



TOWN OF DURHAM
8 NEWMARKET ROAD
DURHAM, NH 03824
Tel: 603-868-5571
Fax: 603-868-1858
www.ci.durham.nh.us

NOTICE: Although members of the Town Council will be meeting in the Council chambers, the Council meetings are still available for members of the public to participate via Zoom or in-person.

AGENDA

DURHAM TOWN COUNCIL
MONDAY, NOVEMBER 21, 2022
DURHAM TOWN HALL - COUNCIL CHAMBERS
7:00 PM

NOTE: The Town of Durham requires 48 hours notice if special communication aids are needed.

- I. Call to Order
- II. Town Council grants permission for fewer than a majority of Councilors to participate remotely
- III. Roll Call of Members. Those members participating remotely state why it is not reasonably practical for them to attend the meeting in person
- IV. Approval of Agenda
- V. Special Announcements
- VI. Public Comments (*) - **Please state your name and address before speaking**
- VII. Approval of Minutes - None
- VIII. Councilor and Town Administrator Roundtable
- IX. Report from the UNH Student Senate External Affairs Chair or Designee
- X. **Unanimous Consent Agenda** (*Requires unanimous approval. Individual items may be removed by any councilor for separate discussion and vote*)
 - A. Shall the Town Council schedule a Public Hearing for Monday, December 5, 2022 on a resolution authorizing the acceptance and expenditure of a grant from the Community Oriented Policing Services Office of the US Department of Justice under the 2022 FY 2022 COPS Technology and Equipment Program Invitational Solicitation in an amount up to \$900,000 to replace the Town of Durham's existing Public Safety and Emergency Services Land Mobile Radio (LMR) Communications Equipment with New Modern IP Based Technology and Equipment and authorizing the Administrator to sign and submit all necessary paperwork on behalf of the Town of Durham?



- B. **FIRST READING ON ORDINANCE #2022-02** Amending Chapter 153 “Vehicles and Traffic”, Section 153-49 of the Durham Town Code by prohibiting parking on Madbury Road from Main Street to Garrison Avenue and from Woodman Road to Garrison Avenue Extension between the hours of 1:00 and 6:00 AM
 - C. **FIRST READING ON ORDINANCE #2022-03** Amending Chapter 153 “Vehicles and Traffic”, Section 153-49 of the Durham Town Code by prohibiting parking on Park Court between the hours of 1:00 and 6:00 AM
- XI. Committee Appointments**
Shall the Town Council move alternate Planning Board member Emily Friedrichs to fill the unexpired regular member term of Lorne Parnell with a term expiration of April 30, 2025?
- XII. Presentation Items**
 - A. 2021 Audit Presentation – Melanson CPAs, Merrimack, NH
 - B. Report on Strafford County operations, budget, and tax rate – Commissioner Chair George Maglaras and County Administrator Raymond Bower
- XIII. Unfinished Business**
 - A. **PUBLIC HEARING AND ACTION ON RESOLUTION #2022-23** to accept and expend unanticipated grant funds totaling \$12,290.33 to be used as reimbursement to the Town of Durham for Fire Department Personnel to attend trench rescue technician training?
 - B. **PUBLIC HEARING AND ACTION ON RESOLUTION #2022-24** on a resolution authorizing the acceptance and expenditure of Local Fiscal Recovery Funds (LFRF) from the State of NH under the Federal American Rescue Plan Act of 2021 in an amount up to \$36,051 and authorizing the Administrator to sign and submit all necessary paperwork on behalf of the Town of Durham?
 - C. **PUBLIC HEARING AND ACTION ON RESOLUTION #2022-25** on a resolution authorizing the issuance of long-term bonds or notes not to exceed two million nine hundred forty-one thousand seven hundred and forty dollars (\$2,941,740.00) for the purpose of bonding 2014-2022 Capital projects and equipment purchases?
 - D. Discussion of changes recommended by the Planning Board for a future First Reading of a new Solar System Ordinance in January 2023
 - E. Continued deliberation on the Administrator’s proposed FY 2023 Operating, Capital, and Special Fund Budgets and the 2023-2032 Capital Improvement Plan
- XIV. New Business**
Other Business
- XV. Nonpublic Session (if required)**
- XVI. Extended Councilor and Town Administrator Roundtable (if required)**
- XVII. Adjourn (NLT 10:30 PM)**

(*) *The public comment portion of the Council meeting is to allow members of the public to address matters of public concern regarding town government for up to 5 minutes. Obscene, violent, disruptive, disorderly comments, or those likely to induce violence, disruption or disorder, are not permitted and will not be tolerated. Complaints regarding Town staff should be directed to the Administrator.*



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10A

DATE: November 21, 2022

COUNCIL COMMUNICATION

INITIATED BY: David F. Emanuel, Fire Chief

AGENDA ITEM: SHALL THE TOWN COUNCIL SCHEDULE A PUBLIC HEARING FOR MONDAY, DECEMBER 5, 2022, ON A RESOLUTION AUTHORIZING THE ACCEPTANCE AND EXPENDITURE OF A GRANT FROM THE COMMUNITY ORIENTED POLICING SERVICES OFFICE OF THE US DEPARTMENT OF JUSTICE UNDER THE 2022 FY 2022 COPS TECHNOLOGY AND EQUIPMENT PROGRAM INVITATIONAL SOLICITATION OF IN AN AMOUNT UP TO \$900,000 TO BE USED TO REPLACE THE TOWN OF DURHAM'S EXISTING PUBLIC SAFETY AND EMERGENCY SERVICES LAND MOBILE RADIO (LMR) COMMUNICATIONS EQUIPMENT WITH NEW MODERN IP BASED TECHNOLOGY AND EQUIPMENT AND AUTHORIZING THE TOWN ADMINISTRATOR TO SIGN AND SUBMIT ALL NECESSARY PAPERWORK ON BEHALF OF THE TOWN OF DURHAM?

CC PREPARED BY: Kelley Fowler, Fire Department Administrative Assistant

PRESENTED BY: David F. Emanuel, Fire Chief

AGENDA DESCRIPTION:

US Department of Justice COPS Technology and Equipment Program grant funds were appropriated to offer aid to eligible recipients to develop and acquire effective equipment, technologies, and interoperable communications that assist in responding to and preventing crime. The objective is to provide funding for projects which improve police effectiveness as well as the flow of information among law enforcement agencies, local government service providers, and the communities they serve.

On June 15, 2022, the Town of Durham submitted an application for 2022 Congressionally Directed Spending in the form of a Department of Justice COPS Technology and Equipment grant for the purpose of replacing the Town of Durham's existing public safety and emergency services land mobile radio (LMR) communications equipment with new modern IP based technology and equipment.

The Town of Durham's existing public safety and emergency services LMR communications equipment infrastructure is currently being operated beyond the manufacturer's end of life period, making it obsolete and unserviceable. The Town's critical radio communication infrastructure which supports law enforcement, EMS, fire department, and emergency management requires replacement. The Town is serviced by the Strafford County Sheriff's Office Regional Communications Center, which is in the process of a similar technology hardware overhaul and upgrade.

In addition to being antiquated, the current communication technology is no longer meeting the needs of the community or UNH campus. Durham is susceptible to P25 APCO errors, which cannot be resolved without employing a newer generation of radio equipment technology to provide an Internet Protocol (IP) interface.

The requested improvements address the fixed network infrastructure and integration costs to incorporate new technologies for interoperable communications. This proposal combines hardware, software and services to meet the requirements of building and supporting a new communications system for the Town of Durham and Southern Strafford County. Specifically, this solution is for a multi-site, 4-channel VHF P25 Simulcast System, Microwave Connectivity, and APX Series Mobile and Portable radios to serve fire, EMS, emergency management, and law enforcement.

On September 30, 2022, the Town of Durham was notified by the US Department of Justice that the Town's application submission was approved, and funds were awarded under the COPS Technology and Equipment Program for the LMR project in the amount of \$900,000. The project funding request for \$900,000 is a portion of the \$1.3M overall project budget. The project can be started immediately and constructed over a twelve-to-eighteen-month period. The Town has invested in project engineering and a vendor has been selected to execute the contract.

At this time, it is recommended that the Town Council schedule a Public Hearing for November 21, 2022, to accept and authorize the expenditure of COPS Technology and Equipment Grant Funds in the amount of \$900,000 from the US Department of Justice under the federal Public Safety Partnership and Community Policing Act of 1994.

LEGAL AUTHORITY:

New Hampshire Revised Statutes Annotated (RSA) 31:95-b authorizes the Town Council to apply for, accept and expend, without further action by the town or village district meeting, unanticipated money from the state, federal or other governmental unit or a private source which becomes available during the fiscal year if they first adopt an article authorizing this authority indefinitely until specific rescission of such

authority. On July 12, 1999, the Town Council adopted Resolution #99-19 granting this authority to the Town Council.

RSA 31:95 III. (a) states that: **“For unanticipated moneys in the amount of \$10,000 or more, the selectmen or board of commissioners shall hold a public hearing on the action to be taken.** Notice of the time, place and subject of such hearing shall be published in a newspaper of general circulation in the relevant municipality at least 7 days before the hearing is held.”

LEGAL OPINION:

N/A

FINANCIAL DETAILS:

\$900,000 in COPS Technology and Equipment Grant Funds to be received from the US Department of Justice.

SUGGESTED ACTION OR RECOMMENDATIONS:

MOTION

The Durham Town Council does hereby, upon recommendation of the Administrator, schedule a Public Hearing for Monday, December 5, 2022, on a Resolution Authorizing the Acceptance and Expenditure of a Grant from the Community Oriented Policing Services Office of the US Department of Justice under the 2022 FY 2022 COPS Technology and Equipment Program Invitational Solicitation of in an Amount up to \$900,000 to be used to Replace the Town of Durham’s Existing Public Safety and Emergency Services Land Mobile Radio (LMR) Communications Equipment with New Modern IP Based Technology and Equipment and Authorizing the Town Administrator to Sign and Submit all Necessary Paperwork on Behalf of the Town of Durham.

RESOLUTION #2022-XX OF DURHAM, NEW HAMPSHIRE

AUTHORIZING THE ACCEPTANCE AND EXPENDITURE OF A GRANT FROM THE COMMUNITY ORIENTED POLICING SERVICES OFFICE OF THE US DEPARTMENT OF JUSTICE UNDER THE 2022 FY 2022 COPS TECHNOLOGY AND EQUIPMENT PROGRAM INVITATIONAL SOLICITATION OF IN AN AMOUNT UP TO \$900,000 TO BE USED TO REPLACE THE TOWN OF DURHAM'S EXISTING PUBLIC SAFETY AND EMERGENCY SERVICES LAND MOBILE RADIO (LMR) COMMUNICATIONS EQUIPMENT WITH NEW MODERN IP BASED TECHNOLOGY AND EQUIPMENT AND AUTHORIZING THE TOWN ADMINISTRATOR TO SIGN AND SUBMIT ALL NECESSARY PAPERWORK ON BEHALF OF THE TOWN OF DURHAM?

WHEREAS, the Town of Durham submitted an application, dated June 15, 2022, to the US Department of Justice for FY2022 COPS Technology and Equipment Program Grant Funds for the purpose of replacing the Town of Durham's existing public safety and emergency services land mobile radio (LMR) communications equipment with new modern IP based technology and equipment; and

WHEREAS, on September 30, 2022, the Town of Durham was informed that it had been allocated up to \$900,000 under this program; and

WHEREAS, reimbursed costs must be allowable expenses under the COPS Technology and Equipment Program grant for the purpose of developing and acquiring effective equipment, technologies, and interoperable communications that assist in responding to and preventing crime and to provide funding for projects which improve police effectiveness as well as the flow of information among law enforcement agencies, local government service providers, and the communities they serve; and

WHEREAS, the Town has determined these allocated funds will be used for the purpose of replacing the Town of Durham's existing public safety and emergency services land mobile radio (LMR) communications equipment with new modern IP based technology and equipment; and

WHEREAS, on July 12, 1999, the Durham Town Council approved Resolution #99-19 adopting the provisions of RSA 31:95-b authorizing the Town Council to apply for, accept, and expend unanticipated funds from a federal, state, or other governmental unit or a private source which becomes available during the Fiscal Year; and

Re: \$900,000 COPS Technology and Equipment Grant Funds

WHEREAS, Council approval is required for the acceptance and expenditure of these funds; and

WHEREAS, RSA 31:95-b III(a) requires that a Public Hearing be held on unanticipated funds in excess of \$10,000; and

WHEREAS, on Monday, November 21, 2022, a duly posted and published Public Hearing was held by the Durham Town Council on the \$900,000 in COPS Technology and Equipment Program grant funds in accordance with RSA 31:95-b;

NOW, THEREFORE, BE IT RESOLVED, that the Durham Town Council, the governing and legislative body of the Town of Durham, New Hampshire does hereby adopt **Resolution #2022-XX** authorizing the acceptance and expenditure FY2022 COPS Technology and Equipment Program Grant Funds from the US Department of Justice in an amount up to \$900,000 and authorizes the Town Administrator to sign and submit appropriate paperwork on behalf of the Town of Durham.

PASSED AND ADOPTED by the Town Council of the Town of Durham, New Hampshire this ____ day of **November, 2022** by _____ affirmative votes, _____ negative votes, and _____ abstentions.

Katherine A. Marple, Chairman
Durham Town Council

ATTEST:

Lorrie Pitt, Town Clerk-Tax Collector



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AGENDA ITEM:

10B

DATE: **November 21, 2022**

COUNCIL COMMUNICATION

INITIATED BY:

Durham Police Department

AGENDA ITEM:

FIRST READING ON ORDINANCE #2022-02 AMENDING CHAPTER 153 "VEHICLES AND TRAFFIC", SECTION 153-49 OF THE DURHAM TOWN CODE BY PROHIBITING PARKING ON MADBURY ROAD- MAIN STREET TO GARRISON AVENUE AND WOODMAN ROAD TO GARRISON AVENUE EXTENSION BETWEEN THE HOURS OF 1:00 AM AND 6:00 AM AND DELETING MUNICIPAL PARKING LOT AT THE FORMER TOWN HALL, 15 NEWMARKET ROAD

CC PREPARED BY:

Rene Kelley, Police Chief

PRESENTED BY:

Rene Kelley, Police Chief

AGENDA DESCRIPTION:

The area of Madbury Road affected is defined as the metered spots on the west side and the business permit spaces on the east side. This ordinance will prohibit overnight parking on these specific sections of Madbury Road. While the winter parking ban is in effect from November 1st through April 1st, parking during the remainder of the school year can be problematic when employees arrive early in the morning to find a number of spaces occupied by those who have been there all night.

In addition, this ordinance will also delete what was permit parking at the former Town Hall parking lot at 15 Newmarket Road.

LEGAL AUTHORITY:

The Town Council may enact Ordinances pursuant to Section 3.8 of the Durham Town Charter.

LEGAL OPINION:

No legal opinion was sought, as this is the standard format for ordinances of this type to be issued.

SUGGESTED ACTION OR RECOMMENDATIONS:

MOTION:

The Durham Town Council does hereby move on First Reading (as presented/as amended), Ordinance #2022-02 amending Chapter 153 "Vehicles and Traffic", Section 153-49 of the Durham Town Code by prohibiting parking on Madbury Road – Main Street to Garrison Avenue and Woodman Road to Garrison Avenue Extension between the hours of 1:00 AM to 6:00 AM and deleting municipal parking lot at the former Town Hall, 15 Newmarket Road, and schedules a public hearing for December 5, 2022.

ORDINANCE #2022-02 OF DURHAM, NEW HAMPSHIRE

AMENDING CHAPTER 153 “VEHICLES AND TRAFFIC, SECTION 153-49 OF THE DURHAM TOWN CODE BY PROHIBITING PARKING ON MADBURY ROAD - MAIN STREET TO GARRISON AVENUE AND WOODMAN ROAD TO GARRISON AVENUE EXTENSION BETWEEN THE HOURS OF 1:00 AM TO 6:00 AM, AND DELETING MUNICIPAL PARKING LOT TOWN HALL, 15 NEWMARKET ROAD

WHEREAS, the westerly side of Madbury Road (Main Street to Garrison Avenue) is used as metered spaces, and

WHEREAS, the easterly side of Madbury Road (Woodman Road to Garrison Avenue Extension) is used for business permit holders, and

WHEREAS, the winter parking ban prevents overnight parking during the months of November through March, and

WHEREAS, the remaining months allow overnight parking that impacts availability of parking;

NOW, THEREFORE BE IT RESOLVED that the Durham Town Council, the governing body of the Town of Durham, New Hampshire hereby adopts **Ordinance #2022-02** and does hereby amend Chapter 153 “Vehicles and Traffic, Section 153-49 “Parking Prohibited Certain Hours” of the Code of the Town of Durham by prohibiting parking on Madbury Road between Main Street to Garrison Avenue and Woodman Road to Garrison Ave Extension between the hours of 1:00 am and 6:00 am. Wording to be omitted is annotated with ~~strikeout~~ type. New wording is annotated with underscoring.

153-49. Schedule XVII: Parking prohibited certain hours.

In accordance with the provisions of 153-20, no person shall park a vehicle between the hours listed upon any of the following described streets or parts of streets, with the exception of Durham resident parking permits where indicated with an asterisk (*) and Oyster River High School parking permits where indicated with two asterisks (**).

Name of street	Side	Hours/Days	Parking prohibited
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All streets and highways	All	1:00 a.m. to 6:00 a.m./ November 1 through April 1	Entire length
Ballard Street	South	1:00 a.m. to 6:00 a.m.	From Pettee Brook Lane to Main Street
*Bayview Road	Both	Continuous	From Dover Road to dead-end
Bennett Road	Both	9:00 p.m. to 7:00 a.m.	Beginning at Packers
Burnham Avenue	Both	9:00 a.m. to 4:00 p.m. Monday through Friday Sep 1 through May 31 holidays and weekends excepted	Burnham Avenue
**Coe Drive	Northerly	7:00 a.m. to 2:30 p.m. Holidays and weekends excepted/Sep 1 through Jun 30	From the intersection of Bagdad Road to Beard's Landing
Croghan Lane	Both	9:00 a.m. to 4:00 p.m. Monday through Friday Sep 1 through May 31 holidays and weekends excepted	Croghan Lane
Davis Avenue	Both	7:00 a.m. to 7:00 p.m. Mon.-Fri/Sep 1-May 31 each year	Davis Avenue
Dennison Road	Both	Between the hours of 1:00 and 6:00 a.m. from Aug 15-Jun 30	Between Bagdad Road and Garrison Avenue Extension
Edgewood Road	East/All	7:00 a.m. to 6:00 p.m./All	From a point 442 feet north of Main Street to a point 15 feet south of Strafford Avenue
Edgewood Road	East	7:00 a.m. to 6:00 p.m./All	From a point 15 feet north of Strafford Avenue to a point opposite the intersection with Davis Avenue
Faculty Road	South	9:00 a.m. to 6:00 p.m. holidays and weekends excepted	Entire length
Name of street	Side	Hours/Days	Parking prohibited

Faculty Road	South	9:00 a.m. to 4:00 p.m. holidays and weekends excepted	From 60 feet east of Thompson Lane to 60 feet west of Burnham Avenue
* Garden Lane	Both	9:00 a.m. to 4:00 p.m. Mon. thru Fri., Sep 1 thru May 31, holidays and weekends excepted	Garden Lane
Garrison Avenue	All	1:00 a.m. to 6:00 a.m.	Entire length
* Hoitt Drive	Both	9:00 a.m. to 4:00 p.m. Monday through Friday Sep 1 through May 31 holidays and weekends excepted	Hoitt Drive
*** Jackson's Landing BOAT LAUNCH	All	Daily parking is allowed in designated areas for only those vehicles with a boat trailer attached. Overnight parking is allowed for Durham residents and organizations by temporary permit parking only.	Overnight parking prohibited except by temporary permit only, pursuant to regulations adopted by the Town Administrator.
*** Jackson's Landing PARKING LOT	All	Overnight parking allowed for Durham residents and organizations by temporary permit parking only.	Overnight parking prohibited except b temporary permit only, pursuant to regulations adopted by the Town Administrator.
Jenkins Court	Both	1:00 a.m. to 6:00 a.m. / All	Entire length
Littlehale Road	Both	6:00 a.m. to 3:00 p.m. Monday through Friday, Sep 1 through Jun 30 holidays and weekends excepted	Littlehale Road
* McGrath Road	Both	9:00 a.m. to 4:00 p.m. Monday through Friday , Sep 1 through May 31 holidays and weekends excepted	McGrath Road
Name of street	Side	Hours/Days	Parking prohibited

<u>Madbury Road</u>	<u>West</u>	<u>1:00 a.m. to 6:00 a.m.</u>	<u>Main Street to Garrison Ave</u>
<u>Madbury Road</u>	<u>East</u>	<u>1:00 a.m. to 6:00 a.m.</u>	<u>Woodman Road to Garrison Avenue Extension</u>
Main Street	Both	1:00 a.m. to 6:00 a.m.	Entire length
Maple Street	Both	7:00 a.m. to 7:00 p.m.	Entire Length
Meadow Road	Both	7:00 a.m. to 7:00 p.m.	Entire Length
* Mill Pond Road	Both	9:00 a.m. to 4:00 p.m. Mon. thru Fri., Sep 1 thru May 31 holidays and weekends excepted	Mill Pond Road
Mill Pond Road	Both	1:00 a.m. to 6:00 a.m., holidays and weekends excepted	Mill Pond Road
Mill Road	Both	7:00 a.m. to 6:00 p.m.	From McDaniel Drive to College Brook
Mill Road	West	7:00 a.m. to 6:00 p.m.	From College Brook to the Oyster River
Municipal Parking Lots	All	Between the hours of 1:00 a.m. to 6:00 a.m.	All
***Municipal Parking Lot – Depot Road	N/A	Day and overnight parking allowed by permit only.	Parking, including overnight parking, prohibited except by permit only, pursuant to regulations adopted by the Town Administrator.
***Municipal Parking Lot – Town Hall, 15 Newmarket Road	N/A	Day and overnight parking allowed in certain designated spaces by permit only.	Day and overnight parking in certain designated spaces prohibited except by permit only, pursuant to regulations adopted by the Town Administrator.
Noble K. Peterson Drive	Both	6:00 a.m. to 3:00 p.m. Monday through Friday, September 1 through June 30, holidays excepted	Entire
* Oyster River Road	Both	9:00 a.m. to 4:00 p.m. Monday through Friday Sep 1 through May 31 holidays and weekends excepted	Oyster River Road
Name of street	Side	Hours/Days	Parking prohibited

Schoolhouse Lane	All	1:00 a.m. to 6:00 a.m., holidays and weekends excepted	Entire
Strafford Avenue	All	1:00 a.m. to 6:00 a.m.	Garrison Avenue to the UNH metered spaces
* Thompson Road	Both	9:00 a.m. to 4:00 p.m. Monday through Friday Sep 1 through May 31 holidays and weekends excepted	Thompson Road
* Valentine Hill Road	Both	9:00 a.m. to 4:00 p.m. Monday through Friday Sep 1 through May 31 holidays and weekends excepted	Valentine Hill Road
Wiswall Road Park	All	Sunset to Sunrise	Wiswall Road Park parking area – violators may be towed
*Woodman Road	North	7:00 a.m. to 7:00 p.m.,	From intersection of Dennison Road to dead end

* NOTE: An asterisk (*) denotes permitted parking with a Durham Resident Parking Permit.

PASSED AND ADOPTED this ____ day of **November, 2022,** by the
Durham Town Council, the governing body of the Town of Durham, New Hampshire,
with _____ voting in favor, _____ voting against, and _____ abstaining.

