

Article 3: Charter Amendment 2:

Shall the Town of Salem approve Charter Amendment 2 below to rescind its adoption of the optional provisions of the Municipal Budget Law and approve the Charter amendments summarized below?

Summary: The proposed amendments rescind the Town's adoption of the optional provisions of the Municipal Budget Law, eliminate the Budget Committee, and eliminate all references to the Budget Committee. Following the elimination of the Budget Committee, the Town Council would be responsible for preparing future budgets. A full copy of Charter Amendment 2 may be obtained at the Town Hall.

Recommendations: Town Council:

Budget Committee:

Explanation: Matter added to current Charter appears in ***bold italics***.

Matter removed from current Charter appears [~~in brackets and struck through~~].

1:1 Amend the Table of Contents by replacing [~~§ 5.2 Budget Committee~~] with ***§ 5.2 [Reserved.]***.

1:2 Amend Article 4, Section 4.12.1 as follows:

The Library Trustees shall submit their budget requests through the Town Council as appropriate [~~but shall also have the ability to bring separate petitions for capital expenditures or employee agreements directly to the Budget Committee for review. The Budget Committee may, at its discretion, pass those articles on to the voters with or without amendment or recommendation~~].

1:3 Repeal Article 5, Section 5.2, in its entirety and replace it with the following:

§ 5.2 [Reserved.]

1:4 Amend Article 5, Section 5.3, as follows:

§ 5.3 Budget Procedure

At such time as may be requested by the Manager or specified by the Administrative Code, each officer or director of a department shall submit to the Manager an itemized estimate of the expenditures of the next fiscal year for the departments or activities under their control. The Manager shall, based on those estimates and other data, prepare a recommended budget which shall, together with these department estimates, be submitted to the Council on such date as the Council shall establish. The Council shall review the budget and make such modifications and amendments as it desires. [~~All anticipated expenditures, except those involving the issuance of bonds, shall be compiled into one budget appropriation.~~]

The [~~Budget Committee~~] ***Council*** shall prepare the budget to be placed on the official ballot in accordance with the Municipal Budget [~~Act~~] ***Law*** and the procedures defined in this charter, applying the precedents of §1.4.

1:5 Amend Article 5, Section 5.4, as follows:

§ 5.4 Budget Hearings

The [~~Budget Committee~~] ***Council*** shall hold in convenient places in Salem as many public hearings on the budget as it deems necessary, but not withstanding the provisions of Municipal Budget Law, at least one public hearing on the budget shall be scheduled on dates consistent with final approval of the budget as required by §5.5 of this charter. Notice of such public hearing, together with a copy of the budget as submitted, shall be posted in

two public places. A copy of the budget shall be available to the public at the office of the Clerk during regular business hours.

- 1:6 Amend Article 5, Section 5.5, as follows:

§ 5.5 Final Date for Budget

Notwithstanding the dates permitted in the Municipal Budget Act, the [~~Budget Committee~~] **Council** shall prepare the budget, hold the required hearings, and approve the final amount and form of the budget and all [~~council~~] articles requiring appropriation by official ballot, before the seventh Wednesday prior to the official ballot date.

- 1:7 Amend Article 5, Section 5.6, Subsection H, as follows:

~~["Operating Budget" as]~~ *As* used in this [~~Section~~] **Article, the terms "operating budget" and "budget"** mean[s] a statement of recommended appropriations and anticipated revenues submitted to the Annual Meeting as an attachment to, and as part of the warrant for, an annual or special meeting, exclusive of "special warrant articles," as defined in RSA 32:3, VI.

- 1:8 Amend Article 6, Section 6.3, Subsection 6.3.1.E, as follows:

Except as otherwise provided by this Charter, no department head or regular employee of the town shall serve on the Town Council [~~or Budget Committee~~].

- 1:9 Amend Article Section, Section 7.3, Subsection C, as follows:

Budgetary Review: Any initiative petition which would require the expenditure of Town funds cannot be passed, except at the annual Municipal Election, and only after being reviewed by the [~~Budget Committee~~] **Town Council**, so that they can provide a recommendation, and the tax impact of said petition be appropriately calculated.

- 1:10 Amend the second paragraph of Article 10, Section 10.1, as follows:

The persons holding the following offices as a result of the 2023 Town election shall continue in those offices until the expiration of their terms and their successors are elected and certified: Moderator, Treasurer, Town Clerk, Tax Collector, Supervisors of the Checklist, [~~Budget Committee,~~] Planning Board, Zoning Board of Adjustment, Kelley Library Trustees and Trustees of the Trust Funds.