



# TOWN OF NEW LONDON, NEW HAMPSHIRE

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## BOARD OF SELECTMEN MEETING MINUTES August 24, 2015

### **PRESENT:**

Nancy Rollins, Chairman  
Peter Bianchi, Selectman  
Janet Kidder, Selectman  
Kim Hallquist, Town Administrator  
Wendy Johnson, Finance Officer

### **ALSO PRESENT:**

Normand Bernaiche, Chief Assessor

Chair Rollins called the meeting to order at 8:00am.

### State of NH Department of Revenue Administration (DRA) Forms MS1(municipal) & MS1V(village district)

The Board reviewed DRA required forms as prepared by Chief Assessor Bernaiche. The forms details the assessed value of property in the town as well as exemptions and credits. These forms are needed to set the tax rate for the year. Mr. Bernaiche noted that the value of the town has increased \$10,270,000 after abatements.

After review of the forms it was noted that the numbers were incorrect. Mr. Bernaiche apologized and noted that there was a failure in the DRA software that printed the forms and he would have to reenter the information. He noted that the valuation before exemptions is \$1,113,266,261 and that credits and exemptions have not changed significantly over the past year.

**IT WAS MOVED (Peter Bianchi) AND SECONDED (Janet Kidder) to accept \$1,113,266,261 as the valuation of the town before exemptions. THE MOTION WAS APPROVED UNANIMOUSLY.**

Mr. Bernaiche noted that it would take a few hours to re-create the forms for signing by the Board. The Board discussed whether they would meet again to review the forms or whether they would approve them based on Mr. Bernaiche's representations. Mr. Bernaiche noted that the numbers of exemptions and credits has not changed significantly from last year. He noted that there are some new applicants and some are removed either because they no longer qualify or the property is sold.

**IT WAS MOVED (Janet Kidder) AND SECONDED (Nancy Rollins) to approve the MS1 & MS1V forms as recommended by Chief Assessor Bernaiche; forms to be signed by the Board once they are corrected. KIDDER AND ROLLINS – YES; Bianchi – ABSTAINED. THE MOTION WAS APPROVED.**

### Loan financing proposals for \$350,000 loan

Finance Officer Wendy Johnson presented the results of the request for financing rates for the town's \$350,000 loan that will be secured for repairs to the Academy Building (Warrant Article #3). Ms. Johnson noted that four local banks were contacted and three submitted proposals. All proposals offered

a ten-year loan with ten annual payments of \$35,000 each, semi-annual interest rates and no pre-payment penalty. The rates as submitted were:

Sugar River Bank: 3.25% - \$1,000 fee  
Mascoma Savings Bank: 2.20% - no fee  
Lake Sunapee Bank: 1.95% - no fee

The Board agreed that the Lake Sunapee Bank is the lowest rate and would be the bank used for the loan.

The Board discussed how the money would be received: lump sum or as needed to pay construction expenses. Ms. Johnson noted that she did not ask the banks to treat the loan like a construction loan but felt that it would not be a problem should the Board feel that it is the preferred way to go. It was noted that the construction expenses could be paid out of currently available funds and then the loan funds could be received in a lump sum, afterwards, to save some weeks of interest.

#### Review of FY2015 Financial Results

The Board reviewed a memo as prepared by Finance Officer Wendy Johnson regarding decisions by the Board needed with regard to use of capital reserve funds or the general operating budget for some expenses. Ms. Johnson noted that currently her figures show that the operating budget was underspent by \$412,848. General Fund Operating revenues were \$249,675 greater than expected and purchase orders for funds to be encumbered from the General Fund add up to \$239,486, resulting in a projected addition of \$423,037 to the Town's Unassigned Fund Balance.

Ms. Johnson requested direction from the Board on the amount of \$3,235 for two computers purchased; whether the expense should come from the Computer Maintenance Capital Reserve Fund (current balance \$24,752) or from the general operating budget. In the area of Town Buildings, Ms. Johnson noted that the Dennis Mires engineering study in the amount of \$9,800 and a structural engineering report for the Bandstand in the amount of \$1,645 could be taken from the capital reserve accounts if the Board so voted.

Selectman Bianchi questioned whether utilizing the capital reserve funds was the best way to go given that the expenditures would not be as obvious as they would be if taken from the operating budget. Ms. Johnson pointed out that the expenditures would be included in the capital outlay area of the budget. Ms. Hallquist noted that since these expenditures were not appropriated in the operating budget and since the voters established capital reserve funds for these purposes, naming the selectmen as agents to expend, using the capital reserve funds would be appropriate, and in keeping with the wishes of voters. She noted that this past budget session the budget committee removed some building expenses from the operating budget (repair of the fire department garage floor and repairs to the Elkins Post Office) stating that the funds should come from the capital reserve fund and not the operating budget. However, Ms. Hallquist noted that since the operating budget was not entirely spent, the expenditures for the computers, Whipple Hall and bandstand could be taken from the general operating budget without creating an over-expenditure. Selectman Bianchi noted that he did not agree with the reasoning of using the capital reserve funds for these purposes.

**IT WAS MOVED (Janet Kidder) AND SECONDED (Nancy Rollins) to approve the use the Computer Maintenance CRF to pay for computers purchased (\$3,235) and the Town Buildings Maintenance CRF to pay for the Dennis Mires Engineering Report (\$9,800) and Bandstand report (\$1,645). KIDDER AND ROLLINS: YES, BIANCHI: NO. THE MOTION WAS APPROVED.**

The Board reviewed the list of FY2015 Encumbered Funds as prepared by the Finance Officer. Selectmen were encouraged to meet with Ms. Johnson if they had any questions on the material presented.

Requests to Use Town Property

- Whipple Hall, Wednesday, September 2, 2015, 4:00 PM to 5:30 PM for Gov. John Kasich Visit / Michele Holton, Kearsarge Sunapee Republicans

Permanent Sign Permit

- Sign Permit for Diane Moore (Larks & Nightingales)

Other Items to be Signed

- Change of Occupancy for Diane Moore (Larks & Nightingales)
- Change of Occupancy for Susan Cowan Morse (Educational Coaching Consulting)

**IT WAS MOVED (Janet Kidder) AND SECONDED (Peter Bianchi) to adjourn the meeting.  
THE MOTION WAS APPROVED UNANIMOUSLY.**

The meeting adjourned at 8:44am.

Respectfully submitted,

Kimberly Hallquist  
Town Administrator