Katherine Marple, Chair
Durham Town Council

ATTEST:

Lorrie Pitt, Town Clerk-Tax Collector



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AGENDA ITEM:

10C

DATE: November 21, 2022

COUNCIL COMMUNICATION

INITIATED BY:

Durham Police Department

AGENDA ITEM:

FIRST READING ON ORDINANCE #2022-03 AMENDING CHAPTER 153 "VEHICLES AND TRAFFIC", SECTION 153-49 OF THE DURHAM TOWN CODE BY PROHIBITING PARKING ON PARK COURT BETWEEN THE HOURS OF 1:00 AM AND 6:00 AM.

CC PREPARED BY:

Rene Kelley, Police Chief

PRESENTED BY:

Rene Kelley, Police Chief

AGENDA DESCRIPTION:

The area of parking on Park Court is defined as the metered parking spaces on the west side of the road. This ordinance will prohibit overnight parking on these specific spaces of Park Court, which eliminates overnight parking along the entire street. While the winter parking ban is in effect from November 1st through April 1st, parking during the remainder of the school year can be problematic with vehicles parking there all night.

LEGAL AUTHORITY:

The Town Council may enact Ordinances pursuant to Section 3.8 of the Durham Town Charter.

LEGAL OPINION:

No legal opinion was sought, as this is the standard format for ordinances of this type to be issued.



SUGGESTED ACTION OR RECOMMENDATIONS:

MOTION:

The Durham Town Council does hereby move on First Reading (as presented/as amended) Ordinance #2022-03 amending Chapter 153 "Vehicles and Traffic", Section 153-49 of the Durham Town Code by prohibiting parking on Park Court between the hours of 1:00 am to 6:00 am and schedules a public hearing for December 5, 2022.

ORDINANCE #2022-03 OF DURHAM, NEW HAMPSHIRE

AMENDING CHAPTER 153 “VEHICLES AND TRAFFIC, SECTION 153-49 OF THE DURHAM TOWN CODE BY PROHIBITING PARKING ON PARK COURT BETWEEN THE HOURS OF 1:00 AM TO 6:00 AM

WHEREAS, the westerly side of Park Court is used as metered spaces, and

WHEREAS, this is the only parking allowed along Park Court, and

WHEREAS, the winter parking ban prevents overnight parking during the months of November through March, and

WHEREAS, the remaining months allow overnight parking that impacts availability of parking;

NOW, THEREFORE BE IT RESOLVED that the Durham Town Council, the governing body of the Town of Durham, New Hampshire hereby adopts **Ordinance #2022-03** and does hereby amend Chapter 153 “Vehicles and Traffic, Section 153-49 “Parking Prohibited Certain Hours” of the Code of the Town of Durham by prohibiting parking on Park Court between the hours of 1:00 am and 6:00 am. Wording to be omitted is annotated with ~~strikeout~~ type. New wording is annotated with underscoring.

153-49. Schedule XVII: Parking prohibited certain hours.

In accordance with the provisions of 153-20, no person shall park a vehicle between the hours listed upon any of the following described streets or parts of streets, with the exception of Durham resident parking permits where indicated with an asterisk (*) and Oyster River High School parking permits where indicated with two asterisks (**).

Name of street	Side	Hours/Days	Parking prohibited
All streets and highways	All	1:00 a.m. to 6:00 a.m./ November 1 through April 1	Entire length
Ballard Street	South	1:00 a.m. to 6:00 a.m.	From Pettee Brook Lane to Main Street

Name of street	Side	Hours/Days	Parking prohibited
*Bayview Road	Both	Continuous	From Dover Road to dead-end
Bennett Road	Both	9:00 p.m. to 7:00 a.m.	Beginning at Packers
Burnham Avenue	Both	9:00 a.m. to 4:00 p.m. Monday through Friday Sep 1 through May 31 holidays and weekends excepted	Burnham Avenue
**Coe Drive	Northerly	7:00 a.m. to 2:30 p.m. Holidays and weekends excepted/Sep 1 through Jun 30	From the intersection of Bagdad Road to Beard's Landing
Croghan Lane	Both	9:00 a.m. to 4:00 p.m. Monday through Friday Sep 1 through May 31 holidays and weekends excepted	Croghan Lane
Davis Avenue	Both	7:00 a.m. to 7:00 p.m. Mon.-Fri/Sep 1-May 31 each year	Davis Avenue
Dennison Road	Both	Between the hours of 1:00 and 6:00 a.m. from Aug 15-Jun 30	Between Bagdad Road and Garrison Avenue Extension
Edgewood Road	East/All	7:00 a.m. to 6:00 p.m./All	From a point 442 feet north of Main Street to a point 15 feet south of Strafford Avenue
Edgewood Road	East	7:00 a.m. to 6:00 p.m./All	From a point 15 feet north of Strafford Avenue to a point opposite the intersection with Davis Avenue
Faculty Road	South	9:00 a.m. to 6:00 p.m. holidays and weekends excepted	Entire length
Faculty Road	South	9:00 a.m. to 4:00 p.m. holidays and weekends excepted	From 60 feet east of Thompson Lane to 60 feet west of Burnham Avenue

Name of street	Side	Hours/Days	Parking prohibited
* Garden Lane	Both	9:00 a.m. to 4:00 p.m. Mon. thru Fri., Sep 1 thru May 31, holidays and weekends excepted	Garden Lane
Garrison Avenue	All	1:00 a.m. to 6:00 a.m.	Entire length
* Hoitt Drive	Both	9:00 a.m. to 4:00 p.m. Monday through Friday Sep 1 through May 31 holidays and weekends excepted	Hoitt Drive
*** Jackson's Landing BOAT LAUNCH	All	Daily parking is allowed in designated areas for only those vehicles with a boat trailer attached. Overnight parking is allowed for Durham residents and organizations by temporary permit parking only.	Overnight parking prohibited except by temporary permit only, pursuant to regulations adopted by the Town Administrator.
*** Jackson's Landing PARKING LOT	All	Overnight parking allowed for Durham residents and organizations by temporary permit parking only.	Overnight parking prohibited except by temporary permit only, pursuant to regulations adopted by the Town Administrator.
Jenkins Court	Both	1:00 a.m. to 6:00 a.m. / All	Entire length
Littlehale Road	Both	6:00 a.m. to 3:00 p.m. Monday through Friday, Sep 1 through Jun 30 holidays and weekends excepted	Littlehale Road
* McGrath Road	Both	9:00 a.m. to 4:00 p.m. Monday through Friday, Sep 1 through May 31 holidays and weekends excepted	McGrath Road
Madbury Road	West	1:00 a.m. to 6:00 a.m.	Main Street to Garrison Ave

Name of street	Side	Hours/Days	Parking prohibited
Madbury Road	East	1:00 a.m. to 6:00 a.m.	Woodman Road to Garrison Avenue Extension
Main Street	Both	1:00 a.m. to 6:00 a.m.	Entire length
Maple Street	Both	7:00 a.m. to 7:00 p.m.	Entire Length
Meadow Road	Both	7:00 a.m. to 7:00 p.m.	Entire Length
* Mill Pond Road	Both	9:00 a.m. to 4:00 p.m. Mon. thru Fri., Sep 1 thru May 31 holidays and weekends excepted	Mill Pond Road
Mill Pond Road	Both	1:00 a.m. to 6:00 a.m., holidays and weekends excepted	Mill Pond Road
Mill Road	Both	7:00 a.m. to 6:00 p.m.	From McDaniel Drive to College Brook
Mill Road	West	7:00 a.m. to 6:00 p.m.	From College Brook to the Oyster River
Municipal Parking Lots	All	Between the hours of 1:00 a.m. to 6:00 a.m.	All
***Municipal Parking Lot – Depot Road	N/A	Day and overnight parking allowed by permit only.	Parking, including overnight parking, prohibited except by permit only, pursuant to regulations adopted by the Town Administrator.
Noble K. Peterson Drive	Both	6:00 a.m. to 3:00 p.m. Monday through Friday, September 1 through June 30, holidays excepted	Entire
* Oyster River Road	Both	9:00 a.m. to 4:00 p.m. Monday through Friday Sep 1 through May 31 holidays and weekends excepted	Oyster River Road
<u>Park Court</u>	<u>West</u>	<u>1:00 a.m. to 6:00 a.m.</u>	<u>Entire</u>
Schoolhouse Lane	All	1:00 a.m. to 6:00 a.m., holidays and weekends excepted	Entire

Name of street	Side	Hours/Days	Parking prohibited
Strafford Avenue	All	1:00 a.m. to 6:00 a.m.	Garrison Avenue to the UNH metered spaces
* Thompson Road	Both	9:00 a.m. to 4:00 p.m. Monday through Friday Sep 1 through May 31 holidays and weekends excepted	Thompson Road
* Valentine Hill Road	Both	9:00 a.m. to 4:00 p.m. Monday through Friday Sep 1 through May 31 holidays and weekends excepted	Valentine Hill Road
Wiswall Road Park	All	Sunset to Sunrise	Wiswall Road Park parking area – violators may be towed
*Woodman Road	North	7:00 a.m. to 7:00 p.m.,	From intersection of Dennison Road to dead end

* NOTE: An asterisk (*) denotes permitted parking with a Durham Resident Parking Permit.

PASSED AND ADOPTED this ____ day of **November, 2022** by the Durham Town Council, the governing body of the Town of Durham, New Hampshire, with _____ voting in favor, _____ voting against, and _____ abstaining.

Katherine Marple, Chair
Durham Town Council

ATTEST:

Lorrie Pitt, Town Clerk-Tax Collector



TOWN OF DURHAM
3 NEWMARKET ROAD
DURHAM, NH 03824
Tel: 603-868-5571

Fax: 603-868-1855
www.ci.durham.nh.us

AGENDA ITEM:

11

DATE: **November 21, 2022**

COUNCIL COMMUNICATION

INITIATED BY:

Emily Friedrichs, 18 Garden Lane

AGENDA ITEM:

SHALL THE TOWN COUNCIL, UPON RECOMMENDATION OF THE PLANNING BOARD CHAIR, APPOINT EMILY FRIEDRICHS, 18 GARDEN LANE TO FILL THE UNEXPIRED TERM OF REGULAR PLANNING BOARD MEMBER, LORNE PARNELL?

CC PREPARED BY:

Jennie Berry, Administrative Assistant

PRESENTED BY:

Todd I. Selig, Administrator

AGENDA DESCRIPTION:

Attached for the Council's information and consideration is an application for board appointment submitted by Emily Friedrichs, 18 Garden Lane, requesting appointment to the Planning Board to fill the remaining regular membership of Lorne Parnell. Mr. Parnell resigned from the Planning Board as of November 10, 2022. Ms. Friedrichs has been an alternate member of the Planning Board since February of 2022.

Ms. Friedrichs will attend Monday night's Council meeting relative to her request for appointment.

LEGAL OPINION:

N/A

FINANCIAL DETAILS:

N/A

SUGGESTED ACTION OR RECOMMENDATIONS:

MOTION:

The Durham Town Council does hereby, upon recommendation of the Planning Board Chair, appoint Emily Friedrichs to fill the unexpired term of regular Planning Board member Lorne Parnell with a term expiration of April 30, 2025.



Town of Durham

8 Newmarket Road
Durham, NH 03824-2898
Tel: 603/868-5571
Fax 603/868-1858
jberry@ci.durham.nh.us

RECEIVED
Town of Durham

NOV 10 2022

Planning, Zoning
and Assessing

Application for Board Appointment

Type of Appointment and Position Desired (Please select only one):

New appointment/regular member ☒ New appointment/alternate member ☐
Reappointment/regular member ☐ Reappointment/alternate member ☐

NOTE: New applicants are asked to attend **AT LEAST ONE** meeting, as well as to meet separately with the Chair(s) of the committee(s) to which they are applying, prior to submitting an application for appointment.

Applicant has:

☒ ATTENDED A MEETING
☒ SPOKEN WITH CHAIR/V CHAIR
☐ BEEN RECOMMENDED FOR MEMBERSHIP

Name: Emily Friedrichs

Date: 11/10/22

Address: 18 Garden Ln

E-Mail Address: emilyfriedrichs@gmail.com

Telephone: 603-706-8174

Board/Commission/Committee to which you are interested in being appointed. (Please list in order of preference, if interested in more than one appointment).

1. Planning Board - regular member
- 2.
- 3.

Are you willing to attend ongoing educational sessions offered by the New Hampshire Municipal Association, Strafford Regional Planning Commission, et al, and otherwise develop skills and knowledge relevant to your work on the board/committee? YES NO

(Over)

Please provide a brief explanation for your interest in appointment to a particular board, commission or committee:

[Same as April 2022 application]

I joined this year as an alternate on the Planning Board. As demonstrated by the number of conversations I've had with staff and current members, and the amount of background reading I've done to catch up, I'm very committed to understanding the role and processes of the board in their entirety, in addition to understanding the applications before the board.

I have also shared at meetings how important I think it is for all board members to clearly state the reasons behind their vote and decisions, and have myself been quite vocal about my own reasoning despite being an alternate, in order to contribute to such an atmosphere. If as a whole members were to state more definitively the reasoning behind their votes, I think this would remove a great deal of controversy in the town because it would highlight the board's transparency and offer a clearer explanation of the board's final decision.

Please provide brief background information about yourself:

[Same as Feb 2022 application]

I believe that places and spaces are a big influence in building community. My mother was an architect in Exeter and growing up I accompanied her to look at all the new projects in the area. My brother is a city planner in RI and has sparked my interest in these issues as well.

I grew up in Exeter and was active in town politics as a young person, speaking during public sessions and encouraging residents to register to vote. My aunts, whom I'm very close to, served in the government of Oak Bluffs, MA as Parks & Recreation Director for 2 years and Town Selectperson for 9 years respectively; I volunteered on several of their town projects and learned about serving in town government from them. I recently moved to Durham with my spouse, Aldo, and we are excited to participate in and be of service to our new community.

Please provide below the names and telephone numbers of up to three personal references:

Name: Jeannie Allen
(longtime Durham resident)

Telephone: 603-686-0443

Name: Penny Vernet
(former neighbor in Exeter)

Telephone: 603 772 7957

Name: Ton Zwan Telephone: (603) 770-9805
(served 8 yrs on Exeter, NH Planning Board, continues to serve in town govt)

[illegible]

Thank you for your interest in serving the Town. Please return this application, along with a resume, if available, to: Town Administrator, 8 Newmarket Road, Durham, NH 03824, or email Jennie Berry at jberry@ci.durham.nh.us.

Jen Berry

From: Todd Selig
Sent: Thursday, November 10, 2022 7:37 PM
Subject: Fwd: Planning Board - Lorne's resignation

Dear Members of the Council,
For your general information. This is a big loss for the board.
Todd

Todd Selig
Durham, NH USA
Mobile: 603.817.0720
Sent from my iPhone.
~~ Please pardon typographical errors.

Begin forwarded message:

From: Michael Behrendt <mbehrendt@ci.durham.nh.us>
Date: November 10, 2022 at 4:46:38 PM EST
To: Todd Selig <tselig@ci.durham.nh.us>, Jen Berry <jberry@ci.durham.nh.us>, Karen Edwards <kedwards@ci.durham.nh.us>, Richard Reine <rreine@ci.durham.nh.us>, "Andrea J. Novotney" <anovotney@ci.durham.nh.us>, "Barbara Dill (barbaradill@gmail.com)" <barbaradill@gmail.com>, "Bill McGowan (wfmcg@icloud.com)" <wfmcg@icloud.com>, "Chuck Hotchkiss (cmhdte@gmail.com)" <cmhdte@gmail.com>, "Emily Friedrichs (emilyfriedrichs@gmail.com)" <emilyfriedrichs@gmail.com>, "Heather Grant (hcgrant51@gmail.com)" <hcgrant51@gmail.com>, "James Bubar (james@bubar.org)" <james@bubar.org>, "Lorne Parnell (nlparnell@comcast.net)" <nlparnell@comcast.net>, Michael Behrendt <mbehrendt@ci.durham.nh.us>, Nicholas Germain <nbggermain@icloud.com>, "Patricia Denmark (pdenmark@comcast.net)" <pdenmark@comcast.net>, "paul rasmussen (pnrasmus@gmail.com)" <pnrasmus@gmail.com>, "Richard Kelley (richard.kelley@hdrinc.com)" <richard.kelley@hdrinc.com>, external forward for stobias <Sally.tobias@me.com>
Subject: Planning Board - Lorne's resignation *

To Todd, Jen, and the Planning Board,
Please see the email from Lorne Parnell below resigning from the Planning Board. His resignation will be a big loss for the board. He has served for many, many years, having made a great contribution to the community. You know that when Lorne speaks, people listen.

Lorne's term expires April 30, 2025 so we now have a vacancy for a regular member in this slot.

Lorne is also stepping down from the Traffic Safety Committee. When Lorne informed the board last night nobody offered to volunteer for the Traffic Safety Committee, so if it is acceptable the board would like to be able to send one person from the board to any given meeting, whoever is available.

Michael Behrendt

Durham Town Planner
8 Newmarket Road
Durham, NH 03824
(603) 868-8064

-----Original Message-----

From: Lorne Parnell <nlparnell@comcast.net>
Sent: Thursday, November 10, 2022 11:02 AM
To: Michael Behrendt <mbehrendt@ci.durham.nh.us>
Cc: paul rasmussen (pnrasmus@gmail.com) <pnrasmus@gmail.com>
Subject: Planning Board

Michael:

Please accept my resignation from the Planning Board, effective immediately.

Also, I would like to resign from the Traffic Safety Committee.

Best regards,

Lorne Parnell



TOWN OF DURHAM
8 NEWMARKET ROAD
DURHAM, NH 03824

Tel: 603-868-5571

Fax: 603-868-1858

www.ci.durham.nh.us

AGENDA ITEM:

12A

DATE: **November 21, 2022**

COUNCIL COMMUNICATION

INITIATED BY:

Melanson C{As. Manchester, NH
Gail Jablonski, Business Manager

AGENDA ITEM:

**PRESENTATION OF THE 2021 AUDIT REPORT – MELANSON
HEATH AND COMPANY, NASHUA, NH**

CC PREPARED BY:

Jennie Berry, Administrative Assistant

PRESENTED BY:

Scott McIntire, Melanson C{As. Manchester, NH
Gail Jablonski, Business Manager

AGENDA DESCRIPTION:

Council members have been provided with copies of the Independent Auditor's Report for the Fiscal Year ending December 31, 2021, prepared by Melanson CPAs from Manchester, NH. Scott McIntire will attend Monday evening's meeting via Zoom to provide a brief presentation and to answer any questions Councilors may have relative to the audit report.

LEGAL AUTHORITY:

Section 4.10(D) of the Town Charter states: *"The Town Council, after inviting requests for proposals and appropriate verification of qualifications, experience and integrity, shall select a certified public accountant or firm of the same who shall perform an annual audit of all town financial transactions after the close of each fiscal year. Said audit shall include all revenues, expenditures and accounts maintained by any officer, elected or appointed, agency, board, commission or recipient of town funds; may include a compliance audit to ensure conformity with any state or federal laws and regulations and town work programs and policies; and shall include a management letter setting forth recommendations for changes and improvements in finance management systems as are deemed necessary".*

LEGAL OPINION:

N/A

FINANCIAL DETAILS:

Please refer to the 2021 Audit Report.

SUGGESTED ACTION OR RECOMMENDATIONS:

No formal action is required. Receive audit report presentation from Scott McIntire of Melanson CPAs. Manchester, NH and hold a question-and-answer session if desired.



TOWN OF DURHAM, NEW HAMPSHIRE

Financial Statements
and Other Supplementary Information
For the Year Ended December 31, 2021

(With Independent Auditor's Report Thereon)

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INDEPENDENT AUDITOR'S REPORT

To the Town Council
Town of Durham, New Hampshire

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Durham, New Hampshire (the Town), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Durham, New Hampshire, as of December 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The Town's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's



ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the budgetary comparison for the General Fund and Sewer Fund, and certain pension and OPEB schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying supplementary information appearing on pages 58 through 61 is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Merrimack, New Hampshire
October 31, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Durham, New Hampshire (the Town), we offer readers this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2021.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all assets, liabilities, and deferred outflows and inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The Statement of Activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities include general government, public safety, highways and streets, sanitation, water distribution and treatment, health and human services, welfare, culture and recreation, and conservation.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The Town's funds can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Town's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Reconciliations are provided to facilitate the comparison between governmental funds and governmental activities.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the Town. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's programs.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required and Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by accounting principles generally accepted in the United States of America, and other supplementary information.

Financial Highlights

- As of the close of the current fiscal year, net position in governmental activities was \$18,761,221, a change of \$3,559,084.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$10,657,728, a change of \$(1,188,219) in comparison to the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,596,632, a change of \$887,783 in comparison to the prior year.

Government-Wide Financial Analysis

The following is a summary of condensed government-wide financial data for the current and prior fiscal year.

NET POSITION

	Governmental Activities	
	<u>2021</u>	<u>2020</u>
Assets		
Current and other assets	\$ 22,994,704	\$ 23,539,593
Capital assets	<u>45,175,217</u>	<u>44,341,537</u>
Total assets	68,169,921	67,881,130
Deferred outflows of resources	2,808,676	4,547,680
Liabilities		
Other liabilities	11,899,343	11,511,904
Long-term liabilities	<u>35,728,832</u>	<u>44,464,958</u>
Total liabilities	47,628,175	55,976,862
Deferred inflows of resources	4,589,201	1,249,811
Net Position		
Net investment in capital assets	27,478,081	23,033,074
Restricted	4,099,133	6,201,308
Unrestricted	<u>(12,815,993)</u>	<u>(14,032,245)</u>
Total net position	\$ <u>18,761,221</u>	\$ <u>15,202,137</u>

As noted earlier, net position may serve over time as a useful indicator of the Town's financial position. At the close of the most recent fiscal year, total net position was \$18,761,221, a change of \$3,559,084 in comparison to the prior year.

The largest portion of net position \$27,478,081 reflects our investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position \$4,099,133 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position reflects a deficit of \$(12,815,993), primarily resulting from unfunded pension and OPEB liabilities.

CHANGES IN NET POSITION

	Governmental Activities	
	<u>2021</u>	<u>2020</u>
Revenues:		
Program revenues:		
Charges for services	\$ 4,234,365	\$ 4,309,123
Capital grants and contributions	230,532	290,343
General revenues:		
Property taxes	10,063,654	8,860,687
Motor vehicle permit fees	1,602,102	1,180,592
Penalties and interest on taxes	821,206	508,186
Grants and contributions not restricted to specific programs	5,103,690	5,113,251
Investment income	88,619	186,638
Miscellaneous	<u>897,208</u>	<u>1,369,615</u>
Total revenues	23,041,376	21,818,435
Expenses:		
General government	2,996,262	3,114,816
Public safety	8,252,700	9,280,401
Highways and streets	2,484,319	2,542,588
Sanitation	2,798,600	2,763,824
Water distribution and treatment	808,499	939,186
Health and human services	11,950	17,050
Welfare	42,740	27,204
Culture and recreation	1,286,422	1,340,736
Conservation	85,306	144,390
Interest on long-term debt	<u>715,494</u>	<u>747,525</u>
Total expenses	<u>19,482,292</u>	<u>20,917,720</u>
Change in net position	3,559,084	900,715
Net position - beginning of year	<u>15,202,137</u>	<u>14,301,422</u>
Net position - end of year	<u>\$ 18,761,221</u>	<u>\$ 15,202,137</u>

Governmental Activities

Governmental activities for the year resulted in a change in net position of \$3,559,084. Key elements of this change are as follows:

General Fund operations	\$ 1,321,556
TIF revenue used for capital assets	1,484,275
Decrease in net pension liability, net of related deferrals	779,954
Other	<u>(26,701)</u>
Total	<u>\$ 3,559,084</u>

Financial Analysis of the Town's Funds

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

General Fund

The General Fund is the chief operating fund. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$4,596,632, while total fund balance was \$7,398,623. Unassigned fund balance increased by \$887,783 primarily from favorable budgetary results of \$2,043,495 (page 50), less \$695,000 used to reduce taxes. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to General Fund expenditures. Refer to the table below.

