 dollars (\$75,000.00) to design and construct a softball field on a portion of the soccer fields at the Town Recreation Area located at 55 Recreation Road. This appropriation is in addition to the operating budget. (Majority vote required.)

Recreation Director Dyana Martin and Recreation Commission Chair Cory Belden presented the proposal for the design and construction of a softball field within the footprint of the existing developed recreation area.

Leif Honda, 463 Central Road, spoke about the Rye Soccer program. He also spoke about the proposal and the overall needs of the recreation fields.

There was a lengthy discussion with the Budget Committee about the proposal.

Motion by Kate Dumas to recommend Article H. Seconded by Dania Seigle. Vote: 9-0

ARTICLE I. To see if the Town will vote to raise and appropriate the sum of ten thousand and 00/100 dollars (\$10,000.00) to be added to the Recreation Buildings and Property Maintenance Fund the purpose of which was amended by Article 18 of the 2022 Town Meeting. This appropriation is in addition to the operating budget. (Majority vote required).

Motion by Ralph Hickson to recommend Article I. Seconded by Shawn Crapo. Vote: 9-0

ARTICLE J. To see if the Town will vote to establish a Spill Prevention, Control, and Countermeasure Plan/Stormwater Pollution Prevention Plan (SPCCP/SWPPP) Capital Reserve Fund under the provisions of RSA 35:1 for the purpose of preparation of MS4 mandates that will be forthcoming in the next several years and to raise and appropriate the sum of twenty-five thousand and 00/100 dollars (\$25,000.00) to be placed in this fund. Further, to name the Select Board as agents to expend from said fund. This appropriation is in addition to the operating budget. (Majority Vote Required)

Sentence to be added to article: This appropriation is in addition to the operating budget.

DPW Director Jason Rucker spoke to the Budget Committee about the purpose of the fund, which will incorporate the costs for preparation and construction costs of MS4 mandates. At this time, capital outlay is being used as the venue to provide funding for MS4 mandates. Establishing a capital reserve will help to reduce spikes in the tax rate.

Motion by Steven Borne to recommend Article J. Seconded by Shawn Crapo. Vote: 9-0

ARTICLE K. To see if the Town will vote to raise and appropriate the sum of nine hundred seventy-five thousand and 00/100 dollars (\$975,000.00) to make the necessary repairs to the Harbor Road bridge with this sum to come from the unassigned fund balance. This article has no current tax impact. (Majority Vote Required)

Member Borne noted that he is not going to support the article because cars can drive one way over the bridge and it doesn't have to be fixed right now. He would rather see a million dollars go to a water treatment plant.

Director Rucker pointed out that the Town's liability from one accident, definitely outweighs the cost of repair. He also pointed out that this is a bridge that is part of the Town's infrastructure and it's a life safety issue. He noted that the bridge is being replaced in kind and would be a fifty-year bridge. The current bridge was built in the early 70's.

Member Borne explained that his issue is not whether this is needed or not. His issue is that the money is coming from the unassigned fund balance, when that money could be put towards a water treatment plant. He pointed out that projects like this can be bonded. He does not support the way it's being financed.

Member Crapo commented that this much money could've been put towards the tax rate to keep everyone's taxes lower. This project could've then come forward and it would've affected the tax rate.

Selectman McGrath noted that it could also be voted down.

**Motion by Ralph Hickson to recommend Article K. Seconded by Kate Dumas.
Vote: 8-1 Opposed: Steven Borne**

ARTICLE L. To see if the Town will vote to raise and appropriate the sum of three hundred seven thousand and 00/100 dollars (\$307,000.00) to replace the culvert on Perkins Road with this sum to come from the unassigned fund balance. This article has no current tax impact. (Majority Vote Required)

**Steven Borne moved Article L. Seconded by Ralph Hickson.
Vote: 8-1 Opposed: Steven Borne (due to the method of financing)**

ARTICLE M. To see if the Town will vote to change the purpose of the Grove Road Landfill Capital Reserve Fund established by Article 11 at the 1994 Town Meeting to the Landfill Monitoring Capital Reserve Fund for the purpose of monitoring all landfills in the Town and to designate the Select Board as agents to expend and to raise and appropriate the sum of ten thousand (\$10,000) to be placed in this fund. This appropriation is in addition to the operating budget. (2/3 vote required).

It was reported by Finance Director Becky Bergeron that the Town was hit by unfunded mandates in 2023 by DES. The State required more testing than the Town budgeted for and money had to be found in the operating budget to cover those tests. The Town will continue to be hit by more unfunded mandates, not only at Grove Road but also at Breakfast Hill.

Motion by Katherine Errecart to recommend Article M. Seconded by Ralph Hickson.
Vote: 9-0

ARTICLE P. To see if the Town will vote to raise and appropriate the sum of thirty-five thousand and 00/100 dollars (\$35,000.00) to be added to The Municipal Buildings Maintenance Expendable Trust Fund established by Article 11 at the 2007 Town Meeting under the provisions of RSA 31:19-a, for the purpose of major repairs to municipal buildings. This appropriation is in addition to the operating budget. (Majority vote required.)

Current Balance: \$203,000

Motion by Steven Borne to recommend Article P. Seconded by Dania Seigle.
Vote: 8-0 (*Katherine Errecart not present for vote.*)

IV. OTHER BUSINESS

There was discussion amongst the Budget Committee with regard to how to get information about the budget out to the residents in a manageable way.

- Rye School District Public Hearing – Wednesday, January 10th, 6:30 p.m., Rye Jr. High
- Town Budget Public Hearing – Wednesday, January 11th, 6:30 p.m., Rye Town Hall
- Precinct Budgets – Wednesday, January 31st, 6:30 p.m., Rye Town Hall

ADJOURNMENT

Motion by Shawn Crapo to adjourn at 9:41 p.m. Seconded by Steven Borne. All in favor.

Respectfully Submitted,
Dyana F Ledger