<u>General Fund</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>Change</u>	<u>Total General Fund Expenditures</u>
Unassigned fund balance	\$ 4,596,632	\$ 3,708,849	\$ 887,783	28.7%
Total fund balance	\$ 7,398,623	\$ 6,077,067	\$ 1,321,556	46.2%

The total fund balance of the General Fund changed by \$1,321,556 during the current fiscal year. Key factors in this change are as follows:

Use of fund balance as a funding source	\$ (695,000)
Revenues in excess of budget	1,362,837
Expenditures less than budget	635,080
Other	18,639
Total	<u>\$ 1,321,556</u>

Included in the total fund balance of the General Fund are the Town's capital reserve account with the following balance:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>Change</u>
Capital reserves	\$ 1,484,050	\$ 1,485,267	\$ (1,217)

Nonmajor Governmental Funds

The fund balance of nonmajor governmental funds changed by \$(1,080,460), primarily from transfers to the Capital Project Fund totaling \$1,388,772.

Major Governmental Funds

The fund balance of the Capital Project Fund changed by \$(1,639,132), primarily from expenditures relating to highway and street projects.

General Fund Budgetary Highlights

There were no differences between the original budget and the final amended budget in 2021.

Capital Assets and Debt Administration

Capital Assets

Total investment in capital assets for governmental activities at year-end amounted to \$45,175,217 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements, machinery, equipment, furnishings, and infrastructure. Major capital asset events during the current fiscal year included the following:

- \$2,045,000 - 66 Main Street
- \$1,514,297 - Various infrastructure projects

Additional information on capital assets can be found in the Notes to Financial Statements.

Long-Term Debt

At the end of the current fiscal year, total bonded debt outstanding was \$19,968,115, all of which was backed by the full faith and credit of the government.

Additional information on long-term debt can be found in the Notes to Financial Statements.

Requests for Information

This financial report is designed to provide a general overview of the Town of Durham, New Hampshire's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Office of the Business Manager
Town of Durham, New Hampshire
8 Newmarket Road
Durham, NH 03824

TOWN OF DURHAM, NEW HAMPSHIRE

Statement of Net Position
December 31, 2021

	Governmental <u>Activities</u>
Assets	
Current:	
Cash and short-term investments	\$ 18,440,578
Investments	3,107,274
Receivables, net of allowance for uncollectibles:	
Property taxes	707,589
User fees	170,041
Departmental and other	21,783
Intergovernmental	46,812
Other assets	<u>176,539</u>
Total Current Assets	22,670,616
Noncurrent:	
Receivables, net of allowance for uncollectibles:	
Property taxes	324,088
Capital assets:	
Nondepreciable capital assets	11,152,313
Other capital assets, net of accumulated depreciation	<u>34,022,904</u>
Total Noncurrent Assets	<u>45,499,305</u>
Total Assets	68,169,921
Deferred Outflows of Resources	
Related to pensions	2,645,727
Related to OPEB	<u>162,949</u>
Total Deferred Outflows of Resources	2,808,676
	(continued)

The accompanying notes are an integral part of these financial statements.

(continued)

TOWN OF DURHAM, NEW HAMPSHIRE

Statement of Net Position
December 31, 2021

	Governmental <u>Activities</u>
Liabilities	
Current:	
Accounts payable	\$ 911,193
Accrued liabilities	683,131
Unearned revenues	852,888
Notes payable	63,103
Taxes paid in advance	1,399
Due to external party	8,891,615
Due to other governments	613
Other current liabilities	495,401
Current portion of long-term liabilities:	
Bonds and loans payable	2,818,033
Compensated absences	181,305
Landfill liability	30,000
Total Current Liabilities	14,928,681
Noncurrent:	
Bonds and loans payable, net of current portion	17,150,082
Compensated absences, net of current portion	726,898
Landfill liability, net of current portion	82,000
Net pension liability	12,836,713
Net OPEB liability	1,903,801
Total Noncurrent Liabilities	32,699,494
Total Liabilities	47,628,175
Deferred Inflows of Resources	
Related to pensions	4,268,860
Related to OPEB	187,814
Other	132,527
Total Deferred Inflows of Resources	4,589,201
Net Position	
Net investment in capital assets	27,478,081
Restricted for:	
Grants and other statutory restrictions	3,584,745
Permanent funds:	
Nonexpendable	434,105
Expendable	80,283
Unrestricted	(12,815,993)
Total Net Position	\$ 18,761,221

The accompanying notes are an integral part of these financial statements.

TOWN OF DURHAM, NEW HAMPSHIRE

Statement of Activities
For the Year Ended December 31, 2021

			<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	
Governmental Activities						
General government	\$ 2,996,262	\$ 45,810	\$ -	\$ -	\$ (2,950,452)	
Public safety	8,252,700	537,902	-	-	(7,714,798)	
Highways and streets	2,484,319	1,244	-	230,532	(2,252,543)	
Sanitation	2,798,600	2,126,133	-	-	(672,467)	
Water distribution and treatment	808,499	1,084,495	-	-	275,996	
Health and human services	11,950	-	-	-	(11,950)	
Welfare	42,740	-	-	-	(42,740)	
Culture and recreation	1,286,422	438,781	-	-	(847,641)	
Conservation	85,306	-	-	-	(85,306)	
Interest on long-term debt	<u>715,494</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(715,494)</u>	
Total Governmental Activities	\$ 19,482,292	\$ 4,234,365	\$ -	\$ 230,532	\$ (15,017,395)	
General Revenues						
Property taxes					10,063,654	
Motor vehicle permit fees					1,602,102	
Penalties, interest, and other taxes					821,206	
Grants and contributions not restricted to specific programs					5,103,690	
Investment income					88,619	
Miscellaneous					<u>897,208</u>	
Total general revenues					<u>18,576,479</u>	
Change in Net Position					3,559,084	
Net Position						
Beginning of year					<u>15,202,137</u>	
End of year					\$ <u>18,761,221</u>	

The accompanying notes are an integral part of these financial statements.

TOWN OF DURHAM, NEW HAMPSHIRE

Governmental Funds
Balance Sheet
December 31, 2021

	General Fund	Capital Project Fund	Sewer Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and short-term investments	\$ 15,485,619	\$ -	\$ 1,849,122	\$ 1,105,837	\$ 18,440,578
Investments	1,589,483	-	828,270	689,521	3,107,274
Receivables:					
Property taxes	1,031,677	-	-	-	1,031,677
User fees	-	-	64,449	105,592	170,041
Departmental and other	21,783	-	-	-	21,783
Due from other governments	45,280	1,532	-	-	46,812
Due from other funds	755,161	-	-	84,503	839,664
Other assets	100,390	-	9,162	66,987	176,539
Total Assets	\$ 19,029,393	\$ 1,532	\$ 2,751,003	\$ 2,052,440	\$ 23,834,368
Liabilities					
Warrants and accounts payable	\$ 347,401	\$ 491,301	\$ 35,165	\$ 37,326	\$ 911,193
Accrued liabilities	361,731	-	38,708	12,165	412,604
Unearned revenue	852,888	-	-	-	852,888
Taxes paid in advance	1,399	-	-	-	1,399
Due to other funds	9,052,245	679,034	-	-	9,731,279
Due to other governments	613	-	-	-	613
Notes payable	-	63,103	-	-	63,103
Other liabilities	388,860	-	97,929	8,612	495,401
Total Liabilities	11,005,137	1,233,438	171,802	58,103	12,468,480
Deferred Inflows of Resources					
Unavailable revenues	575,633	-	-	-	575,633
Other	50,000	-	50,561	31,966	132,527
Fund Balances					
Nonspendable	100,390	-	9,162	501,092	610,644
Restricted	488,634	1,165,581	1,650,274	1,203,883	4,508,372
Committed	1,119,918	-	869,204	281,251	2,270,373
Assigned	1,093,049	-	-	39,350	1,132,399
Unassigned	4,596,632	(2,397,487)	-	(63,205)	2,135,940
Total Fund Balances	7,398,623	(1,231,906)	2,528,640	1,962,371	10,657,728
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 19,029,393	\$ 1,532	\$ 2,751,003	\$ 2,052,440	\$ 23,834,368

The accompanying notes are an integral part of these financial statements.

TOWN OF DURHAM, NEW HAMPSHIRE

Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
in the Statement of Net Position
December 31, 2021

Total governmental fund balances	\$ 10,657,728
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	45,175,217
Revenues are reported on the accrual basis of accounting and are not deferred until collection.	575,633
Long-term liabilities, including bonds payable, net pension liability, and net OPEB liability are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Bonds payable	(19,968,115)
Pension liability, net of related deferred outflows and inflows of resources	(14,459,846)
OPEB liability, net of related deferred outflows and inflows of resources	(1,928,666)
Landfill liability	(112,000)
Compensated absences	(908,203)
Accrued interest	<u>(270,527)</u>
Net position of governmental activities	\$ <u>18,761,221</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF DURHAM, NEW HAMPSHIRE

Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2021

	General Fund	Capital Project Fund	Sewer Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 9,778,776	\$ -	\$ -	\$ 218,203	\$ 9,996,979
Motor vehicle permit fees	1,219,747	-	-	-	1,219,747
Penalties, interest and other taxes	813,584	-	3,290	4,332	821,206
Charges for services	730,602	-	2,091,393	1,412,370	4,234,365
Intergovernmental	4,182,876	230,532	814,180	17,024	5,244,612
Licenses and permits	288,404	-	-	93,951	382,355
Investment income	55,331	-	17,900	15,388	88,619
Contributions	72,379	-	-	17,231	89,610
Miscellaneous	<u>685,464</u>	<u>53,112</u>	<u>-</u>	<u>34,299</u>	<u>772,875</u>
Total Revenues	17,827,163	283,644	2,926,763	1,812,798	22,850,368
Expenditures					
Current:					
General government	2,959,603	131,742	-	3,036	3,094,381
Public safety	7,933,301	572,137	-	18,565	8,524,003
Highways and streets	1,495,261	3,250,061	-	-	4,745,322
Sanitation	772,026	233,064	1,244,085	-	2,249,175
Water distribution and treatment	-	47,189	-	666,808	713,997
Health and human services	11,950	-	-	-	11,950
Welfare	42,740	-	-	-	42,740
Culture and recreation	974,818	-	-	235,394	1,210,212
Conservation	70,779	-	-	14,527	85,306
Debt service					
Principal	1,398,241	-	985,510	253,655	2,637,406
Interest	<u>366,275</u>	<u>-</u>	<u>278,351</u>	<u>79,469</u>	<u>724,095</u>
Total Expenditures	16,024,994	4,234,193	2,507,946	1,271,454	24,038,587
Excess (Deficiency) of Revenues over Expenditures	1,802,169	(3,950,549)	418,817	541,344	(1,188,219)
Other Financing Sources (Uses)					
Transfers in	347,433	2,311,818	-	40,000	2,699,251
Transfers out	<u>(828,046)</u>	<u>(401)</u>	<u>(209,000)</u>	<u>(1,661,804)</u>	<u>(2,699,251)</u>
Total Other Financing Sources (Uses)	(480,613)	2,311,417	(209,000)	(1,621,804)	-
Change in fund balance	1,321,556	(1,639,132)	209,817	(1,080,460)	(1,188,219)
Fund Balance, at Beginning of Year	<u>6,077,067</u>	<u>407,226</u>	<u>2,318,823</u>	<u>3,042,831</u>	<u>11,845,947</u>
Fund Balance, at End of Year	\$ <u>7,398,623</u>	\$ <u>(1,231,906)</u>	\$ <u>2,528,640</u>	\$ <u>1,962,371</u>	\$ <u>10,657,728</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF DURHAM, NEW HAMPSHIRE

Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2021

Net changes in fund balances - total governmental funds	\$ (1,188,219)
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	3,258,777
Depreciation	(2,275,855)

The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position:

Repayments of general obligation bonds	2,637,404
Amortization of bond premiums	124,333

Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures, and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate) differ between the two statements. This amount represents the net change in deferred revenue.

98,045

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Change in net pension liability and related deferred outflows and inflows	779,954
Change in net OPEB liability and related deferred outflows and inflows	103,393
Change in compensated absences	(3,352)
Change in accrued interest	(20,400)
Change in allowance for doubtful accounts	(17,030)
Change in landfill liability	16,000
Other differences.	46,034

Change in net position of governmental activities	\$ <u>3,559,084</u>
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The accompanying notes are an integral part of these financial statements.

TOWN OF DURHAM, NEW HAMPSHIRE

Fiduciary Funds
Statement of Fiduciary Net Position
December 31, 2021

	Private Purpose <u>Trust Funds</u>	Custodial <u>Funds</u>
Assets		
Cash and short-term investments	\$ -	\$ 66,834
Investments	147,712	1,404,385
Due from primary government	-	8,891,615
Total Assets	147,712	10,362,834
Liabilities		
Due to other governments	-	8,891,615
Total Liabilities	-	8,891,615
Net Position		
Restricted for individual organizations and other governments	147,712	1,471,219
Total Net Position	\$ <u>147,712</u>	\$ <u>1,471,219</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF DURHAM, NEW HAMPSHIRE

Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2021

	Private Purpose <u>Trust Funds</u>	Custodial <u>Funds</u>
Additions		
Contributions:		
From others	\$ 6,716	\$ 125,000
Taxes collected for School Districts	-	21,446,934
Taxes collected for County	-	3,492,901
Taxes collected for State of New Hampshire	-	382,590
	<hr/>	<hr/>
Investment Income:		
Interest	3,096	30,575
Total Additions	<hr/> 9,812	<hr/> 25,478,000
Deductions		
Payments of taxes to School Districts	-	21,446,934
Payment of taxes to County	-	3,492,901
Payment of fees to State of New Hampshire	-	382,590
Payments on behalf of others	11,615	-
Other	-	200,000
	<hr/>	<hr/>
Total Deductions	11,615	25,522,425
Net (decrease)	<hr/> (1,803)	<hr/> (44,425)
Net position restricted for other purposes		
Beginning of year	149,515	1,515,644
End of year	<hr/> \$ 147,712	<hr/> \$ 1,471,219

The accompanying notes are an integral part of these financial statements.

TOWN OF DURHAM, NEW HAMPSHIRE

Notes to Financial Statements

1. Summary of Significant Accounting Policies

The accounting policies of the Town of Durham, New Hampshire (the Town) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units, except as indicated in Note 2. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental and financial reporting principles. The following is a summary of the significant policies of the Town:

Reporting Entity

The Town is a municipal corporation governed by an elected Town Council. As required by GAAP, these financial statements present the Town and applicable component units for which the Town is considered to be financially accountable. In fiscal year 2021, no entities met the component unit requirements of GASB 14 (as amended). The criteria provided in Governmental Accounting Standards Board Codification section 2100 have also been considered and as a result, the component units discussed below are included in the Government's reporting entity because of their operational significance and financial relationship with the Government.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are supported by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, certain expenditures such as debt service, claims and judgments, compensated absences, OPEB, and pension are recorded only when payment is due.

The Town reports the following major governmental funds:

- The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Capital Project Fund* accounts for the activity pertaining to various construction/renovation projects and the purchase of vehicles and equipment of the Town.
- The *Sewer Fund* accounts for the sewerage treatment services provided to the Town's residents.

The fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Under this method, revenues are recognized when earned and expenses are recorded when liabilities are incurred.

The Town reports the following fiduciary funds:

- The *Private Purpose Trust Funds* are used to account for trust arrangements under which principal and investment income exclusively benefit individuals, private organizations, or other governments.

The *Custodial Funds* account for fiduciary assets held by the Town in a custodial capacity as an agent on behalf of others and are not required to be reported elsewhere on the financial statements. Custodial funds include taxes and fees collected on behalf of the School District and county, as well as fees collected on behalf of the State of New Hampshire. Custodial funds also include capital reserve funds held in a trust on behalf of the Oyster River Cooperative School District.

Cash and Investments

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash balances are invested to the extent available, and interest earnings are recognized in the General Fund. Certain special revenue and fiduciary funds segregate cash, and investment earnings become a part of those funds.

Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. Generally, a cash and investment pool is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the financial statements under the caption "cash and short-term investments."

Where applicable, fair values are based on quotations from national securities exchanges, except for certain investments that are required to be presented using net asset value (NAV). The NAV per share is the amount of net assets attributable to each share outstanding at the close of the period. Investments measured using NAV for fair value are not subject to level classification.

The Government invests in the New Hampshire Public Deposit Investment Pool (NHPDIP), an external investment pool managed by the State Banking Commission. The portfolio meets the requirements of GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, where investments are valued at amortized cost.

Investments are carried at fair value, except certificates of deposit, which are reported at cost.

Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due from/to other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate the portion not available for appropriation and not available as expendable financial resources.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	20
Building and building improvements	10-50
Infrastructure	15-25
Equipment and Vehicles	5-15

Compensated Absences

It is the Town's policy to permit employees to accumulate earned, but unused vacation and sick pay benefits. All vested sick and vacation pay is accrued when incurred in the government-wide and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position.

Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance

Generally, fund balance represents the difference between current assets/deferred outflows and current liabilities/deferred inflows. The Town has implemented GASB Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, which enhances the usefulness of fund balance information by providing clearer fund balance classifications

that can be more consistently applied and by clarifying existing governmental fund type definitions, as follows:

- *Nonspendable* represents amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact. This fund balance classification includes General Fund, Sewer Fund, and nonmajor governmental fund reserves for prepaid expenditures and nonmajor governmental fund reserves for the principal portion of permanent trust funds.
- *Restricted* represents amounts that are restricted to specific purposes by constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. This fund balance classification includes the Library Fund, Capital Project Fund, various special revenue funds, and the income portion of permanent trust funds.
- *Committed* represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town's highest level of decision-making authority. This fund balance classification capital reserve funds.
- *Assigned* represents amounts that are constrained by the Town's intent to use these resources for a specific purpose. This fund balance classification includes General Fund encumbrances that have been established by various Town departments for the expenditure of current year budgetary financial resources upon vendor performance in the subsequent budgetary period and funds reserved for abatements and fire station improvements.
- *Unassigned* represents amounts that are available to be spent in future periods and deficit funds. The General Fund is the only fund that reports a positive unassigned fund balance.

When an expenditure is incurred that would qualify for payment from multiple fund balance types, the Town uses the following order to liquidate liabilities: restricted, committed, assigned, and unassigned.

Net Position

Net position represents the difference between assets/deferred outflows and liabilities/deferred inflows. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on use either through enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The remaining net position is reported as unrestricted.

Use of Estimates

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

2. Stewardship, Compliance, and Accountability

Budgetary Information

The Town's budget is originally prepared by the Town Administrator's office with the cooperation of the various department heads. It is then submitted to the Town Council for review. The Town Council will review the budget for the following year and make modifications and amendments as necessary.

After reviewing the budget, the Town Council will hold public hearings for discussion.

The final version of the budget is then submitted for approval by the Town Council. The approved budget is subsequently reported to the State of New Hampshire on the statement of appropriation form in order to establish the current property tax rate.

At year-end, appropriation balances lapse, except for certain unexpended capital items and encumbrances, which will be honored during the subsequent year.

Deficit Fund Equity

Certain individual funds reflected deficit balances as of December 31, 2021. It is anticipated that the deficits in these funds will be eliminated through future departmental and grant revenues, bond proceeds, and transfers from other funds.

3. Deposits and Investments

State statutes places certain limitation on the nature of deposits and investments available to the Town. Deposits may be made in the New Hampshire Deposit Investment Pool (NHPDIP), established pursuant to RSA 383:22, in New Hampshire banks, or banks outside the State of New Hampshire if such banks pledge and deliver to a third-party custodial bank with various collateralized security.

RSA 35:9 limits Town capital reserve funds to investments in federally or state-chartered banks or associations authorized by the State of New Hampshire, in bonds or notes of the State of New Hampshire, in stocks and bonds as are legal for investment by banks and associations chartered by the State of New Hampshire to engage in a banking business, in NHPDIP established pursuant to RSA 383:22, or in obligations with principal and interest fully guaranteed by the United States government.

Deposits

Custodial Credit Risk

Custodial credit risk is the risk that in the event of bank failure, the Town's deposits may not be returned. The Town does not have formal deposit policies related to the custodial credit risk of deposits.

As of December 31, 2021, \$239,927 of the Town's bank balance of \$23,332,240 was exposed to custodial credit risk as uninsured and uncollateralized and \$18,319,528 was collateralized by securities held by the pledging financial institution. Additionally, \$113,412 was invested in NHPDIP, which is not subject to this disclosure.

Investments

The following is a summary of the Town's investments as of December 31, 2021:

<u>Investment Type</u>	<u>Amount</u>
Certificates of deposits	\$ 272,421
Corporate bonds	1,510,503
Equity mutual funds	1,296,649
Fixed income mutual funds	528,739
Federal agency securities	804,180
U.S. Treasury notes	246,879
Total investments	<u>\$ 4,659,371</u>

Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Town will not be able to recover the value of its investment or collateral securities that are in possession of another party. The Town does not have formal investment policies related to custodial credit risk.

As of December 31, 2021, \$2,561,562 was subject to custodial credit risk exposure because the related securities were uninsured, unregistered, and held by the Town's brokerage firm, which is also the counterparty to these securities as follows:

<u>Investment Type</u>	<u>Amount</u>	<u>Held by Counterparty</u>	<u>Held by Counterparty's Trust or Agent</u>
Corporate bonds	\$ 1,510,503	\$ -	\$ 1,510,503
Federal agency securities	804,180	-	804,180
U.S. Treasury notes	246,879	-	246,879
Total	<u>\$ 2,561,562</u>	<u>\$ -</u>	<u>\$ 2,561,562</u>

Credit Risk – Investments in Debt Securities

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligations. The Town does not have formal investment policies related to credit risk.

As of December 31, 2021, the credit quality ratings, as rated by S&P Global Ratings, of the Town's debt securities are as follows:

<u>Investment Type</u>	<u>Amount</u>	<u>Rating as of Year End</u>				
		<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB</u>	<u>Unrated</u>
Corporate bonds	\$ 1,510,503	\$ -	\$ -	\$ 1,078,481	\$ 432,022	\$ -
Fixed income mutual funds	528,739	-	-	-	-	528,739
Federal agency securities	<u>804,180</u>	<u>-</u>	<u>804,180</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$ <u>2,843,422</u>	\$ <u>-</u>	\$ <u>804,180</u>	\$ <u>1,078,481</u>	\$ <u>432,022</u>	\$ <u>528,739</u>

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributable to the magnitude of the Town's investment in a single issuer. The Town places no limit on the amount invested in any one issuer. The Town does not have formal investment policies related to concentration of credit risk exposure.

As of December 31, 2021, the Town did not have investments in any one issuer that exceeded 5% of total investments.

Interest Rate Risk – Investments in Debt Securities

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Town does not have formal investment policies limiting investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Information about the sensitivity of the fair values of the Town's investments to market interest rate fluctuations was as follows at December 31, 2021:

<u>Investment Type</u>	<u>Amount</u>	<u>Investment Maturities (in Years)</u>		
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>
Corporate bonds	\$ 1,510,503	\$ -	\$ 949,825	\$ 560,678
Federal agency securities	804,180	85,647	606,476	112,057
U.S. Treasury notes	<u>246,879</u>	<u>-</u>	<u>155,955</u>	<u>90,924</u>
Total	\$ <u>2,561,562</u>	\$ <u>85,647</u>	\$ <u>1,712,256</u>	\$ <u>763,659</u>

Foreign Currency Risk

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. The Town does not have formal investment policies related to foreign currency risk.

At December 31, 2021, none of the Town's investments were exposed to foreign currency risk.

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application* (GASB 72).

The hierarchy is based on the valuation inputs used to measure the fair value of an asset or liability and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The hierarchy categorizes the inputs to valuation techniques used for fair value measurement into three levels as follows:

- Level 1 – inputs that reflect quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date.
- Level 2 – inputs other than quoted prices that are observable for an asset or liability either directly or indirectly, including inputs in markets that are not considered to be active. Because they must often be priced on the basis of transactions involving similar, but not identical securities or do not trade with sufficient frequency, certain directly held securities are categorized as Level 2.
- Level 3 – unobservable inputs based on the best information available, using assumptions in determining the fair value of investments and derivative instruments.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation.

The Town has the following fair value measurements as of December 31, 2021:

		Fair Value Measurements Using:		
<u>Investment Type</u>	<u>Amount</u>	Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments by fair value level:				
Corporate bonds	\$ 1,510,503	\$ -	\$ 1,510,503	\$ -
Equity mutual funds	1,296,649	1,296,649	-	-
Fixed income mutual funds	528,739	528,739	-	-
Federal agency securities	804,180	-	804,180	-
U.S. Treasury notes	246,879	246,879	-	-
Other investments at fair value:				
New Hampshire Public Deposit Investment Pool	80,723	-	-	-
Total	\$ 4,467,673	\$ 2,072,267	\$ 2,314,683	\$ -

Equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

Debt securities classified in Level 2 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features, and ratings. Matrix pricing is used to value securities based on the securities relationship to benchmark quote prices. Level 2 debt securities have non-proprietary information that was readily available to market participants, from multiple independent sources, which are known to be actively involved in the market.

4. Property Taxes Receivable

The Town bills property taxes semi-annually, in May and November. Property tax revenues are recognized in the fiscal year for which taxes have been levied. Property taxes are due on July 1 and December 1. Delinquent accounts are charged 8% interest. In August of the next year, a lien is recorded on delinquent property at the Registry of Deeds. The Town purchases all the delinquent accounts by paying the delinquent balance, recording costs, and accrued interest. The accounts that are liened by the Town will be reclassified from property taxes receivable to unredeemed tax liens receivable. After this date, delinquent accounts will be charged interest at a rate of 14%. The Town annually budgets amounts (overlay for abatements) for property tax abatements and refunds.

Property taxes receivables at December 31, 2021 consisted of the following:

	Gross Amount (fund basis)	Allowance for Doubtful Accounts	Current Portion	Long- Term Portion
Real estate taxes	\$ 707,589	\$ -	\$ 707,589	\$ -
Tax liens	<u>348,521</u>	<u>(24,433)</u>	<u>-</u>	<u>324,088</u>
Total property taxes	<u>\$ 1,056,110</u>	<u>\$ (24,433)</u>	<u>\$ 707,589</u>	<u>\$ 324,088</u>

Taxes Collected for Others

The Town collects taxes for the State of New Hampshire, the Oyster River Cooperative School District, and the County of Strafford. Payments to the other taxing units are normally made throughout the year. The ultimate responsibility for the collection of taxes rests with the Town.

5. User Fees Receivable

Receivables for user charges at December 31, 2021 consisted of the following:

	<u>Amount</u>
Water	\$ 47,328
Sewer	64,449
Churchill Rink	<u>58,264</u>
Total	<u>\$ 170,041</u>

6. Intergovernmental Receivables

This balance represents reimbursements requested from federal and state agencies for expenditures incurred in 2021.

7. Interfund Accounts

Receivables/Payables

Although self-balancing funds are maintained, most transactions flow through the General Fund. In order to obtain accountability for each fund, interfund receivable and payable accounts must be utilized. The composition of interfund balances as of December 31, 2021 is as follows:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Governmental Funds:		
General Fund	\$ 755,161	\$ 9,052,245
Capital Project Fund	-	679,034
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Water Capital Reserve Fund	40,000	-
Impact Fee Fund	<u>44,503</u>	<u>-</u>
Subtotal Nonmajor Governmental Funds	84,503	-
Total Governmental Funds	839,664	9,731,279
Fiduciary Funds:		
Custodial Funds	<u>8,891,615</u>	<u>-</u>
Total	<u>\$ 9,731,279</u>	<u>\$ 9,731,279</u>

Transfers

The Town reports interfund transfers between various funds. Most transfers result from budgetary or statutory actions, whereby funds are moved to accomplish various expenditure

purposes. The following is a schedule of major interfund transfers for the year ended December 31, 2021.

<u>Governmental Funds:</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 347,433	\$ 828,046
Capital Project Fund	2,311,818	401
Sewer Fund	-	209,000
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Water Fund	-	177,529
Depot Road Fund	-	95,503
Downtown TIF Fund	-	674,578
School Impact Fees Fund	-	714,194
Water Capital Reserve Fund	<u>40,000</u>	<u>-</u>
Subtotal Nonmajor Governmental Funds	<u>40,000</u>	<u>1,661,804</u>
Total	\$ <u>2,699,251</u>	\$ <u>2,699,251</u>

Most of the transfers out represent the Town's practice of using fund balance to fund various major capital project funds. The Town's other routine transfers include transfers made to move (1) unrestricted revenues or balances that have been collected or accumulated in the General Fund to other funds based on budgetary authorization, and (2) revenues from a fund that by statute or budgetary authority must collect them to funds that are required by statute or budgetary authority to expend them.

8. Capital Assets

Capital asset activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, being depreciated:				
Land improvements	\$ 537,265	\$ -	\$ -	\$ 537,265
Buildings and improvements	22,898,440	-	-	22,898,440
Machinery, equipment, and furnishings	9,963,391	176,249	(91,079)	10,048,561
Infrastructure	<u>17,358,851</u>	<u>1,514,297</u>	<u>-</u>	<u>18,873,148</u>
Total capital assets, being depreciated	50,757,947	1,690,546	(91,079)	52,357,414
Less accumulated depreciation for:				
Land improvements	(189,531)	(12,119)	-	(201,650)
Buildings and improvements	(4,249,981)	(770,025)	-	(5,020,006)
Machinery, equipment, and furnishings	(5,814,512)	(748,291)	91,079	(6,471,724)
Infrastructure	<u>(5,895,710)</u>	<u>(745,420)</u>	<u>-</u>	<u>(6,641,130)</u>
Total accumulated depreciation	<u>(16,149,734)</u>	<u>(2,275,855)</u>	<u>91,079</u>	<u>(18,334,510)</u>
Total capital assets, being depreciated, net	34,608,213	(585,309)	-	34,022,904
Capital assets, not being depreciated:				
Land	3,421,891	2,045,000	-	5,466,891
Construction in progress	<u>6,162,190</u>	<u>951,529</u>	<u>(1,428,297)</u>	<u>5,685,422</u>
Total capital assets, not being depreciated	<u>9,584,081</u>	<u>2,996,529</u>	<u>(1,428,297)</u>	<u>11,152,313</u>
Governmental activities capital assets, net	<u>\$ 44,192,294</u>	<u>\$ 2,411,220</u>	<u>\$ (1,428,297)</u>	<u>\$ 45,175,217</u>

Depreciation expense was charged to functions of the Government as follows:

Governmental Activities	
Public safety	\$ 499,284
Highways and streets	931,952
Sanitation	594,677
Water distribution and treatment	94,530
Culture and recreation	<u>155,412</u>
Total governmental activities	<u>\$ 2,275,855</u>

9. Deferred Outflows of Resources

Deferred outflows of resources represent the consumption of net assets by the Town that apply to future reporting periods. Deferred outflows of resources have a positive effect on net position, similar to assets. Deferred outflows of resources related to pension and OPEB, in accordance with GASB Statements No. 68 and 75, are more fully discussed in the corresponding pension and OPEB notes.

10. Unearned Revenue

Unearned revenue represents grant funds received by the Town from the American Rescue Plan Act (ARPA). These funds will be used for COVID-19 related expenditures or negative economic impacts of COVID-19 over the next several years.

11. Long-Term Debt

General Obligation Bonds and Direct Borrowings

The Town issues general obligation bonds (including direct placements) and direct borrowings to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. General obligation bonds (including direct placements) and direct borrowings outstanding are as follows:

<u>Governmental Activities</u>				Amount Outstanding as of <u>12/31/21</u>
<u>General Obligation Bonds</u>	<u>Original Issue</u>	<u>Serial Maturities Through</u>	<u>Interest Rate(s) %</u>	
Public offerings:				
2020 GO Bond - Capital Improvements	\$ 1,461,175	08/15/40	2.10 - 5.10%	\$ 1,309,950
2020 GO Bond - Capital Improvements	1,270,900	02/15/29	2.13%	857,500
2018 GO Bond - Capital Improvements	3,505,000	02/14/38	2.86%	2,835,000
2015 GO Bond - Capital Improvements	1,790,000	09/01/25	2.00%	1,220,000
2014 GO Bond - Capital Improvements	2,370,000	08/15/34	3.04%	1,890,000
2014 GO Bond - Capital Improvements	4,560,000	08/15/32	1.85-4.00%	1,840,000
2013 GO Bond - Capital Improvements	3,528,000	03/01/33	2.00-4.125%	2,130,000
2010 GO Bond - Capital Improvements	1,384,000	08/15/30	3.00-5.00%	355,000
2008 GO Bond - Capital Improvements	990,000	11/15/28	3.00-4.050%	770,000
2006 GO Bond - Capital Improvements	3,800,154	11/15/26	3.80-4.00%	675,000
Total public offerings				<u>13,882,450</u>
Direct placements:				
2016 GO Bond - Capital Improvements	1,182,550	01/15/27	2.20%	<u>790,110</u>
Total direct placements				<u>790,110</u>
Total general obligation bonds				\$ <u>14,672,560</u>
<u>Loans - Direct Borrowings</u>				
2020 SRF - Dover Rd Pump Station Force Main Upgrade	2,135,696	02/01/40	2.00%	1,724,573
2020 SRF - WWTF Grit System Upgrade	816,764	04/01/40	2.00%	775,930
2014 SRF - Old Concord Road	155,868	02/01/34	3.10%	135,086
2013 SRF - Dover Rd Pump Station & WWTP Aeration	1,279,233	10/01/32	2.72%	722,296
2013 SRF - Water Meter Upgrade	320,607	01/01/23	1.70%	70,971
2013 SRF - Spruce Hole Well Dev	222,500	01/01/23	1.70%	49,800
2005 SRF - Wastewater Improvements	3,290,757	06/01/24	3.69%	657,414
2004 SRF - Landfill closure	802,756	02/01/24	3.69%	<u>120,412</u>
Total loans - direct borrowings				<u>4,256,482</u>
Total governmental activities				\$ <u>18,929,042</u>

Future Debt Service

The annual payments to retire all general obligation bonds outstanding as of December 31, 2021 are as follows:

Governmental	Bonds - Public Offerings		Bonds - Direct Placements		Loans - Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 1,875,000	\$ 524,608	\$ 196,210	\$ 15,224	\$ 518,775	\$ 104,741
2023	1,784,950	447,164	134,620	11,585	527,887	89,563
2024	1,715,500	378,365	134,620	8,623	474,915	74,224
2025	1,595,000	313,598	108,220	3,571	207,660	59,626
2026	1,205,000	255,977	108,220	1,190	207,660	54,886
2027	1,015,000	208,688	108,220	-	207,660	50,146
2028	940,000	166,630	-	-	207,660	45,405
2029	682,000	130,926	-	-	207,660	40,664
2030	620,000	105,061	-	-	207,660	35,924
2031	580,000	81,355	-	-	207,660	31,183
2032-2036	1,530,000	150,277	-	-	754,857	95,846
2037-2040	340,000	14,205	-	-	526,428	26,321
Total	\$ 13,882,450	\$ 2,776,854	\$ 790,110	\$ 40,193	\$ 4,256,482	\$ 708,529

Changes in Long-Term Liabilities

During the year ended December 31, 2021, the following changes occurred in long-term liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Less Current Portion	Equals Long-Term Portion
Governmental Activities						
Bonds payable:						
Public offerings	\$ 15,813,675	\$ -	\$ (1,931,225)	\$ 13,882,450	\$ (1,875,000)	\$ 12,007,450
Direct placements	986,330	-	(196,220)	790,110	(196,220)	593,890
Loans payable (direct borrowings)	4,766,441	-	(509,959)	4,256,482	(518,775)	3,737,707
Unamortized premium	1,163,406	-	(124,333)	1,039,073	(228,038)	811,035
Subtotal	22,729,852	-	(2,761,737)	19,968,115	(2,818,033)	17,150,082
Compensated absences	904,851	3,352	-	908,203	(181,305)	726,898
Landfill liability	128,000	-	(16,000)	112,000	(30,000)	82,000
Net pension liability	18,642,700	-	(5,805,987)	12,836,713	-	12,836,713
Net OPEB liability	2,059,555	-	(155,754)	1,903,801	-	1,903,801
Totals	\$ 44,464,958	\$ 3,352	\$ (8,739,478)	\$ 35,728,832	\$ (3,029,338)	\$ 32,699,494

Long-Term Debt Supporting Governmental Activities

Bonds issued by the Town for various municipal projects are approved by Town Council and repaid with revenues recorded in the General Fund and user fees recorded in other special revenue funds. All other long-term debt is repaid from the funds that the cost relates to, primarily the General Fund and certain special revenue funds.

12. Landfill Closure and Postclosure Care Costs

State and federal laws and regulations require the Town to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure.

The \$112,000 reported as landfill postclosure care liability at December 31, 2021 represents the remaining estimated postclosure maintenance costs. These amounts are based on what it would cost to perform all postclosure care in 2021. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

13. Deferred Inflows of Resources

Deferred inflows of resources represent the acquisition of net assets by the Town that apply to future reporting periods. Deferred inflows of resources have a negative effect on net position, similar to liabilities. Deferred inflows of resources related to pension and OPEB, in accordance with GASB Statements No. 69 and 75, will be recognized as expense in future years and are more fully described in the corresponding pension and OPEB notes. *Unavailable revenues* are reported in the governmental funds Balance Sheet in connection with receivables for which revenues are not considered available to liquidate liabilities of the current year.

14. Governmental Funds – Fund Balances

The Town's fund balances at December 31, 2021 are comprised of the following:

	General Fund	Capital Project Fund	Sewer Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable					
Prepaid expenditures	\$ 100,390	\$ -	\$ 9,162	\$ 66,987	\$ 176,539
Permanent funds	-	-	-	434,105	434,105
Nonspendable	100,390	-	9,162	501,092	610,644
Restricted					
Library Fund	484,937	-	-	-	484,937
Grant proceeds	2,500	-	-	-	2,500
Police confidential	1,197	-	-	-	1,197
Capital Project Fund	-	1,165,581	-	-	1,165,581
Sewer Fund	-	-	1,650,274	-	1,650,274
Special revenue funds:					
Church Hill Rink Fund	-	-	-	307,382	307,382
Water Fund	-	-	-	510,777	510,777
Other	-	-	-	305,442	305,442
Permanent funds	-	-	-	80,282	80,282
Total Restricted	488,634	1,165,581	1,650,274	1,203,883	4,508,372
Committed					
Capital reserve funds	1,119,918	-	869,204	281,251	2,270,373
Total Committed	1,119,918	-	869,204	281,251	2,270,373
Assigned					
Encumbrances					
General government	18,710	-	-	-	18,710
Public safety	30,647	-	-	-	30,647
Water	-	-	-	39,350	39,350
Reserved for abatements	593,749	-	-	-	593,749
Proceeds for future debt payments	84,593	-	-	-	84,593
Fire station improvements	365,350	-	-	-	365,350
Total Assigned	1,093,049	-	-	39,350	1,132,399
Unassigned					
General fund	4,596,632	-	-	-	4,596,632
Deficits	-	(2,397,487)	-	(63,205)	(2,460,692)
Total Unassigned	4,596,632	(2,397,487)	-	(63,205)	2,135,940
Total Fund Balance	\$ 7,398,623	\$ (1,231,906)	\$ 2,528,640	\$ 1,962,371	\$ 10,657,728

15. New Hampshire Retirement System

The Town follows the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, with respect to the State of New Hampshire Retirement System (NHRS).

Plan Description

Full-time employees participate in the New Hampshire Retirement System (NHRS), a cost-sharing, multiple-employer defined benefit contributory pension plan and trust established in 1967 by RSA 100-A:2 and qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. NHRS provides service, disability, death, and vested

retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters, and permanent police officers within the State of New Hampshire are eligible and required to participate in the NHRS. Full-time employees of political subdivisions, including counties, municipalities, and school districts, are also eligible to participate as a group if the governing body of the political subdivision has elected participation.

The New Hampshire Retirement System, a Public Employees Retirement System (PERS), is divided into two membership groups. State or local employees and teachers belong to *Group I*. Police officers and firefighters belong to *Group II*. All assets are held in a single trust and are available to each group. Additional information is disclosed in the NHRS annual report publicly available from the New Hampshire Retirement System located at 54 Regional Drive, Concord, New Hampshire 03301-8507.

Benefits Provided

Group 1 benefits are provided based on creditable service and average final salary for the highest of either three or five years, depending on when service commenced.

Group II benefits are provided based on age, years of creditable service, and a benefit multiplier depending on vesting status as of January 1, 2012. The maximum retirement allowance for Group II members vested by January 1, 2012 (45 years of age with 20 years of service or age 60 regardless of years of creditable service), is the average final compensation multiplied by 2.5% multiplied by creditable service. For Group II members not vested by January 1, 2012, the benefit is calculated the same way, but the multiplier used in the calculation will change depending on age and years of creditable service, as follows:

Years of creditable service as of <u>January 1, 2012</u>	<u>Minimum Service</u>	<u>Minimum Age</u>	<u>Benefit Multiplier</u>
At least 3 but less than 10 years	21	46	2.4%
At least 6 but less than 8 years	22	47	2.3%
At least 4 but less than 6 years	23	48	2.2%
Less than 4 years	24	49	2.1%

Contributions

Plan members are required to contribute a percentage of their earnable compensation to the pension plan. Contribution rates are 7% for employees and teachers 11.55% for police and 11.80% for fire. The Town makes annual contributions to the pension plan equal to the amount required by Revised Statutes Annotated 100-A:16, and range from 10.88% to 26.43% of covered compensation. The Town's contribution to NHRS for the year ended June 30, 2021 was \$1,330,693, which was equal to its annual required contribution.

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the NHRS, and additions to/deductions from NHRS' fiduciary net position have been determined on the same basis as they are reported by NHRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At December 31, 2021, the Town reported a liability of \$ 12,836,713 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021, utilizing procedures incorporating the actuarial valuation. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At the most recent measurement date of June 30, 2021, the Town's proportion was 0.28964230%, which was a decrease of 0.0018251% from its previous year proportion.

For the year ended December 31, 2021, the Town recognized pension expense of \$715,414. In addition, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience	\$ 359,447	\$ 134,390
Changes of assumptions	1,340,722	-
Differences between projected and actual earnings on pension plan investments	-	3,590,135
Changes in proportion and differences between contributions and proportionate share of contributions	124,634	544,335
Contributions subsequent to the measurement date	<u>820,924</u>	<u>-</u>
Total	<u>\$ 2,645,727</u>	<u>\$ 4,268,860</u>

The amounts reported as deferred outflows of resources and deferred inflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized as an (decrease) in pension expense as follows:

Year Ended December 31:		
2022	\$	(494,745)
2023		(324,067)
2024		(440,779)
Thereafter		<u>(1,184,466)</u>
Total	\$	<u><u>(2,444,057)</u></u>

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Price inflation	2.00% per year
Wage inflation	2.75% per year (2.25% for teachers)
Salary increases	5.60% average, including inflation
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Mortality rates were based on the Pub-2010 Healthy Retiree Mortality Tables with credibility adjustments for each group (police and fire combined) and projected fully generational mortality improvements using scale MP-2019.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2016 – June 30, 2019.

Target Allocations

The long-term expected rate of return on pension plan investments was selected from a best estimate range determined using the building-block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation.

The following is a table presenting target allocations and geometric real rates of return for each asset class:

<u>Asset Class</u>	<u>Target Allocation Percentage</u>	<u>Weighted Average Average Long- Term Expected Real Rate of Return</u>
Large cap equities	22.50 %	6.46%
Small/mid cap equities	<u>7.50</u>	1.14%
Total domestic equities	30.00	
Int'l equities (unhedged)	14.00	5.53%
Emerging int'l equities	<u>6.00</u>	2.37%
Total international equities	20.00	
Core bonds	9.00	0.42%
Global multi-sector fixed income	10.00	1.66%
Absolute Return Fixed Income	<u>6.00</u>	0.92%
Total fixed income	25.00	
Private equity	10.00	8.85%
Private debt	<u>5.00</u>	7.25%
Total alternative investments	15.00	
Real estate	<u>10.00</u>	6.60%
Total	<u>100.00</u> %	

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that the plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the pension plan's actuarial funding policy and as required by RSA 100-A:16. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 6.75%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
\$ 18,357,968	\$ 12,836,713	\$ 8,231,085

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued NHRS financial report.

16. Other Post-Employment Benefits

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75), replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. This statement identifies the methods and assumptions that are required to be used to project benefit payments, discounted projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

Town OPEB Plan

All the following OPEB disclosures for the Town OPEB plan are based on a measurement date of December 31, 2021.

General Information about the OPEB Plan

Plan Description

The Town provides post-employment healthcare benefits for retired employees through the Town's plan. The OPEB plan is not administered through a trust that meets the criteria in paragraph 4 of GASB 75.

Benefits Provided

The Town provides medical and prescription drug insurance to retirees and their covered dependents. All active employees who retire from the Town and meet the eligibility criteria will receive these benefits.

Plan Membership

At December 31, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	15
Active employees	<u>86</u>
Total	<u>101</u>

Funding Policy

The Town's funding policy includes financing the implicit subsidy on a pay-as-you-go basis, as required by statute.

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation as of January 1, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75% per year
Salary increases	2.75% average, including inflation
Discount rate	2.25%
Healthcare cost trend rates	8% for 2020, fluctuating 0.5% per year to an ultimate rate of 4.5% for 2028 and later years
Retirees' share of benefit-related costs	100%

Mortality rates were based on the following:

- General Employees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2020
- Police & Fire: SOA Pub-2010 Safety Headcount Weighted Mortality Table full generational using Scale MP-2020
- Surviving Spouses: SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2020

The actuarial assumptions used in the valuation were based on the results of an actuarial experience study as of December 31, 2020.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.25% at December 31, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate.

Total OPEB Liability

The Town's total OPEB liability of \$668,892 was measured as of December 31, 2021, and was determined by an actuarial valuation as of January 1, 2021.

Changes in the Total OPEB Liability

The following summarizes the changes to the total OPEB liability for the past year:

	Total OPEB Liability
Balances, beginning of year	\$ 673,418
Changes for the year:	
Service cost	63,343
Interest	15,309
Differences between expected and actual experience	(47,647)
Changes in assumptions or other inputs	(6,120)
Benefit payments	<u>(29,411)</u>
Net Changes	<u>(4,526)</u>
Balances, end of year	\$ <u>668,892</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

1% Decrease <u>(1.25%)</u>	Current Discount Rate <u>(2.25%)</u>	1% Increase <u>(3.25%)</u>
\$ 717,566	\$ 668,892	\$ 623,843

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease <u>(6.50%)</u>	Current Healthcare Cost Trend Rates <u>(7.50%)</u>	1% Increase <u>(8.50%)</u>
\$	594,657	\$ 668,892	\$ 757,776

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2021, the Town recognized an OPEB expense of \$69,704. At December 31, 2021, the Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ -	\$ 149,803
Change in assumptions	<u>94,459</u>	<u>22,023</u>
Total	\$ <u>94,459</u>	\$ <u>171,826</u>

Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized as (decreases) in OPEB expense as follows:

Year Ended December 31:

2022	\$ (8,948)
2023	(8,948)
2024	(8,948)
2025	(8,948)
2026	(8,948)
Thereafter	<u>(32,627)</u>
Total	\$ <u>(77,367)</u>

New Hampshire Retirement System Medical Subsidy Plan

General Information about the OPEB Plan

Plan Description

In addition to the OPEB plan discussed above, the Town participates in the New Hampshire Retirement System (NHRS) Medical Subsidy. The NHRS administers a cost-sharing, multiple-employer other post-employment benefit plan (OPEB Plan) for retiree health insurance subsidies. Benefit amounts and eligibility requirements are set by state law, and members are designated by type. The four membership types are Group II Police Officer and Firefighters, Group I Teachers, Group I Political Subdivision Employees, and Group I State Employees. Collectively, they are referred to as the OPEB Plan.

NHRS issues publicly available financial reports that can be obtained by writing to them at 54 Regional Drive, Concord, New Hampshire 03301-8507 or from their website at <http://www.nhrs.org>.

Benefits Provided

The OPEB Plan provides a medical insurance subsidy to qualified retired members. The Medical Subsidy is a payment made by NHRS to the former employer or their insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certifiably dependent children with a disability who are living in the household and being cared for by the retiree. Under specific conditions, the qualified beneficiaries of members who die while in service may also be eligible for the Medical Subsidy. The eligibility requirements for receiving OPEB Plan benefits differ for Group I and Group II members. The OPEB plan is closed to new entrants. The monthly Medical Subsidy rates are:

1 Person - \$375.56
2 Person - \$751.12
1 Person Medicare Supplement - \$236.84
2 person Medicare Supplement - \$473.68

Contributions

Pursuant to RSA 100-A:16, III, and the biennial actuarial valuation, funding for the Medical Subsidy payment is via the employer contributions rates set forth by NHRS. Employer contributions required to cover that amount of cost not met by the members' contributions are determined by a biennial actuarial valuation by the NHRS actuary using the entry age normal funding method and are expressed as a percentage of earnable compensation. The Town contributed 0.29% of gross payroll for Group I employees, 1.81% of gross payroll for Group I teachers, and 3.66% and 3.66% of gross payroll for Group II fire and police department members, respectively. Employees are not required to contribute. The State Legislature has the authority to establish, amend, and discontinue the contribution requirements of the Medical Subsidy plan.

Actuarial Assumptions and Other Inputs

Actuarial assumptions are the same as the Retirement System footnote.

Net OPEB Liability, Expense, and Deferred Outflows and Inflows

The Town's proportionate share of the net NHRS Medical Subsidy (net OPEB liability) as of the measurement date of June 30, 2021 was \$1,234,909, representing 0.30837507%.

For the year ended December 31, 2021, the Town recognized an OPEB expense related to the NHRS Medical Subsidy of \$(127). At June 30, 2021, the Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ -	\$ 258
Change in assumptions	-	-
Changes in proportion	-	304
Net difference between projected and actual OPEB investment earnings		15,426
Contributions subsequent to the measurement date	<u>68,490</u>	<u>-</u>
Total	\$ <u>68,490</u>	\$ <u>15,988</u>

The amount reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the net OPEB liability in the year ending December 31, 2022.

Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized as (decreases) in OPEB expense as follows:

Year Ended December 31:

2022	\$ (4,090)
2023	(3,241)
2024	(3,633)
2025	<u>(5,024)</u>
Total	\$ <u>(15,988)</u>

Sensitivity of the Net NHRS Medical Subsidy OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

1% Decrease <u>(5.75%)</u>	Current Discount Rate <u>(6.75%)</u>	1% Increase <u>(7.75%)</u>
\$ 1,342,443	\$ 1,234,909	\$ 1,141,347

Healthcare Cost Trend Rate

Healthcare cost trend rates are not applicable given that the benefits are fixed stipends.

Consolidation of Total/Net OPEB Liabilities and Related Deferred Outflows and Inflows

The following consolidates the Town's total OPEB liability and related deferred outflows/inflows, and the Town's proportionate share of the NHRS Medical Subsidy net OPEB liability and related deferred outflows/inflows at December 31, 2021:

	Net OPEB Liability	Total Deferred Outflows of Resources	Total Deferred Inflows of Resources	Total OPEB Expense
Proportionate share of				
NHRS Medical Subsidy Plan	\$ 1,234,909	\$ 68,490	\$ 15,988	\$ (127)
Town OPEB Plan	<u>668,892</u>	<u>94,459</u>	<u>171,826</u>	<u>69,704</u>
Total	<u>\$ 1,903,801</u>	<u>\$ 162,949</u>	<u>\$ 187,814</u>	<u>\$ 69,577</u>

17. Commitments and Contingencies**Outstanding Legal Issues**

On an ongoing basis, there are typically pending legal issues in which the Town is involved. The Town's management is of the opinion that the potential future settlement of these issues would not materially affect its financial statements taken as a whole.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures, which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

Encumbrances

At year-end, the Town's General Fund has \$49,357 in encumbrances that will be honored in the next fiscal year.

18. Subsequent Events

Management has evaluated subsequent events through October 31, 2022, which is the date the financial statements were available to be issued.

19. New Pronouncements

The Governmental Accounting Standards Board (GASB) has issued Statement No. 87, *Leases*, effective for the Town beginning with its fiscal year ending December 31, 2022. The Town has not evaluated the effect this statement will have on the financial statements.

TOWN OF DURHAM, NEW HAMPSHIRE

Required Supplemental Information
General Fund
Schedule of Revenues, Expenditures, and Other Sources (Uses) -
Budget and Actual
For the Year Ended December 31, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Positive (Negative)</u>
Revenues				
Property taxes	\$ 8,737,611	\$ 8,737,611	\$ 9,778,776	\$ 1,041,165
Penalties, interest, and other taxes	813,365	813,365	813,584	219
Charges for services	336,433	336,433	386,347	49,914
Intergovernmental	4,020,727	4,020,727	4,141,951	121,224
Licenses and permits	1,438,266	1,438,266	1,479,054	40,788
Investment income	2,256	2,256	2,116	(140)
Miscellaneous	575,742	575,742	685,409	109,667
Total Revenues	15,924,400	15,924,400	17,287,237	1,362,837
Expenditures				
General government	3,028,750	3,028,750	2,948,051	80,699
Public safety	8,007,950	8,007,950	7,670,801	337,149
Highways and streets	1,703,900	1,703,900	1,449,987	253,913
Sanitation	749,950	749,950	772,026	(22,076)
Health and human services	12,600	12,600	11,950	650
Welfare	20,000	20,000	42,740	(22,740)
Culture and recreation	422,150	422,150	396,570	25,580
Conservation	76,900	76,900	70,779	6,121
Debt service - principal	1,388,400	1,388,400	1,398,241	(9,841)
Debt service - interest	351,900	351,900	366,275	(14,375)
Total Expenditures	15,762,500	15,762,500	15,127,420	635,080
Excess of revenues over expenditures	161,900	161,900	2,159,817	1,997,917
Other Financing Sources (Uses)				
Transfers in	344,300	344,300	464,476	120,176
Transfers out	(1,201,200)	(1,201,200)	(1,275,798)	(74,598)
Use of fund balance to reduce taxes	695,000	695,000	695,000	-
Total Other Financing Sources (Uses)	(161,900)	(161,900)	(116,322)	45,578
Excess of revenues and other sources over expenditures, and other uses	\$ -	\$ -	\$ 2,043,495	\$ 2,043,495

See Independent Auditor's Report and Notes to Required Supplementary Information.

TOWN OF DURHAM, NEW HAMPSHIRE

Required Supplemental Information
Sewer Fund
Schedule of Revenues, Expenditures, and Other Sources (Uses) -
Budget and Actual
For the Year Ended December 31, 2021

	<u>Budgeted Amounts</u>			Varlance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	
Revenues				
Charges for services	\$ 2,182,500	\$ 2,182,500	2,091,393	(91,107)
Intergovernmental	691,000	691,000	814,180	123,180
Miscellaneous	<u>2,500</u>	<u>2,500</u>	<u>3,280</u>	<u>780</u>
Total Revenues	2,876,000	2,876,000	2,908,853	32,853
Expenditures				
Sanitation	1,436,750	1,436,750	1,244,085	192,665
Debt service	<u>1,106,400</u>	<u>1,106,400</u>	<u>1,263,861</u>	<u>(157,461)</u>
Total Expenditures	<u>2,543,150</u>	<u>2,543,150</u>	<u>2,507,946</u>	<u>35,204</u>
Excess of revenues over expenditures	<u>332,850</u>	<u>332,850</u>	<u>400,907</u>	<u>68,057</u>
Other Financing Sources (Uses)				
Transfers out	<u>(332,850)</u>	<u>(332,850)</u>	<u>(209,000)</u>	<u>123,850</u>
Total Other Financing Sources (Uses)	<u>(332,850)</u>	<u>(332,850)</u>	<u>(209,000)</u>	<u>123,850</u>
Excess of revenues and other sources over expenditures, and other uses.	\$ <u>-</u>	\$ <u>-</u>	\$ <u>191,907</u>	\$ <u>191,907</u>

See Independent Auditor's Report and Notes to Required Supplementary Information.

**Notes to Required Supplementary Information
for General Fund Budget**

Budgetary Basis

The General Fund final appropriation appearing on the previous page represents the final amended budget after all reserve fund transfers and supplemental appropriations.

Budget/GAAP Reconciliation

The budgetary data for the General Fund is based upon accounting principles that differ from GAAP. Therefore, in addition to the GAAP basis financial statements, the results of operations of the General Fund are presented in accordance with budgetary accounting principles to provide a meaningful comparison to budgetary data.

The following is a summary of adjustments made to the actual revenues, expenditures, and other financing sources (uses), to conform to the budgetary basis of accounting.

<u>General Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>
GAAP Basis	\$ 17,827,163	\$ 16,024,994	\$ (480,613)
Reverse beginning of year appropriation carryforwards from	-	(78,632)	-
Add end-of-year appropriation carryforwards from expenditures	-	49,357	-
Recognize use of fund balance as funding source to reduce tax rate	-	-	695,000
To eliminate library activity	(69,604)	(578,248)	(512,200)
To eliminate parking activity	(373,377)	(272,105)	101,272
To eliminate capital reserve activity	<u>(96,945)</u>	<u>(17,946)</u>	<u>80,219</u>
Budgetary Basis	\$ <u>17,287,237</u>	\$ <u>15,127,420</u>	\$ <u>(116,322)</u>

Sewer Fund Budget

Budgetary Basis

The Sewer Fund final appropriation appearing on page 51 represents the final amended budget after all reserve fund transfers and supplemental appropriations.

Budget/GAAP Reconciliation

The budgetary data for the Sewer Fund is based upon accounting principles that differ from GAAP. Therefore, in addition to the GAAP basis financial statements, the results of operations of the Sewer Fund are presented in accordance with budgetary accounting principles to provide a meaningful comparison to budgetary data.

The following is a summary of adjustments made to the actual revenues, expenditures, and other financing sources (uses), to conform to the budgetary basis of accounting.

<u>Sewer Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>
GAAP Basis	\$ 2,926,763	\$ 2,507,946	\$ (209,000)
To eliminate capital reserve activity	<u>(17,910)</u>	<u>-</u>	<u>-</u>
Budgetary Basis	<u>\$ 2,908,853</u>	<u>\$ 2,507,946</u>	<u>\$ (209,000)</u>

TOWN OF DURHAM, NEW HAMPSHIRE
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability
December 31, 2021
(Unaudited)

New Hampshire Retirement System

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position Percentage of the Total Pension Liability</u>
December 31, 2021	June 30, 2021	0.28964230%	\$12,836,713	\$ 7,116,162	180.39%	72.20%
December 31, 2020	June 30, 2020	0.29146748%	\$18,642,700	\$ 6,766,050	275.53%	58.72%
December 31, 2019	June 30, 2019	0.30385383%	\$14,620,397	\$ 6,595,728	221.66%	65.59%
December 31, 2018	June 30, 2018	0.29662183%	\$14,282,942	\$ 6,282,152	227.36%	64.73%
December 31, 2017	June 30, 2017	0.31273503%	\$15,380,286	\$ 6,245,115	246.28%	62.66%
December 31, 2016	June 30, 2016	0.31390000%	\$16,690,770	\$ 6,160,829	270.92%	58.30%
December 31, 2015	June 30, 2015	0.30896632%	\$12,239,784	\$ 6,004,318	203.85%	65.47%

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See notes to the Town's financial statements for summary of significant actuarial methods and assumptions.

See Independent Auditor's Report.

TOWN OF DURHAM, NEW HAMPSHIRE

Required Supplementary Information
Schedule of Pension Contributions
December 31, 2021
(Unaudited)

New Hampshire Retirement System

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to the Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
December 31, 2021	June 30, 2021	\$ 1,330,693	\$ 1,330,693	\$ -	\$ 7,190,143	18.51%
December 31, 2020	June 30, 2020	\$ 1,288,309	\$ 1,288,309	\$ -	\$ 6,842,976	18.83%
December 31, 2019	June 30, 2019	\$ 1,334,325	\$ 1,334,325	\$ -	\$ 6,767,639	19.72%
December 31, 2018	June 30, 2018	\$ 1,286,745	\$ 1,286,745	\$ -	\$ 6,419,456	20.04%
December 31, 2017	June 30, 2017	\$ 1,195,801	\$ 1,195,801	\$ -	\$ 6,264,289	19.09%
December 31, 2016	June 30, 2016	\$ 1,115,632	\$ 1,115,632	\$ -	\$ 6,074,719	18.37%
December 31, 2015	June 30, 2015	\$ 1,199,885	\$ 1,199,885	\$ -	\$ 5,982,806	20.06%

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See notes to the Town's financial statements for summary of significant actuarial methods and assumptions.

See Independent Auditor's Report.

TOWN OF DURHAM, NEW HAMPSHIRE

Required Supplementary Information
Schedules of Proportionate Share and Contributions of the Net OPEB Liability
December 31, 2021
(Unaudited)

Schedule of Proportionate Share

New Hampshire Retirement System Medical Subsidy						
Fiscal Year	Measurement Date	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position Percentage of the Net OPEB Liability
December 31, 2021	June 30, 2021	0.30837507%	\$1,234,909	\$ 7,116,162	17.35%	11.06%
December 31, 2020	June 30, 2020	0.31667999%	\$1,386,137	\$ 6,766,050	20.49%	7.74%
December 31, 2019	June 30, 2019	0.35912039%	\$1,574,424	\$ 6,595,728	23.87%	7.75%
December 31, 2018	June 30, 2018	0.34929370%	\$1,599,226	\$ 6,282,152	25.46%	7.53%
December 31, 2017	June 30, 2017	0.24393420%	\$1,115,350	\$ 6,245,115	17.86%	7.91%

Schedule of Contributions

New Hampshire Retirement System Medical Subsidy						
Fiscal Year	Valuation Date	Contractually Required Contribution	Contributions Relative to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Employee Payroll
December 31, 2021	June 30, 2021	\$ 143,606	\$ 143,606	\$ -	\$ 7,190,143	2.00%
December 31, 2020	June 30, 2020	\$ 143,653	\$ 143,653	\$ -	\$ 6,842,976	2.10%
December 31, 2019	June 30, 2019	\$ 159,399	\$ 159,399	\$ -	\$ 6,767,639	2.36%
December 31, 2018	June 30, 2018	\$ 159,345	\$ 159,345	\$ -	\$ 6,419,456	2.48%
December 31, 2017	June 30, 2017	\$ 148,489	\$ 148,489	\$ -	\$ 6,264,289	2.37%

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See notes to the Town's financial statements for summary of significant actuarial methods and assumptions.

See Independent Auditor's Report.

TOWN OF DURHAM, NEW HAMPSHIRE

Required Supplementary Information
Other Post-Employment Benefits (OPEB)
Schedule of Changes in Total OPEB Liability

(Unaudited)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability				
Service cost	\$ 63,343	\$ 50,456	\$ 43,778	\$ 46,930
Interest	15,309	23,172	28,083	24,351
Differences between expected and actual experience	(47,647)	(114,712)	(21,027)	-
Changes of assumptions	(6,120)	86,481	36,104	(27,435)
Benefit payments, including refunds of member contributions	<u>(29,411)</u>	<u>(64,126)</u>	<u>(67,889)</u>	<u>(62,860)</u>
Net change in total OPEB liability	(4,526)	(18,729)	19,049	(19,014)
Total OPEB liability - beginning	<u>673,418</u>	<u>692,147</u>	<u>673,098</u>	<u>692,112</u>
Total OPEB liability - ending	<u>\$ 668,892</u>	<u>\$ 673,418</u>	<u>\$ 692,147</u>	<u>\$ 673,098</u>
Covered employee payroll	\$ 7,190,143	\$ 6,842,976	\$ 6,767,639	\$ 6,419,456
Total OPEB liability as a percentage of covered employee payroll	9.30%	9.84%	10.23%	10.49%

Does not include New Hampshire Retirement System Medical Subsidy.

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See notes to the Town's financial statements for summary of significant actuarial methods and assumptions.

See Independent Auditor's Report.

TOWN OF DURHAM, NEW HAMPSHIRE

General Fund
Combining Schedule - General Fund Balance Sheet
December 31, 2021

	General Fund	Capital Reserve Fund	Library Fund	Parking Fund	Police Confidential Fund	Eliminate the Effect of Due To/From	Total General Fund
Assets							
Cash and short-term investments	\$ 15,168,915	\$ 65,090	\$ 244,188	\$ 6,233	\$ 1,197	\$ -	\$ 15,485,623
Investments	-	1,317,062	272,421.00	-	-	-	1,589,483
Receivables:							
Property taxes	1,031,677	-	-	-	-	-	1,031,677
Departmental and other	21,783	-	-	-	-	-	21,783
Due from other governments	19,509	25,771	-	-	-	-	45,280
Due from other funds	683,410	76,127	-	-	-	(4,376)	755,161
Other assets	100,390	-	-	-	-	-	100,390
Total Assets	\$ 17,025,684	\$ 1,484,050	\$ 516,609	\$ 6,233	\$ 1,197	\$ (4,376)	\$ 19,029,397
Liabilities							
Warrants and accounts payable	\$ 335,620	\$ -	\$ 8,269	\$ 3,512	\$ -	\$ -	\$ 347,401
Accrued liabilities	343,541	-	15,471	2,721	-	-	361,733
Unearned revenue	852,888	-	-	-	-	-	852,888
Taxes paid in advance	1,399	-	-	-	-	-	1,399
Due to other funds	9,052,245	-	4,376	-	-	(4,376)	9,052,245
Due to other governments	613	-	-	-	-	-	613
Other liabilities	388,860	-	-	-	-	-	388,860
Total Liabilities	10,975,166	-	28,116	6,233	-	(4,376)	11,005,139
Deferred Inflows of Resources							
Unavailable revenues	575,633	-	-	-	-	-	575,633
Other	50,000	-	-	-	-	-	50,000
Fund Balances							
Nonspendable	100,390	-	-	-	-	-	100,390
Restricted	2,500	-	488,493	-	1,197	-	492,190
Committed	-	1,119,918	-	-	-	-	1,119,918
Assigned	727,699	365,350	-	-	-	-	1,093,049
Unassigned	4,594,296	(1,218)	-	-	-	-	4,593,078
Total Fund Balances	5,424,885	1,484,050	488,493	-	1,197	-	7,398,625
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 17,025,684	\$ 1,484,050	\$ 516,609	\$ 6,233	\$ 1,197	\$ (4,376)	\$ 19,029,397

The accompanying notes are an integral part of these financial statements.

TOWN OF DURHAM, NEW HAMPSHIRE

Nonmajor Governmental Funds
Combining Schedule - Nonmajor Governmental Funds Balance Sheet
December 31, 2021

	Water Fund	Conservation Commission Fund	Depot Road Fund	Church Hill Rink Fund	Downtown TIF Fund	Permanent Fund	School Impact Fee Fund	Total Nonmajor Governmental Funds
Assets								
Cash and short-term investments	\$ 229,950	\$ 113,412	\$ 265,618	\$ 270,698	\$ 171,403	\$ 54,756	\$ -	\$ 1,105,837
Investments	229,890	-	-	-	-	459,631	-	689,521
Receivables:								
User fees	47,328	-	-	58,264	-	-	-	105,592
Due from other governments	-	-	-	-	-	-	-	-
Due from other funds	40,000	-	-	-	-	-	44,503	84,503
Other assets	65,919	-	-	1,068	-	-	-	66,987
Total Assets	\$ 613,087	\$ 113,412	\$ 265,618	\$ 330,030	\$ 171,403	\$ 514,387	\$ 44,503	\$ 2,052,440
Liabilities								
Warrants and accounts payable	\$ 20,466	\$ -	\$ 28	\$ 16,832	\$ -	\$ -	\$ -	\$ 37,326
Accrued liabilities	6,349	-	-	5,816	-	-	-	12,165
Other liabilities	7,549	1,063	-	-	-	-	-	8,612
Total Liabilities	34,364	1,063	28	22,648	-	-	-	58,103
Deferred Inflows of Resources								
Unavailable revenues	31,966	-	-	-	-	-	-	31,966
Fund Balances								
Nonspendable	65,919	-	-	1,068	-	-	-	66,987
Restricted	205,245	112,349	265,590	306,314	171,403	532,584	44,503	1,637,988
Committed	281,251	-	-	-	-	-	-	281,251
Assigned	39,350	-	-	-	-	-	-	39,350
Unassigned	(45,008)	-	-	-	-	(18,197)	-	(63,205)
Total Fund Balances	546,757	112,349	265,590	307,382	171,403	514,387	44,503	1,962,371
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 613,087	\$ 113,412	\$ 265,618	\$ 330,030	\$ 171,403	\$ 514,387	\$ 44,503	\$ 2,052,440

The accompanying notes are an integral part of these financial statements.

TOWN OF DURHAM, NEW HAMPSHIRE

General Fund
Combining Schedule - General Fund Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2021

	General Fund	Capital Reserve Fund	Library Fund	Parking Fund	Police Confidential Fund	Eliminate the Effect of Tax In/Out	Total General Fund
Revenues							
Property taxes	\$ 9,778,776	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,778,776
Motor vehicle permit fees	-	-	-	-	-	-	-
Penalties, interest, and other taxes	813,584	-	-	-	-	-	813,584
Charges for services	386,347	-	-	344,255	-	-	730,602
Intergovernmental	4,141,951	-	40,925	-	-	-	4,182,876
Licenses and permits	1,479,054	-	-	29,097	-	-	1,508,151
Investment income	2,116	29,985	23,230	-	-	-	55,331
Contributions	-	66,960	5,419	-	-	-	72,379
Miscellaneous	685,409	-	30	25	-	-	685,464
Total Revenues	17,287,237	96,945	69,604	373,377	-	-	17,827,163
Expenditures							
Current:							
General government	2,941,659	17,944	-	-	-	-	2,959,603
Public safety	7,661,194	-	-	272,105	-	-	7,933,299
Highways and streets	1,495,261	-	-	-	-	-	1,495,261
Sanitation	772,026	-	-	-	-	-	772,026
Health and human services	11,950	-	-	-	-	-	11,950
Welfare	42,740	-	-	-	-	-	42,740
Culture and recreation	396,570	-	578,248	-	-	-	974,818
Conservation	70,779	-	-	-	-	-	70,779
Debt service							
Principal	1,398,241	-	-	-	-	-	1,398,241
Interest	366,275	-	-	-	-	-	366,275
Total Expenditures	15,156,695	17,944	578,248	272,105	-	-	16,024,992
Excess (deficiency) of revenues over expenditures	2,130,542	79,001	(508,644)	101,272	-	-	1,802,171
Other Financing Sources/Uses							
Transfers in	464,476	-	512,200	-	-	(512,200)	464,476
Transfers out	(1,275,798)	(80,219)	-	(101,272)	-	512,200	(945,089)
Total Other Financing Sources (Uses)	(811,322)	(80,219)	512,200	(101,272)	-	-	(480,613)
Change in fund balance	1,319,220	(1,218)	3,556	-	-	-	1,321,558
Excess (deficiency) of revenues and other sources over expenditures and other uses							
Fund Balance, at Beginning of Year	4,105,665	1,485,268	484,937	-	1,197	-	6,077,067
Fund Balance, at End of Year	\$ 5,424,885	\$ 1,484,050	\$ 488,493	\$ -	\$ 1,197	\$ -	\$ 7,398,625

The accompanying notes are an integral part of these financial statements.

TOWN OF DURHAM, NEW HAMPSHIRE

Nonmajor Governmental Funds
Combining Schedule - Nonmajor Governmental Funds Revenues, Expenditures, and Changes In Fund Balances
For the Year Ended December 31, 2021

	Water Fund	Conservation Commission Fund	Depot Road Fund	Church Hill Rink Fund	Downtown TIF Fund	Permanent Trust Fund	School Impact Fee Fund	Total Nonmajor Funds
Revenues								
Property taxes	\$ -	\$ 46,800	\$ -	\$ -	\$ 171,403	\$ -	\$ -	\$ 218,203
Penalties, interest and other taxes	4,332	-	-	-	-	-	-	4,332
Charges for services	1,084,495	-	30,704	297,171	-	-	-	1,412,370
Intergovernmental	17,024	-	-	-	-	-	-	17,024
Licenses and permits	-	-	93,951	-	-	-	-	93,951
Investment income	5,008	17	-	-	-	9,869	494	15,388
Contributions	-	-	-	-	-	2,435	14,796	17,231
Miscellaneous	20,290	400	25	4,656	-	8,928	-	34,299
Total Revenues	1,131,149	47,217	124,680	301,827	171,403	21,232	15,290	1,812,798
Expenditures								
Current:								
General government	-	-	-	-	-	3,036	-	3,036
Public safety	-	-	18,565	-	-	-	-	18,565
Water distribution and treatment	666,808	-	-	-	-	-	-	666,808
Culture and recreation	-	-	-	235,394	-	-	-	235,394
Miscellaneous	-	14,527	-	-	-	-	-	14,527
Debt service:								
Principal	253,655	-	-	-	-	-	-	253,655
Interest	79,469	-	-	-	-	-	-	79,469
Total Expenditures	999,332	14,527	18,565	235,394	-	3,036	-	1,271,454
Excess (deficiency) of revenues over expenditures	131,217	32,690	106,115	66,433	171,403	18,196	15,290	541,344
Other Financing Sources/Uses								
Transfers in	40,000	-	-	-	-	-	-	40,000
Transfers out	(177,529)	-	(95,503)	-	(674,578)	-	(714,194)	(1,661,804)
Total Other Financing Sources/Uses	(137,529)	-	(95,503)	-	(674,578)	-	(714,194)	(1,621,804)
Change in fund balance	(6,312)	32,690	10,612	66,433	(503,175)	18,196	(698,904)	(1,080,460)
Fund Balance, at Beginning of Year	553,069	79,659	254,978	240,349	674,578	496,191	743,407	3,042,831
Fund Balance, at End of Year	\$ 546,757	\$ 112,349	\$ 265,590	\$ 307,382	\$ 171,403	\$ 514,387	\$ 44,503	\$ 1,962,371

The accompanying notes are an integral part of these financial statements.

AGENDA ITEM: **# 12A**

DATE: November 21, 2022

COUNCIL COMMUNICATION

INITIATED BY: Melanson C{As. Manchester, NH
Gail Jablonski, Business Manager

AGENDA ITEM: PRESENTATION OF THE 2021 AUDIT REPORT – MELANSON
HEATH AND COMPANY, NASHUA, NH

CC PREPARED BY: Jennie Berry, Administrative Assistant

PRESENTED BY: Scott McIntire, Melanson C{As. Manchester, NH
Gail Jablonski, Business Manager

AGENDA DESCRIPTION:

Council members have been provided with copies of the Independent Auditor's Report for the Fiscal Year ending December 31, 2021, prepared by Melanson CPAs from Manchester, NH. Scott McIntire will attend Monday evening's meeting via Zoom to provide a brief presentation and to answer any questions Councilors may have relative to the audit report.

LEGAL AUTHORITY:

Section 4.10(D) of the Town Charter states: *"The Town Council, after inviting requests for proposals and appropriate verification of qualifications, experience and integrity, shall select a certified public accountant or firm of the same who shall perform an annual audit of all town financial transactions after the close of each fiscal year. Said audit shall include all revenues, expenditures and accounts maintained by any officer, elected or appointed, agency, board, commission or recipient of town funds; may include a compliance audit to ensure conformity with any state or federal laws and regulations and town work programs and policies; and shall include a management letter setting forth recommendations for changes and improvements in finance management systems as are deemed necessary".*

LEGAL OPINION:

N/A

FINANCIAL DETAILS:

Please refer to the 2021 Audit Report.

SUGGESTED ACTION OR RECOMMENDATIONS:

No formal action is required. Receive audit report presentation from Scott McIntire of Melanson CPAs. Manchester, NH and hold a question-and-answer session if desired.



TOWN OF DURHAM
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AGENDA ITEM: # 12B

DATE: November 21, 2022

COUNCIL COMMUNICATION

INITIATED BY: Todd I. Selig, Administrator

AGENDA ITEM: RECEIVE REPORT ON STRAFFORD COUNTY OPERATIONS,
BUDGET AND TAX RATE FROM COMMISSIONER CHAIR
GEORGE MAGLARAS AND COUNTY ADMINISTRATOR
RAYMOND BOWER

CC PREPARED BY: Jennie Berry, Administrative Assistant

PRESENTED BY: George Maglaras, Commission Chair
Raymond Bower, County Administrator

AGENDA DESCRIPTION:

George Maglaras, Commission Chair, and Raymond Bower, County Administrator, have been invited to attend Monday night's Town Council meeting to provide a report on the Strafford County's Operations, Budget, and Tax Rate.

LEGAL AUTHORITY:

N/A

LEGAL OPINION:

N/A

FINANCIAL DETAILS:

N/A

SUGGESTED ACTION OR RECOMMENDATIONS:

No formal action required. Receive presentation from the Strafford County Commission Chair and County Administrator and hold a question-and-answer session if desired.



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13A

AGENDA ITEM:

DATE: November 21, 2022

COUNCIL COMMUNICATION

INITIATED BY: David F. Emanuel, Fire Chief

AGENDA ITEM: PUBLIC HEARING AND ACTION ON RESOLUTION #2022-23 TO ACCEPT AND EXPEND UNANTICIPATED GRANT FUNDS TOTALING \$12,290.33 TO REIMBURSE THE TOWN OF DURHAM FOR THE COST OF FIRE DEPARTMENT PERSONNEL TO ATTEND TRENCH RESCUE TECHNICIAN TRAINING

CC PREPARED BY: Kelley Fowler, Fire Department Administrative Assistant

PRESENTED BY: David F. Emanuel, Fire Chief

AGENDA DESCRIPTION:

The Durham Fire Department partnered with the NH Division of Fire Standards & Training to host a Trench Rescue Technician course in Durham. The Trench Rescue Technician course is an intense hands-on 32-hour program featuring a combination of classroom and practical evolutions designed to provide the knowledge and practical skills necessary to safely and legally mitigate a trench collapse or excavation emergency and had been identified as a need for the department.

The Trench Rescue Technician training course meets the training objectives of NFPA 1006 and/or 1670, Chapter 11, to the Technician Level. The course covers topics such as rescuer and team safety, preplanning, equipment selection, atmospheric monitoring, personal protective equipment, patient packaging and recovery, OSHA regulations addressing trenches and excavations, assessing soil composition and stability, stabilization and shoring using heavy timber and pneumatic shoring equipment and emergency shoring of straight, "L", "T", and deep (12'-16') trenches.

The NH Department of Safety Grants Management Unit Homeland Security Grant Program provides reimbursement intended to make a community "whole" and allows municipalities to receive reimbursement to cover the cost of overtime and/or backfill, along with benefits. Backfill is payment to cover personnel who are paid overtime to cover a duty shift for another member who is on-duty and receiving straight time to attend the training.



Six (6) Durham fire department personnel attended and completed the technical rescue training program. The department submitted a request to the grant program and has been awarded the funding allocation.

At its meeting on November 7, 2022, the Town Council moved this resolution on First Reading and scheduled a Public Hearing for its meeting on Monday, November 21, 2022. A Public Hearing notice was published in the Foster's/Seacoast Online on November 10, 2022. The notice was also posted on the outside bulletin board at Town Hall, as well as at the Durham Public Library and Department of Public Works.

LEGAL AUTHORITY:

New Hampshire Revised Statutes Annotated (RSA) 31:95-b authorizes the Town Council to apply for, accept and expend, without further action by the town or village district meeting, unanticipated money from the state, federal or other governmental unit or a private source which becomes available during the fiscal year if they first adopt an article authorizing this authority indefinitely until specific rescission of such authority. On July 12, 1999, the Town Council adopted Resolution #99-19 granting this authority to the Town Council.

RSA 31:95 III. (a) states that: **"For unanticipated moneys in the amount of \$10,000 or more, the selectmen or board of commissioners shall hold a public hearing on the action to be taken.** Notice of the time, place and subject of such hearing shall be published in a newspaper of general circulation in the relevant municipality at least 7 days before the hearing is held."

LEGAL OPINION:

N/A

FINANCIAL DETAILS:

The Town of Durham has been awarded a grant of \$12,290.33 from the NH Department of Safety Homeland Security Grant to be used as reimbursement to the Town of Durham for Fire Department personnel to attend Trench Rescue Technician Training.

SUGGESTED ACTION OR RECOMMENDATIONS:

MOTION #1

The Durham Town Council does hereby OPEN the Public Hearing on Resolution #2022-23 authorizing the acceptance and expenditure of unanticipated grant funding totaling \$12,290.33 to be used as reimbursement to the Town of Durham to cover the cost of Fire Department personnel to attend Trench Rescue Technician training.

MOTION #2

The Durham Town Council does hereby CLOSE the Public Hearing on Resolution #2022-23 authorizing the acceptance and expenditure of unanticipated grant funding totaling \$12,290.33 to be used as reimbursement to the Town of Durham to cover the cost of Fire Department personnel to attend Trench Rescue Technician training

MOTION #3

The Durham Town Council does hereby ADOPT (as presented/as amended) Resolution #2022-23 authorizing the acceptance and expenditure of unanticipated grant funding totaling \$12,290.33 to be used as reimbursement to the Town of Durham to cover the cost of Fire Department personnel to attend Trench Rescue Technician training

RESOLUTION #2022-23 OF DURHAM, NEW HAMPSHIRE

AUTHORIZING THE ACCEPTANCE AND EXPENDITURE OF A \$12,290.33 NEW HAMPSHIRE DEPARTMENT OF SAFETY HOMELAND SECURITY GRANT AS REIMBURSEMENT TO THE TOWN OF DURHAM FOR FIRE DEPARTMENT PERSONNEL TO ATTEND TRENCH RESCUE TECHNICIAN TRAINING

WHEREAS, the Durham Fire Department identified a Trench Rescue Technician training program as a priority for firefighter training, which is designed for fire and rescue personnel who may encounter trench rescues as part of their duties and responsibilities; and

WHEREAS, the Trench Rescue Technician training course is an intense hands-on 32 hour program featuring a combination of classroom learning and practical evolutions designed to provide the knowledge and practical skills necessary to safely and legally mitigate a trench collapse or excavation emergency; and

WHEREAS, in April 2022 the Fire Department was notified that the Department was selected to host a Trench Rescue Technician course to be held in Durham from June 1 through June 4, 2022; and

WHEREAS, the NH Department of Safety Grants Management Unit Homeland Security Grant Program provides reimbursement intended to make a community “whole” and allows municipalities to receive reimbursement to cover the cost of overtime and/or backfill, along with benefits. Backfill is payment to cover personnel who are paid overtime to cover a duty shift for another member who is on-duty and receiving straight time to attend the training; and

WHEREAS, six members of the Fire Department attended the four-day training program and received certifications as Trench Rescue Technicians; and

WHEREAS, on or about June 30, 2022, the Fire Department submitted an invoice to the NH Division of Fire Standards & Training in the amount of \$12,290.33 which represents the cost to the Town of Durham for hourly wages and benefits for the personnel who either attended the training or who worked overtime (backfill) to cover for on-duty shift members;

WHEREAS, on July 12, 1999, the Durham Town Council approved Resolution #99-19 adopting the provisions of RSA 31:95-b authorizing the Town Council to apply for, accept, and expend unanticipated funds from a federal, state, or other governmental unit or a private source which becomes available during the Fiscal Year; and

WHEREAS, Council approval is required for the acceptance and expenditure of these funds; and

WHEREAS, RSA 31:95-b III(a) requires that a Public Hearing be held on unanticipated funds in excess of \$10,000; and

WHEREAS, on Monday, November 21, 2022, a duly posted and published Public Hearing was held by the Durham Town Council on the \$12,290.33 grant monies in accordance with RSA 31:95-b;

NOW, THEREFORE, BE IT RESOLVED, that the Durham Town Council, the governing and legislative body of the Town of Durham, New Hampshire does hereby adopt **Resolution #2022-23** authorizing the acceptance and expenditure of a \$12,290.33 Trench Rescue Technician Program Grant from the New Hampshire Department of Safety Homeland Security Grant as reimbursement to the Town of Durham for Fire Department personnel to attend the training program.

PASSED AND ADOPTED by the Town Council of the Town of Durham, New Hampshire this ____ day of **November, 2022** by _____ affirmative votes, _____ negative votes, and _____ abstentions.

Katherine A. Marple, Chairman
Durham Town Council

ATTEST:

Lorrie Pitt, Town Clerk-Tax Collector



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13B

AGENDA ITEM:

DATE: November 21, 2022

COUNCIL COMMUNICATION

INITIATED BY: David F. Emanuel, Fire Chief

AGENDA ITEM: PUBLIC HEARING AND ACTION ON RESOLUTION #2022-24
AUTHORIZING THE ACCEPTANCE AND EXPENDITURE OF LOCAL
FISCAL RECOVERY FUNDS (LFRF) FROM THE STATE OF NH UNDER
THE FEDERAL AMERICAN RESCUE PLAN ACT OF 2021 IN AN AMOUNT
UP TO \$36,051 TO BE USED FOR THE PURCHASE OF A LUCAS
CHEST COMPRESSION SYSTEM AND HOLMATRO RESCUE TOOL, AND
AUTHORIZING THE TOWN ADMINISTRATOR TO SIGN AND SUBMIT ALL
NECESSARY PAPERWORK ON BEHALF OF THE TOWN OF DURHAM

CC PREPARED BY: Kelley Fowler, Fire Department Administrative Assistant

PRESENTED BY: David F. Emanuel, Fire Chief

AGENDA DESCRIPTION:

Established by the American Rescue Plan Act (ARPA), funds were appropriated to offer aid to eligible county and city/town governments to respond to the COVID-19 emergency.

The State of New Hampshire Governor's Office for Emergency Relief and Recovery (GOFERR) notified municipalities that applications may be submitted through the Locality Equipment Purchase Program (LEPP) which provides support of up to \$50,000 per New Hampshire locality (cities and towns) for purchasing safety and emergency equipment needed as a result of, or in response to, the health crisis and its negative effects.

Any reimbursed costs must be allowable expenses under the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Fund and purchases must be for safety and/or public health response and prevention equipment expenditures that have assisted or will assist the locality is responding, or being prepared, to respond to COVID-19 situations. Additionally, a ten (10%) percent match from each locality is required.

Eligible Equipment must meet the definition of 2 CFR 200.33, which establishes a minimum value of \$250 for equipment to qualify and it must be for safety and/or public health response and prevention equipment expenditures that have assisted or will assist the locality is responding or being prepared to respond to COVID-19. The

cost of the equipment must not have been reimbursed or covered by other state or federal programs or agencies. Although automatically qualified for up to the amount of the award that has been calculated, localities must still submit details and documentation on what specific equipment will be or has been purchased and the reason for the expenditure, including the COVID-19 connection.

On or about April 5, 2022, the Fire Department submitted a two-part grant application under the GOFERR LEPP program for two separate pieces of equipment. The first part of the submission requested reimbursement for a Lucas Chest Compression System (Lucas Auto CPR device) that was purchased by the Fire Department in December 2021. The second part of the submission requested funds for a Holmatro Rescue Tool which has since been purchased, but not yet delivered.

The Lucas Auto CPR device allows first responders to provide optimal care to patients experiencing a cardiac emergency by providing an extra pair of hands to maintain chest compressions to deliver consistent and accurate compressions, as well as to reduce provider fatigue over long duration CPR events. The Lucas Auto CPR device also helps reduce the number of personnel required for a cardiac event, thus reducing potential COVID-related exposures.

Since 2019, the Fire Department has run a Lucas Auto CPR device on the primary EMS response vehicle. Purchasing a second Lucas device allowed the Department to place a Lucas device on the first due Advanced Life Support (ALS) engine which frequently responds to medical events when the primary EMS response unit is tied up on a previous call. The second Lucas Auto CPR device with accessories and accompanying service contract, was purchased in December 2021 for a purchase price of \$19,682.

The Holmatro PCT50 Pentheon Battery Combi Rescue Tool is a compact cordless battery powered rescue tool that will be deployed on Rescue 5. The fire department responds to an average of 62 motor vehicle collisions per year, many of which are dispatched as medical aid responses. This equipment acquisition will assist firefighters with the deployment of a compact rescue tool on the first-due medical response apparatus to enhance the department's rescue and extrication capabilities.

GOFERR LEPP funds were also requested to purchase a Holmatro PCT50 Pentheon Battery Combi Rescue Tool in the amount of \$20,954, including accessories and a service contract.

On June 6, 2022, the Fire Department was notified by the Governor's Office that the Department's LEPP application submission was approved and funds were awarded in the amount of \$36,051 subject to final approval of the Governor and Executive Council, which was subsequently approved on June 15, 2022.

At its meeting on November 7, 2022, the Town Council moved this resolution on First Reading and scheduled a Public Hearing for its meeting on Monday, November 21, 2022. A Public Hearing notice was published in the *Foster's/Seacoast Online* on

November 10, 2022. The notice was also posted on the outside bulletin board at Town Hall, as well as at the Durham Public Library and Department of Public Works.

LEGAL AUTHORITY:

New Hampshire Revised Statutes Annotated (RSA) 31:95-b authorizes the Town Council to apply for, accept and expend, without further action by the town or village district meeting, unanticipated money from the state, federal or other governmental unit or a private source which becomes available during the fiscal year if they first adopt an article authorizing this authority indefinitely until specific rescission of such authority. On July 12, 1999, the Town Council adopted Resolution #99-19 granting this authority to the Town Council.

RSA 31:95 III. (a) states that: **“For unanticipated moneys in the amount of \$10,000 or more, the selectmen or board of commissioners shall hold a public hearing on the action to be taken.** Notice of the time, place and subject of such hearing shall be published in a newspaper of general circulation in the relevant municipality at least 7 days before the hearing is held.”

LEGAL OPINION:

N/A

FINANCIAL DETAILS:

The Town of Durham has been awarded a funds of \$36,051 Local Fiscal Recovery Funds from the State of New Hampshire under the American Rescue Plan Act of 2021 for the purchase of a Lucas Chest Compression System and Holmatro Rescue Combi Tool.

SUGGESTED ACTION OR RECOMMENDATIONS:

MOTION #1

The Durham Town Council does hereby OPEN the Public Hearing on Resolution #2022-24 authorizing the acceptance and expenditure of unanticipated grant funding totaling \$36,051 to be used for the purchase of a Lucas Chest Compression System and Holmatro Rescue Tool.

MOTION #2

The Durham Town Council does hereby CLOSE the Public Hearing on Resolution #2022-24 authorizing the acceptance and expenditure of unanticipated grant funding totaling \$36,051 to be used for the purchase of a Lucas Chest Compression System and Holmatro Rescue Tool.

MOTION #3

The Durham Town Council does hereby ADOPT (as presented/as amended) Resolution #2022-24 authorizing the acceptance and expenditure of unanticipated grant funding totaling \$36,051 to be used for the purchase of a Lucas Chest Compression System and Holmatro Rescue Tool.

RESOLUTION #2022-24 OF DURHAM, NEW HAMPSHIRE

AUTHORIZING THE ACCEPTANCE AND EXPENDITURE OF LOCAL FISCAL RECOVERY FUNDS (LFRF) FROM THE STATE OF NH UNDER THE FEDERAL AMERICAN RESCUE PLAN ACT OF 2021 IN AN AMOUNT UP TO \$36,051 TO BE USED FOR THE PURCHASE OF A LUCAS CHEST COMPRESSION SYSTEM AND HOLMATRO RESCUE TOOL, AND AUTHORIZING THE TOWN ADMINISTRATOR TO SIGN AND SUBMIT ALL NECESSARY PAPERWORK ON BEHALF OF THE TOWN OF DURHAM

WHEREAS, the Town of Durham submitted an application, dated April 5, 2022, to the State of New Hampshire Governor's Office for Emergency Relief and Recovery (GOFERR) for American Rescue Plan Act Funds under the Locality Equipment Purchase Program (LEPP); and

WHEREAS, on June 6, 2022 the Town of Durham was informed that it had been allocated up to \$36,051.00 under this program; and

WHEREAS, reimbursed costs must be allowable expenses under the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Fund and purchases must be for safety and/or public health response and prevention equipment expenditures that have assisted or will assist the locality is responding, or being prepared, to respond to COVID-19 situations; and

WHEREAS, the Town has determined these allocated funds will be used for the purchase of a Lucas Chest Compression System and a Holmatro Rescue Tool; and

WHEREAS, on July 12, 1999, the Durham Town Council approved Resolution #99-19 adopting the provisions of RSA 31:95-b authorizing the Town Council to apply for, accept, and expend unanticipated funds from a federal, state, or other governmental unit or a private source which becomes available during the Fiscal Year; and

WHEREAS, Council approval is required for the acceptance and expenditure of these funds; and

WHEREAS, RSA 31:95-b III(a) requires that a Public Hearing be held on unanticipated funds in excess of \$10,000; and

WHEREAS, on Monday, November 21, 2022, a duly posted and published Public Hearing was held by the Durham Town Council on \$36,051 in Local Fiscal Recovery Funds in accordance with RSA 31:95-b;

NOW, THEREFORE, BE IT RESOLVED, that the Durham Town Council, the governing and legislative body of the Town of Durham, New Hampshire does hereby adopt **Resolution #2022-24** authorizing the acceptance and expenditure Local Fiscal Recovery Funds from the State of New Hampshire under the Federal American Rescue Plan Act of 2021 in an amount up to \$36,051 and authorizes the Town Administrator to sign and submit appropriate paperwork on behalf of the Town of Durham.

PASSED AND ADOPTED by the Town Council of the Town of Durham, New Hampshire this ____ day of **November, 2022** by _____ affirmative votes, _____ negative votes, and _____ abstentions.

Katherine A. Marple, Chairman
Durham Town Council

ATTEST:

Lorrie Pitt, Town Clerk-Tax Collector



TOWN OF DURHAM
3 NEWMARKET ROAD
DURHAM, NH

Tel: 603-868-5571

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AGENDA ITEM:

13C

DATE: **November 21, 2022**

COUNCIL COMMUNICATION

INITIATED BY:

Gail Jablonski, Business Manager

AGENDA ITEM:

**PUBLIC HEARING AND ACTION ON RESOLUTION #2022-25
AUTHORIZING THE ISSUANCE OF LONG-TERM DEBT NOT TO
EXCEED TWO MILLION, NINE Hundred and Forty-One
Thousand, Seven Hundred and Forty Dollars
(\$2,941,740) FOR THE PURPOSE OF BONDING VARIOUS
2014-2022 CAPITAL PROJECTS AND EQUIPMENT
PURCHASES**

CC PREPARED BY:

Gail Jablonski, Business Manager
Todd Selig, Administrator

PRESENTED BY:

Gail Jablonski, Business Manager
Todd I. Selig, Administrator

AGENDA DESCRIPTION:

The Town of Durham will be joining other communities in the Fall 2022 NH Municipal Bond Bank sale. It is anticipated with the larger total of funds to be bonded interest rates will be more competitive than if the Town went out on its own. The Town will be responsible for fees payable to our Bond Counsel, Devine, Millimet & Branch, in the range of \$5,000-\$7,500.

The following are items requested to be bonded listed by budget year, as well as the status of each project.

2014 Capital Fund Budget – Resolution 2013-28 passed December 16, 2013

Project Description	Amount Budgeted for Bonding	Project Status	Amount Requested
Wiswall Dam		Engineering	
Spillway	\$70,000	Ongoing	\$18,350



2019 Capital Fund Budget – Resolution 2018-23 passed December 12, 2018

Project Description	Amount Budgeted for Bonding	Project Status	Amount Requested
Radio Simulcast Program – Police	\$64,000	Ongoing	\$64,000
Radio Simulcast Program – Fire	\$64,000	Ongoing	\$64,000
Parking Service Software	\$66,000	Completed 2020	\$49,035
Collection System Upgrades - WW	\$50,000	Ongoing	\$50,000

2020 Capital Fund Budget – Resolution 2019-29 passed December 15, 2019

Project Description	Amount Budgeted for Bonding	Project Status	Amount Requested
WW Odor Control Project	\$425,000	Ongoing	\$425,000

2021 Capital Fund Budget – Resolution 2020-21 passed December 22, 2020

Project Description	Amount Budgeted for Bonding	Project Status	Amount Requested
Radio Simulcast Program – Police	\$68,000	Ongoing	\$68,000
Radio Simulcast Program – Police	\$665,000	Ongoing	\$215,000
Radio Simulcast Program – Fire	\$68,000	Ongoing	\$68,000
Radio Simulcast Program – Fire	\$720,000	Ongoing	\$270,000
Courthouse/Old Town Hall Renovations	\$37,000	A/C Replaced	\$8,000
66 Main Street Site Work	\$850,000	Site Work for Parking	\$40,000
WW Odor Control Project	\$425,000	Ongoing	\$425,000

2022 Capital Fund Budget – Resolution 2021-15 passed December 20, 2021

Project Description	Amount Budgeted for Bonding	Project Status	Amount Requested
Assessing Full Revaluation	\$75,000	Ongoing	\$75,000
Courthouse/Old Town Hall Renovations	\$37,000	Boiler Replaced	\$37,000
Dump Truck Replacement	\$234,225	Delivery Anticipated March 2023	\$234,225
Roadway Sweeper Replacement	\$237,630	Delivery Anticipated January 2023	\$237,630
¾ Ton Pickup Replacement	\$47,000	Delivery Anticipated February 2023	\$47,000
Skid Steer Replacement	\$54,000	Received August 2022	\$54,000
Water Utility 1 Ton Truck Replacement	\$67,500	Delivery Anticipated February 2023	\$67,500
WW Odor Control Project	\$425,000	Ongoing	\$425,000

Attached for the Council's information and consideration is a draft resolution authorizing the issuance of long-term debt not to exceed Two Million, Nine Hundred and Forty-One Thousand, Seven Hundred and Forty Dollars (\$2,941,740).

At its meeting on November 7, 2022, the Town Council moved this resolution on First Reading and scheduled a Public Hearing for its meeting on Monday, November 21, 2022. A Public Hearing notice was published in the *Foster's/Seacoast Online* on November 10, 2022. The notice was also posted on the outside bulletin board at Town Hall, as well as at the Durham Public Library and Department of Public Works.

LEGAL AUTHORITY:

Section 5.12 of the Durham Town Charter enables the Town Council to approve the issuance of bonds or notes for less than \$2,300,000 per issue after holding a duly advertised public hearing and further stipulates that for the purposes of borrowing, the Town of Durham shall have all the powers and duties vested with a city. NH RSA 33:9 authorizes the issuance of bonds by a city, by resolution of the Council, **passed by at least 2/3 of all Council members.**

LEGAL OPINION:

Renelle L'Huillier, Bond Counsel for the Town of Durham, is working with the Business Office on this issue and will be offering a legal opinion to prospective bond buyers as to whether all laws and policies have been followed.

FINANCIAL DETAILS:

The total amount of bonding will be distributed as follows:

General Fund	\$1,441,855
Water Fund	\$ 85,850
Wastewater Fund	\$1,325,000
TIF District	\$ 40,000

SUGGESTED ACTION OR RECOMMENDATIONS:

MOTION #1

The Durham Town Council does hereby OPEN the Public Hearing on Resolution #2022-25 authorizing the acceptance and expenditure of unanticipated grant funding totaling \$36,051 to be used for the purchase of a Lucas Chest Compression System and Holmatro Rescue Tool.

MOTION #2

The Durham Town Council does hereby CLOSE the Public Hearing on Resolution #2022-25 authorizing the acceptance and expenditure of unanticipated grant funding totaling \$36,051 to be used for the purchase of a Lucas Chest Compression System and Holmatro Rescue Tool.

MOTION #3

The Durham Town Council does hereby ADOPT (as presented) (as amended) Resolution #2022-25 authorizing the acceptance and expenditure of unanticipated grant funding totaling \$36,051 to be used for the purchase of a Lucas Chest Compression System and Holmatro Rescue Tool. AT LEAST 2/3 VOTE OF ALL COUNCIL MEMBERS.

RESOLUTION #2022-25 OF DURHAM, NEW HAMPSHIRE

AUTHORIZING THE ISSUANCE OF LONG-TERM BONDS OR NOTES NOT TO EXCEED TWO MILLION, NINE HUNDRED AND FORTY-ONE THOUSAND, SEVEN HUNDRED AND FORTY DOLLARS (\$2,941,740) FOR THE PURPOSE OF BONDING 2014-2022 CAPITAL PROJECTS AND EQUIPMENT PURCHASES

WHEREAS, the Durham Town Council approved Resolution 2013-28 on December 16, 2013 approving the Capital Fund Budget for 2014 with \$3,502,883 proposed for bonding or leasing; and

WHEREAS, the Durham Town Council approved Resolution 2018-23 on December 12, 2018 approving the Capital Fund Budget for 2019 with \$4,731,818 proposed for bonding or leasing; and

WHEREAS, the Durham Town Council approved Resolution 2019-29 on December 15, 2019 approving the Capital Fund Budget for 2020 with \$1,812,500 proposed for bonding or leasing; and

WHEREAS, the Durham Town Council approved Resolution 2020-21 on December 22, 2020 approving the Capital Fund Budget for 2021 with \$5,147,200 proposed for bonding or leasing; and

WHEREAS, the Durham Town Council approved Resolution 2021-15 on December 20, 2021 approving the Capital Fund Budget for 2022 with \$3,630,500 proposed for bonding or leasing; and

WHEREAS, on May 9, 2022 the Durham Town Council approved the hiring of Municipal Resources, Inc. to perform a full revaluation of the Town of Durham, the amount of **\$75,000** is requested to be bonded; and

WHEREAS, on December 20, 2021, the Durham Town Council approved the awarding of the Radio Simulcast Program to Motorola Solutions, Inc., the amount of **\$749,000** is requested to be bonded; and

WHEREAS, the boiler system in the Courthouse/Old Town Hall was recently replaced and the building is in need of other major repairs, the amount of **\$45,000** is requested to be bonded; and

WHEREAS, on June 6, 2022 the Durham Town Council awarded the purchase of a new Dump Truck to Allegiance Trucks and the purchase of a swap loader dump truck body to Viking Cives, the total amount of **\$234,225** is requested to be bonded; and

WHEREAS, on May 16, 2022 the Durham Town Council awarded the purchase of an Elgin Pelican Three Wheel Street Sweeper to C. N. Wood Co., Inc. the amount of **\$237,630** is requested to be bonded; and

WHEREAS, the Public Works Department has awarded the purchase of a 2022 Ford F250 4x4 pickup truck to McFarland Ford Sales, Inc., and the purchase of a Composite Service Body and Snow Plow to Messer Truck Equipment, the total amount of **\$47,000** is requested to be bonded; and

WHEREAS, the Public Works Department purchased a 2022 Cat Skid Steer from Southworth-Milton, Inc. in August 2022, the amount of **\$54,000** is requested to be bonded; and

WHEREAS, in 2020 the Police Department purchased TickeTrak Parking Software from Cardinal Tracking, Inc., the amount of **\$49,035** is requested to be bonded; and

WHEREAS, the Public Works Department contracted with Pare Corporation to perform an assessment and stabilization analysis of the Wiswall Dam Spillway, the amount of **\$18,350** is requested to be bonded; and

WHEREAS, the Public Works Department has awarded the purchase of a 2022 Ford F-350 Chassis 4x4 for the Water Department from McFarland Ford Sales, Inc., as well as the purchase of a Venturo Crane, Composite Service Body and Snow Plow to Messer Truck Equipment, the total amount of **\$67,500** is requested to be bonded; and

WHEREAS, the Public Works Department contracted with Wright-Pierce Engineering for engineering services on the Edgewood Road Sewer Main and Green Mountain Pipeline Services for cleaning and tv inspection of lines, the amount of **\$50,000** is requested to be bonded; and

WHEREAS, on April 4, 2022 the Durham Town Council awarded the WWTP Odor Control Project to Apex Construction and the engineering inspection services to Wright-Pierce Engineering, the amount of **\$1,275,000** is requested to be bonded; and

WHEREAS, 66 Main Street was purchased in May of 2021 and the Public Works Department has spent additional funds on upgrading the area to allow for parking, the amount of **\$40,000** is requested to be bonded; and

WHEREAS, Section 5.12 of the Durham Town Charter enables the Town Council to approve the issuance of bonds or notes for less than \$2,300,000 after holding a duly advertised public hearing and further stipulates that for the purposes of borrowing, the Town of Durham shall have all the powers and duties vested with a city; and

WHEREAS, on Monday, November 21, 2022, the Town Council held a duly advertised and posted Public Hearing on Resolution #2022-25; and

WHEREAS, NH RSA 33:9 authorizes the issuance of bonds by a city, by resolution of the Council, passed by at least 2/3 of all Council members,

NOW, THEREFORE, BE IT RESOLVED, that the Durham Town Council, the governing and legislative body of the Town of Durham, New Hampshire hereby approves **Resolution #2022-25** and authorizes the Treasurer to issue bonds or notes pursuant to the Municipal Finance Act, RSA 33, in an amount not to exceed Two Million, Nine Hundred and Forty-one Thousand and Seven Hundred and Forty Dollars (\$2,941,740) for the purpose of financing 2014-2022 Capital Projects and Equipment Purchases.

PASSED AND ADOPTED this 21st day of November, 2022 by a **Two-Thirds (2/3)** vote of the Durham Town Council with _____ affirmative votes, _____ negative votes , and _____ abstentions.

Katherine Marple, Chair
Durham Town Council

ATTEST:

Lorrie Pitt, Town Clerk-Tax Collector



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13D

AGENDA ITEM:

DATE: November 21, 2022

COUNCIL COMMUNICATION

INITIATED BY: Jim Lawson, Town Councilor

AGENDA ITEM: DISCUSSION OF CHANGES RECOMMENDED BY THE PLANNING BOARD
FOR A FUTURE FIRST READING OF A NEW SOLAR ORDINANCE IN
JANUARY 2023

CC PREPARED BY: Jim Lawson, Town Councilor

PRESENTED BY: Jim Lawson, Town Councilor

BACKGROUND:

The Town Council referred a draft ordinance for Solar Energy Systems to the Planning Board for review and comment in May. The Planning Board held a Public Hearing on the ordinance during a Special Meeting on September 21, 2022. As councilors are aware, the Planning Board's schedule has been extremely busy, and the Board scheduled this Special Meeting so that a presentation on the Solar Ordinance and subsequent Public Comments could be received at a reasonable hour without time constraints. Subsequent discussions on the ordinance were held by the Planning Board culminating in the recommendations provided in Attachment 1 of this Council Communication.

The Planning Board provided a list of specific changes that are recommended, and Michael Behrendt assisted with both documenting the changes and improving the clarity of the ordinance where necessary. Many of the changes are non-substantive *but* still important as they improve the accuracy, clarity, and readability of the Ordinance. The board allowed me to be present to answer questions and provide comments when requested. Their approach, in my opinion, was pragmatic and not distracted by superfluous "what-if" questions and scenarios. This resulted in recommendations that substantively improve the Ordinance.

Attachment 2 is the Town Council's original draft incorporating the Planning Board's recommendations. Non-substantive changes are shown as **green text** (additions) and **orange strike-through text** (deletions). Substantive changes are shown as **blue text**

Re: Discussion on Changes Recommended by the PB for First Reading of New Solar Ord.

(additions) and ~~red strikethrough text~~ (deletions). Additional background is provided in this communication on the substantive changes.

Substantive Changes Recommended by the Planning Board

1. Freestanding Solar Should not be permitted in the WCOD and SPOD

The Durham Conservation Commission discussed the Solar Ordinance at their August 8, 2022, meeting. The commission recommended to the Planning Board that freestanding solar arrays not be permitted in the Wetland Conservation or the Shoreline Protection Overlay Districts. The Planning Board accepted this recommendation.

Key Considerations for the Town Council

Freestanding solar arrays are an intensive land use not only because of the installation requirements (excavation, trenching etc.) but also the ongoing maintenance to keep the arrays clear of vegetation and solar obstructions. The proposed Ordinance provides significantly more options for the placement of solar than the ordinance considered in 2019, and property owners should be able to identify locations outside of the SPOD and WCOD to place freestanding solar.

2. Allowing residential freestanding solar that is either less than 30 kW in capacity or covers an area less than 1,800 square feet.

Michael Behrendt and I received feedback from solar installers that while they had no objection to a size limit specified by 1,800 sf per system, they typically install residential systems that are smaller and specify the system size by its nameplate rating. There were also comments provided by residents that specifying the nameplate rating was easier to understand. Michael and I both recommended this change to the Planning Board, and it was incorporated into the recommendations.

Key Consideration for the Town Council

The residential size restriction still exists, and both the nameplate rating and coverage area specifications are consistent with one another. The change makes applying for a building permit easier in many cases for installers.

3. Increasing the maximum height of freestanding solar systems to 35 feet by Special Exception.

When developing the ordinance, I was unable to find any examples of freestanding two-axis tracking arrays that were greater than 25'. After the Ordinance was

Re: Discussion on Changes Recommended by the PB for First Reading of New Solar Ord.

referred to the Planning Board, it was discovered that local companies were offering tracking array systems (approximately 20 kW of capacity) that are greater than 30' tall.

The Planning Board is recommending that systems greater than 25' but less than 35' be allowed by Special Exception in the Rural, Rural Coastal, Route 108, MUDOR, ORLI and DPB zones. The applicants would have to demonstrate, to the satisfaction of the Zoning Board of Adjustment, that the following criteria are met per 175-26 "Special Exceptions" of the zoning:

1. That the use will not be detrimental to the character or enjoyment of the neighborhood by reason of undue variation from the kind and nature of other uses in the vicinity or by reason of obvious and adverse violation of the character or appearance of the neighborhood.
2. That the use will not be injurious or noxious and thus detrimental to the neighborhood by reason of any of the causes stated in Part B. Zoning Districts (See Table of Contents) of this chapter.
3. That the use will not be contrary to the public health, safety or welfare by reason of undue traffic congestion or hazards, undue risk to life or property, unsanitary or unhealthful emissions or waste disposal, excessive noise, or comparable adverse causes, impacts, or conditions.

Key Considerations for the Town Council

Our zoning currently uses Special Exceptions to allow additional building height. The Planning Board did not include the Residential A and B zoning districts in this provision because it is unlikely an applicant would meet the Special Exception criteria – particularly item 1. Overall, the placement requirements of freestanding solar coupled with the Special Exception process provides adequate protections to allow these larger systems.

4. Table of Uses – Large Freestanding Utility and Group Net Metering Solar should not be allowed in the ORLI and MUDOR Districts

The Town Council proposed allowing these systems by Conditional Use in the ORLI and MUDOR zones. The Planning Board reviewed examples of these large-scale utility installations in New England, and decided that the complexity and potential impacts of these systems precluded them from being a Permitted Use, and that the Conditional Use process and criteria would be difficult to apply to an application for this type of system. As a result, the Planning Board is recommending that these systems not be allowed.

Key Considerations for the Town Council

- These systems are currently not being installed in New Hampshire due to the regulatory environment.
 - Feedback from the Energy Committee is that they should be allowed as a Conditional Use.
 - Community Concerns expressed about large utility solar.
 - Recent Planning Board experiences with protracted and controversial Conditional Use applications.
5. Table of Uses – Recommendation that some Conditional Uses and Special Uses be changed to Permitted Uses.

As Councilors will see in the Table of Uses shown in Attachment 2, the Planning Board is recommending that some uses be changed to Permitted from either Conditional Use or Special Exception. This includes:

- Solar Parking Canopies in the Commercial Core and Research-Industry zones
- Small Group Net Metering Host- Accessory use to a Single family or Duplex residence.

Key Considerations for the Town Council

The change from Conditional to Permitted Use is consistent with the Planning Board's desire to move away from Conditional Use. Changing the Small Group Net Meter Host when it's accessory to a single-family home from Special Exception to Permitted was at my strong urging. The Special Exception requirement was unnecessary, and an oversight on my part.

6. Table of Uses – Increasing the zones where Building Mounted Small Utility and Group Net Metering systems are allowed.

As shown in the Table of Uses, the Planning Board is recommending that Small Utility and Group Net Metering systems be allowed in all zone when they are Building Mounted – including residential zones.

Key Considerations for the Town Council

The proposed ordinance has never limited the size of building mounted solar systems regardless of whether they are residential or commercial buildings. Given that there has been no need to limit the size of these building mounted systems, the

Re: Discussion on Changes Recommended by the PB for First Reading of New Solar Ord.

Planning Board determined that there is no need to limit the function of the Solar System.

LEGAL AUTHORITY:

This is a Council initiated zoning change in accordance with Section 175-14.B "Amendment Initiated by the Council". The Town Council needs to review and consider the recommendations of the Planning Board, and has the option of including some or all of the recommendations in a First Reading Document.

LEGAL OPINION:

N/A

FINANCIAL DETAILS:

N/A

SUGGESTED ACTION OR RECOMMENDATIONS:

Discuss the changes recommended by the Planning Board and provide initial guidance as to which changes might be incorporated into the document for First Reading in January.

November 11, 2022

Kitty Marple
Durham Town Council Chairperson
8 Newmarket Road
Durham, NH 03824

Reference: Solar Ordinance Changes Recommended by the Planning Board

Dear Chair Marple,

The Town Council will be reviewing the Planning Board's recommended changes to the Solar Ordinance to determine which will be incorporated into the document for first reading and public comment. The most significant change recommended by the Planning Board is modifying the Table of Uses to prevent large utility-scale and group net-metering solar systems anywhere in Durham. The Town Council had proposed allowing these systems in the Office, Research, Light Industry (ORLI) and Mixed use and Office Residential (MUDOR) zoning districts by Conditional Use.

While many areas of a community are not appropriate for such large systems, the Energy Committee believes that all communities, especially Durham, need to identify specific areas where these systems can exist. New Hampshire lags other New England states with only 10.8% of our electric utility energy coming from renewable sources. We believe the use of renewable energy will increase in the future with either a political shift in the state's energy policies or out of necessity due to both natural gas price volatility and climate change impacts.

The Energy Committee encourages the Town Council to move forward with its original proposal allowing these larger systems in the MUDOR and ORLI zoning districts by Conditional Use. While we do not anticipate any proposals for large scale solar in the immediate future, moving forward with the Town Council's original proposal is an example of a community recognizing that expanding renewable energy sources is critical and that it can be achieved in a manner consistent with our Master Plan and good land-use planning.

Respectfully,
The Durham Energy Committee

cc: Durham Planning Board
Todd Selig

*Attachment 1 - Changes to the Proposed Solar Ordinance Recommended by the
Planning Board*

SOLAR ENERGY SYSTEMS
DRAFT ORDINANCE VERSION 4.6 - Durham, New Hampshire
Initiated by the Town Council on May 9, 2022

Changes Recommended by the Planning Board – October 26, 2022

The Planning Board voted on October 26, 2022 to recommend to the Town Council the following changes to the proposed Solar Energy Systems ordinance. The recommendations below are keyed to the specific provisions and pages shown on the attached proposed ordinance.

Page 1. Insert this new definition after *Multi-unit Residential or Nonresidential Solar Energy System*:

“Name Plate Rating – The maximum sustained electric power-generating capacity of the Solar Energy System.”

Page 1. Delete definition for *Shared Solar Energy System*.

Page 1. Change *175-109.R.4.* under Single-Family or Duplex Residential Solar Energy System to *175-109.N.4.*

Page 2. Change definition of *Solar Photovoltaic (PV) Parking Canopy* to the following:

“Solar Photovoltaic (PV) Parking Canopy – An elevated structure that supports solar panels over a parking area. A solar photovoltaic parking canopy is not a carport. The structure is not used with single-family and duplex uses, nor is it considered *structured parking*.”

Pages 3-5. Table of Uses. Make the following changes to the table:

Multi-unit residential – accessory use, freestanding. Change SE to X in CBD.

Small utility scale – principal use, building mounted. Change X to P for four residential zones.

Large utility scale – principal use, freestanding. Change CU to X for MUDOR and ORLI.

Small group net metering host – principal use, building mounted. Change X to P in four residential zones.

Large group net metering host – principal use, freestanding. Change CU to X for MUDOR and ORLI.

Solar PV Parking Canopy – accessory use. Change all in Commercial Core and Research Industry zones to P.

Small group net metering host – accessory use, freestanding. Change SE to P for all. Also, change text here from “(less than 30 kW of capacity as Specified in Article XX)” to “(The limits specified in Section 175-109 N.4.a. apply)”

Page 6. Make the following changes under the Wetland Conservation Overlay District and Shoreland Preservation Overlay District:

Delete this language:

➤ ***Add the following use at the end of Section 175-61. Conditional Uses in the WCOD:***

6. Freestanding solar energy system.

Add this sentence in **Section 175-65. Prohibited Uses in the WCOD** after the first sentence beginning “Any use that...”: “Freestanding solar energy systems are prohibited in the WCOD.”

Delete this language:

➤ ***Add the following use at the end of Section 175-72. Conditional Uses in the SPOD:***

6. Freestanding solar energy system.

Add this language:

➤ ***Add the following use at the end of Section 175-73. Prohibited Uses in the SPOD:***

m. Freestanding solar energy system.

Page 6. Change R. to N. and delete “(including the table shown at the end)” in this provision:

❖ ***Add the following as a new section in Article XX – Standards for Specific Uses, Section 175-109, and reletter R. Temporary Sawmill (including the table shown at the end).***

Page 6. Change R. to N. in this provision:

R. ***Solar Energy Systems.*** Solar energy systems shall be allowed in conformance with the following standards and procedures (See Definitions for solar energy systems).

Page 6. Change R. to N. in this provision:

- a. comply with and support the State of New Hampshire’s goal of developing clean, safe, renewable energy resources as provided for in the statutes referred to in 175-109.R.1 above.

Page 7. Delete “specific” in this provision:

3. **Applicability.** Solar installations that are designed to generate less than one kilowatt and are not connected to the electrical grid are not covered by this ordinance, though they may be subject to other specific regulations.

Page 7. Insert “have a nameplate capacity of 30 kW or” before “occupy” in this provision:

- a. **Basic requirements.** This accessory use serves single-family or duplex residences situated on the same lot. A Freestanding Solar Energy System may occupy a ground area of up to 1,800 square feet.

Page 7. Rewrite this section as shown. The b. is changed to c. because another section will be moved above it.

Current proposed language:

- b. **Placement** – A Freestanding Solar Energy System shall be placed in a location conforming to the setbacks of Table 175-51 “Table of Dimensions” and shall meet one or more of the following criteria.

Recommended proposed language:

- c. **Placement** – A Freestanding Solar Energy System shall be placed in a location meeting one or more of the following criteria.

Page 7. Delete “land” in this provision:

- (1) The system is placed where it is largely not visible from a public road abutting the property, as determined by the Code Enforcement Officer, due to land topography or existing structures or vegetation that are expected to be maintained until the Solar Energy System is decommissioned.

Page 7. Change R. to N. in six places in these three provisions and in (5) insert “more than” before “40’ beyond the side of the residence.”

- (3) When a system is equal to or less than 12 feet in height and does not meet the requirements of 175-109.R.4.b. (1) or (2) above, the system shall be placed behind

the fully enclosed part of the residence closest to the public road. Systems in the Rural and Rural Coastal Zones must also comply with 175-109.R.4.b (5) below.

- (4) When a system is greater than 12 feet in height and does not meet the requirements of 175-109.R.4.b. (1) or (2) above, the system shall be placed behind the fully enclosed part of the residence that is furthest from the public road. Systems in the Rural and Rural Coastal Zones must also comply with 175-109.R.4.b (5) below.
- (5) Systems in the Rural and Rural Coastal Zones should meet the placement criteria 175-109.R.4.b (1) or (2) above. The system may be placed in accordance with 175-109.R.4.b (3) or (4) above, but shall not extend 40' beyond the side of the residence.

Page 7. Change letter c. to d. in this provision:

- c. Carport Mounted Solar Energy System – A solar energy system may be mounted on a carport when the carport is attached to the single-family or duplex residence and the carport is located beyond the fully enclosed part of the residence closest to the public road.

Page 8. For this provision, reletter d. to b.; move the provision up so that it is positioned after provision a. (“Site plan review and approval by the Planning Board is required.”); and change the language “R.4.a. or b. or c. above” to “N.4.c., below”.

- d. Special Exception. A proposed Single-Family or Duplex Residential Solar Energy System that does not conform with 175.109.R.4.a. or b. or c. above may be approved by a special exception.

Page 8. Delete “The following provisions apply to multi-unit or nonresidential solar energy systems.” in this provision:

- 5. Multi-unit or Nonresidential Solar Energy System – accessory use. The following provisions apply to multi-unit or nonresidential solar energy systems.

Page 8. Change b. to c. in this provision:

- b. No part of the system may be placed closer to the front property line (and side property line in the case of a corner lot) than the part of the fully enclosed principal building closest to the street. In addition, for a system that exceeds 12 feet in height (any part of the system), no part of the system may be placed closer to the front property line (and side property line in the case of a corner lot) than the fully enclosed part of the principal building furthest from the street.

Page 8. Delete this provision:

- c. In cases where there is no building or no distinct principal building on the lot or where there are multiple lots, the system shall be set back at least 100 feet from the front property line and buffered from the road.

Page 8. For this provision reletter d. to b.; relocate this provision above after a. (“Site plan review and approval by the Planning Board is required.”); change R. to N.; and change “5. b. or c. above” to “5. c., below”.

- d. A proposed system that does not conform with 175-109.R.5.b. or c. above, may be approved by a special exception.

Page 8. Reletter this provision from e. to d.

- e. The Solar Energy System shall be sized to provide up to the projected annual energy needs of the multi-unit or nonresidential use including approved ancillary uses.

Page 8. Reletter this provision from f. to e. and change “Commercial Agriculture” to “commercial farm”.

- f. Where the nonresidential use is Commercial Agriculture, the system may be sized to generate up to 100 kW more than the projected annual energy needs of the Principal Use, and the Solar Energy System may function as a Small Utility-Scale Solar Energy System or Small Group Net Metering Host.

Page 8. Delete “The following provisions apply to Utility-Scale Solar Energy Systems.” in this provision:

- 6. Small and Large Utility-Scale Solar Energy System – principal use. The following provisions apply to Utility-Scale Solar Energy Systems.

Page 9. Delete “The following provisions apply to Group Net metering Hosts.”

- 7. Small and Large Group Net Metering Host – principal use. The following provisions apply to Group Net Metering Hosts.

Page 9. Delete this provision:

The requirements of this Section 175-109.R.7 do not apply to Single-Family or Duplex Residential Solar Energy System functioning as a Group Net Metering Host.

Page 9. Replace this sentence as shown:

Current proposed language:

The following standards and procedures apply to freestanding Group Net Metering Hosts.

Recommended proposed language:

The following standards and procedures apply to a freestanding Group Net Metering Host as a principal use but not to a Single-family or duplex residential solar energy system functioning as group net metering host.

Page 9. “accessory use” should not be in italics.

8. **Solar PV Parking Canopy – accessory use.** The following apply to a Solar PV Parking Canopy.

Page 9. Change this sentence as shown.

Current proposed language:

- a. A Site plan review is required for all systems.

Recommended proposed language:

- a. Site plan review and approval is required.

Page 9. Delete “excluding parking for Single-Family and Duplex Residences” in this provision.

- b. The parking must be an approved use specified in Section 175-53 “Table of Uses” excluding parking for Single-Family and Duplex Residences.

Page 9. Delete this provision.

- d. The structure supporting the photovoltaic panels and the panels of a Solar PV Parking Canopy must be located on or over the surface parking.

Page 10. Add this provision as a new paragraph, with numbering as shown, under c. Maximum height.

A freestanding system exceeding 25 feet in height may be approved by special exception provided all of the following conditions are met:

- i. The system does not exceed 35 feet in height;
- ii. The system is located in the Rural, Residence Coastal, Office Research – Route 108, Mixed Use and Office Research, Office Research Light Industry, or Durham Business Park district; and
- iii. All other pertinent provisions for solar energy systems apply.

Page 10. Change this sentence as shown.

Current proposed language:

- d. Impervious surface. The maximum impervious surface ratio in the Table of Dimensions does not apply to solar energy systems.

Recommended proposed language:

- d. Impervious surface. The maximum impervious surface ratio in the Table of Dimensions applies to what is on the ground under the solar panels. The solar panels themselves do not count toward impervious surface.

Page 10. Add this provision at the end.

- h. Site plan review is not required for any building-mounted system.

Attachment 2 - Changes to the Proposed Solar Ordinance Recommended by the Planning Board Incorporated Into the Original Draft

SOLAR ENERGY SYSTEMS
DRAFT ORDINANCE VERSION 4.6 - Durham, New Hampshire
Initiated by the Town Council on May 9, 2022

Proposed amendments to the Durham Zoning Ordinance to accommodate solar energy systems.

❖ ***Make the following changes in Article II. Definitions.***

- ***Add this new section for “Solar Energy Systems.” Place this section right before “Solid Waste” and retain the order as shown here.***

SOLAR ENERGY SYSTEMS – Specific definitions pertinent to solar energy systems follow.

Building-Mounted Solar Energy System – A solar energy system attached to and completely supported by a building that does not extend more than 5 feet beyond the building footprint. The system may include necessary accessory equipment that is ground mounted.

Freestanding Solar Energy System – A ground-mounted solar energy system, including a stationary or tracking system (either single axis or dual axis). A Solar Photovoltaic (PV) Parking Canopy is not a Freestanding Solar Energy System.

Group Net Metering Host, Small – A Solar Photovoltaic (PV) System less than or equal to 100 KW that shares energy and Net Metering benefits with members of a registered group per N.H. PUC 909.

Group Net Metering Host, Large – A Solar Photovoltaic (PV) System greater than 100 KW and less than 5 MW that shares energy and Net Metering benefits with members of a registered group per N.H. PUC 909.

Multi-unit Residential or Nonresidential Solar Energy System – An accessory use designed to provide solar energy for the principal and accessory uses of Multi-Unit Residential, mixed Use with Residential and other Nonresidential uses.

Name Plate Rating - The maximum sustained electric power-generating capacity of the Solar Energy System.

Solar Energy – Radiant energy emitted by the sun.

~~Shared Solar Energy System – A solar energy system that serves single family or duplex residential buildings situated on two or more separate and contiguous lots. The system is considered accessory to the uses on each of the lots that it serves.~~

Single-Family or Duplex Residential Solar Energy System – A Solar Energy System that is an accessory use designed to generate energy for use at the property. A Single-Family or Duplex Residential Solar System may also be a Small Group Net Metering Host up to the size limits specified in ~~175-109.R.4~~ 175-109.N.4.

Solar Energy System – A structure and the related components used to transform solar energy into electricity (through a solar photovoltaic system) or heat (through a solar thermal system).

~~Solar Photovoltaic (PV) Parking Canopy – An elevated structure that supports solar panels over Surface Parking.~~

Solar Photovoltaic (PV) Parking Canopy – An elevated structure that supports solar panels over a parking area. A solar photovoltaic parking canopy is not a carport. The structure is not used with single-family and duplex uses, nor is it considered *structured parking*.

Solar Photovoltaic (PV) System – A solar collection, mounting, inversion, storage and distribution system that converts sunlight into electricity.

Solar Thermal System – A solar collection system that directly heats a heat-transfer medium.

Utility-Scale Solar Energy System, Small - A limited electrical energy producer as defined in RSA 362-A:1 with a solar energy generating capacity equal to or less than 100 kW that generates energy for use off site by customers. A Small Utility-Scale Solar Energy System does not function as a Small Group Net Metering Host.

Utility-Scale Solar Energy System, Large – A limited electrical energy producer as defined in RSA 362-A:1 with a solar energy generating capacity of greater than 100 kW and less than 5 MW that generates energy for use off site by customers. A Large Utility-Scale Solar Energy System does not function as a Large Group Metering Host

➤ ***Add this new section in Article II definitions***

CARPORT – A roofed structure designed to shelter motor vehicles and that is open on at least two sides. A carport may be a freestanding structure or attached to a building.

❖ *Modify the Table of Uses as follows:*

Add the new uses below in the Table of Uses in Section 175-53 under Subsection VI. Utility & Transportation Uses at the end after Personal Wireless Services Facility:

CATEGORY OF USES	RESIDENTIAL ZONES				COMMERCIAL CORE ZONES					RESEARCH-INDUSTRY ZONES			
	Rural (R)	Residence A (RA)	Residence B (RB)	Residence C (RC)	Central Business (CB)	Professional Office (PO)	Church Hill (CH)	Courthouse (C)	Coe' s Corner (CC)	Office Research - Route 108 (OR)	Mixed Use and Office Research	Office Research Light Industry	Durham Business Park (DBP)
VI. UTILITY & TRANSPORTATION USES													
Single family or duplex residential solar energy system - accessory use (See Article XX)	P	P	P	P	P	P	P	P	P	P	P	P	P
Multi-unit residential or nonresidential solar energy system - accessory use (See Article XX)													
• Building-mounted	P	P	P	P	P	P	P	P	P	P	P	P	P
• Freestanding	P	P	P	P	SE X	P	P	P	P	P	P	P	P

CATEGORY OF USES	RESIDENTIAL ZONES				COMMERCIAL CORE ZONES					RESEARCH-INDUSTRY ZONES			
	Rural (R)	Residence A (RA)	Residence B (RB)	Residence C (RC)	Central Business (CB)	Professional Office (PO)	Church Hill (CH)	Courthouse (C)	Coe' s Corner (CC)	Office Research - Route 108 (OR)	Mixed Use and Office Research	Office Research Light Industry	Durham Business Park (DBP)
Small Utility-Scale solar energy system - principal use (See Article XX)													
• Building-mounted	X P	X P	X P	X P	P	P	P	P	P	P	P	P	P
• Freestanding	X	X	X	X	X	X	X	X	X	P	P	P	P
Large Utility-Scale solar energy system – principal use (See Article XX)													
• Building-mounted	X	X	X	X	X	X	X	X	X	P	P	P	P
• Freestanding	X	X	X	X	X	X	X	X	X	X	CU X	CU X	X
Small Group Net Metering Host - principal use (See Article XX)													
• Building-mounted	X P	X P	X P	X P	P	P	P	P	P	P	P	P	P
• Freestanding	X	X	X	X	X	X	X	X	X	P	P	P	P
Large Group Net Metering Host - principal use (See Article XX)													

CATEGORY OF USES	RESIDENTIAL ZONES				COMMERCIAL CORE ZONES					RESEARCH-INDUSTRY ZONES			
	Rural (R)	Residence A (RA)	Residence B (RB)	Residence C (RC)	Central Business (CB)	Professional Office (PO)	Church Hill (CH)	Courthouse (C)	Coe' s Corner (CC)	Office Research - Route 108 (OR)	Mixed Use and Office Research	Office Research Light Industry	Durham Business Park (DBP)
• Building-mounted	X	X	X	X	X	X	X	X	X	P	P	P	P
• Freestanding	X	X	X	X	X	X	X	X	X	X	CU X	CU X	X
Solar PV Parking Canopy - accessory use to surface parking (See Article XX)	X	X	X	X	X P	CU P	CU P	CU P	CU P	CU P	CU P	CU P	CU P
Small Group Net Metering Host - accessory use to a single-family or Duplex residence (See Article XX)													
• Building-mounted	P	P	P	P	P	P	P	P	P	P	P	P	P
• Freestanding (less than 30 kW of capacity as Specified in Article XX The limits specified in Section 175-109 N.4.a apply)	SE P	SE P	SE P	SE P	SE P	SE P	SE P	SE P	SE P	P	P	P	P

❖ ***Modify the Wetland Conservation Overlay District and Shoreland Preservation Overlay District as follows:***

➤ ***Add the following use at the end of Section 175-60. Permitted Uses in the WCOD Subsection A.:***

10. Building-mounted solar energy system.

➤ ***Add the following use at the end of Section 175-71. Permitted Uses in the SPOD Subsection A.:***

10. Building-mounted solar energy system.

➤ ***Add the following sentence to the end of the first paragraph of Section 175-62. Prohibited Uses in the WCOD:***

“Freestanding solar energy systems are prohibited in the WCOD.”

➤ ***Add the following to the end of Section 175-73. Prohibited Uses in the SPOD:***
“m. Freestanding solar energy systems.”

~~➤ ***Add the following use at the end of Section 175-61. Conditional Uses in the WCOD:***~~

~~6. Freestanding solar energy system.~~

~~➤ ***Add the following use at the end of Section 175-72. Conditional Uses in the SPOD:***~~

~~—6. Freestanding solar energy system.~~

❖ ***Add the following as a new section in Article XX – Standards for Specific Uses, Section 175-109, and reletter **R-N**. Temporary Sawmill (including the table shown at the end).***

R-N. Solar Energy Systems. Solar energy systems shall be allowed in conformance with the following standards and procedures (See Definitions for solar energy systems).

1. **Authority.** This ordinance is adopted pursuant to RSAs 362-F, 374-G, 477:49, 672:1 III-a, and 674:17 (I)(j).

2. **Purpose.** The purpose of this ordinance is to:

- e. Encourage the implementation of solar energy systems in accordance with the recommendations stated in the Energy Chapter of the 2015 Durham Master Plan;
 - f. promote environmental sustainability while respecting the rural character and scenic landscape of Durham and the use of productive agricultural lands; and
 - g. comply with and support the State of New Hampshire’s goal of developing clean, safe, renewable energy resources as provided for in the statutes referred to in 175-109.R N.1 above.
3. **Applicability.** Solar installations that are designed to generate less than one kilowatt and are not connected to the electrical grid are not covered by this ordinance, though they may be subject to other **specific** regulations.
4. **Single-Family or Duplex Residential Solar Energy System – accessory use.** The following provisions apply to single-family or duplex residential solar energy systems.
- d. **Basic requirements.** This accessory use serves single-family or duplex residences situated on the same lot. A Freestanding Solar Energy System may **have a nameplate capacity rating of 30 kW or** occupy a ground area of up to 1,800 square feet.
 - e. **Special Exception.** A proposed Single-Family or Duplex Residential Solar Energy System that does not conform with 175.109.N.4. c. below may be approved by a special exception.
 - f. **Placement –** A Freestanding Solar Energy System shall be placed in a location **meeting one or more of the following criteria ~~conforming to the setbacks of Table 175-51 “Table of Dimensions” and shall meet one or more of the following criteria.~~**
 - (2) The system is placed where it is largely not visible from a public road abutting the property, as determined by the Code Enforcement Officer, due to **land** topography or existing structures or vegetation that are expected to be maintained until the Solar Energy System is decommissioned.
 - (3) The system is placed 150 feet or more from any portion of a public road.

- (4) When a system is equal to or less than 12 feet in height and does not meet the requirements of 175-109.~~R~~N.4.b. (1) or (2) above, the system shall be placed behind the fully enclosed part of the residence closest to the public road. Systems in the Rural and Rural Coastal Zones must also comply with 175-109.~~R~~N.4.b (5) below.
 - (5) When a system is greater than 12 feet in height and does not meet the requirements of 175-109.~~R~~N.4.b. (1) or (2) above, the system shall be placed behind the fully enclosed part of the residence that is furthest from the public road. Systems in the Rural and Rural Coastal Zones must also comply with 175-109.~~R~~N.4.b (5) below.
 - (6) Systems in the Rural and Rural Coastal Zones should meet the placement criteria 175-109.~~R~~N.4.b (1) or (2) above. The system may be placed in accordance with 175-109.~~R~~N.4.b (3) or (4) above, but shall not extend **more than 40'** beyond the side of the residence.
 - d. Carport Mounted Solar Energy System – A solar energy system may be mounted on a carport when the carport is attached to the single-family or duplex residence and the carport is located beyond the fully enclosed part of the residence closest to the public road.
 - ~~e. Special Exception. A proposed Single Family or Duplex Residential Solar Energy System that does not conform with 175.109.R.4.a. or b. or c. above may be approved by a special exception.~~
- 5. **Multi-unit or Nonresidential Solar Energy System – accessory use.**
~~The following provisions apply to multi-unit or nonresidential solar energy systems.~~

The following standards and procedures apply to freestanding multi-unit residential or non-residential systems.

 - a. Site plan review and approval by the Planning Board is required.
 - b. **A proposed system that does not conform with 175-109.N.5. c. below, may be approved by a special exception.**

- c. No part of the system may be placed closer to the front property line (and side property line in the case of a corner lot) than the part of the fully enclosed principal building closest to the street. In addition, for a system that exceeds 12 feet in height (any part of the system), no part of the system may be placed closer to the front property line (and side property line in the case of a corner lot) than the fully enclosed part of the principal building furthest from the street.

~~e. In cases where there is no building or no distinct principal building on the lot or where there are multiple lots, the system shall be set back at least 100 feet from the front property line and buffered from the road.~~

~~d. A proposed system that does not conform with 175-109.R.5.b. or e. above, may be approved by a special exception.~~

- ed. The Solar Energy System shall be sized to provide up to the projected annual energy needs of the multi-unit or nonresidential use including approved ancillary uses.

- fe. Where the nonresidential use is Commercial Farm Agriculture, the system may be sized to generate up to 100 kW more than the projected annual energy needs of the Principal Use, and the Solar Energy System may function as a Small Utility-Scale Solar Energy System or Small Group Net Metering Host.

6. **Small and Large Utility-Scale Solar Energy System – principal use.**

~~The following provisions apply to Utility-Scale Solar Energy Systems.~~

The following standards and procedures apply to freestanding Utility-Scale Solar Energy Systems.

- a. Site plan review and approval is required.
- b. Freestanding systems shall be set back at least 100 feet from the front property line. The system shall be buffered from single family homes, neighboring roads and abutting properties in accordance with the Site Plan Regulations and as reasonably determined by the Planning Board.

7. **Small and Large Group Net Metering Host – principal use.** ~~The following provisions apply to Group Net Metering Hosts.~~

~~The requirements of this Section 175-109.R.7 do not apply to Single-Family or Duplex Residential Solar Energy System functioning as a Group Net Metering Host.~~

~~The following standards and procedures apply to freestanding Group Net Metering Hosts.~~ The following standards and procedures apply to a freestanding Group Net Metering Host as a principal use but not to a Single-family or duplex residential solar energy system functioning as group net metering host.

- a. Site plan review and approval is required.
- b. Freestanding systems shall be set back at least 100 feet from the front property line. The system shall be buffered from single family homes, neighboring roads and abutting properties in accordance with the Site Plan Regulations and as reasonably determined by the Planning Board.

8. **Solar PV Parking Canopy – accessory use.** ~~The following apply to a Solar PV Parking Canopy.~~

- c. A Site plan review ~~and approval is required~~ ~~is required for all systems.~~
- d. The parking must be an approved use specified in Section 175-53 “Table of Uses” ~~excluding parking for Single-Family and Duplex Residences.~~
- c. The height of the canopy, including panels, above the ground shall not exceed the height limit permitted in the zone and be no greater than 35 feet.
- ~~d. The structure supporting the photovoltaic panels and the panels of a Solar PV Parking Canopy must be located on or over the surface parking.~~
- d. A Solar PV Parking Canopy may function as a Multi-unit or Non-Residential Solar Energy System, a Utility-Scale Solar Energy

System (Large or Small) or a Group Net Metering Host (Large or Small).

9. **Other provisions.** The following additional provisions apply to all solar energy systems.

- a. **Building permit.** A building permit is required for the installation of any system.
- b. **Setbacks.** Every part of a freestanding system, including components elevated above the ground, components that track and move, and necessary accessory equipment that is ground mounted, shall conform to required setbacks for the zoning district.
- c. **Maximum height.** For building-mounted systems, the maximum height for any part of the system is ten feet above the ridge of the roof of the primary building or ten feet above the highest part of the roof of the primary building where there is no ridge. The maximum height for freestanding systems is 25 feet (excludes Solar PV Parking Canopy).

A freestanding system exceeding 25 feet in height may be approved by special exception provided all of the following conditions are met:

- iv. The system does not exceed 35 feet in height;
 - v. The system is located in the Rural, Residence Coastal, Office Research – Route 108, Mixed Use and Office Research, Office Research Light Industry, or Durham Business Park district; and
 - vi. All other pertinent provisions for solar energy systems apply.
- d. **Impervious surface.** The maximum impervious surface ratio in the Table of Dimensions applies to what is on the ground under the solar panels. The solar panels themselves do not count toward impervious surface. ~~The maximum impervious surface ratio in the Table of Dimensions does not apply to solar energy systems.~~
- e. **Submission requirements.** Applicants for projects that require a site plan shall submit all pertinent information, including specifications for the equipment, to the Planning Board, as specified in the Site Plan Regulations. Applicants for a special exception shall submit

plans showing all pertinent aspects of the project and all elements specified by the Zoning Board of Adjustment.

- f. Decommissioning. Applicants for a Solar Energy System that requires a Site Plan review shall submit a plan as part of that review for the removal of the structures and reclamation of the site when the system is no longer in use. It is expected that the decommissioning plan will specify the removal and disposal of photovoltaic panels using a means allowed by applicable state and federal regulations at the time of decommissioning.
- g. Historic District. Additional procedures and standards for proposed solar energy systems located within the Durham Historic District are contained in Article XVII of this ordinance.
- h. Site Plan Review is not required for any building mounted system.