



# TOWN OF NEW LONDON, NEW HAMPSHIRE

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**DRAFT**  
**Budget Committee Meeting**  
**Meeting Minutes**  
**October 29, 2014**

**BUDGET COMMITTEE MEMBERS PRESENT:** John Wilson, Christopher Lorio, Suzanne Jesseman, Larry Dufault, Bill Green, Rob Prohl, Phyllis Piotrow, Joe Cardillo, Nancy Rollins (Board of Selectmen's Representative)

**STAFF PRESENT:** Kimberly Hallquist, Town Administrator; Wendy Johnson, Finance Officer

**OTHERS PRESENT:**

Ed Andersen, Police Chief  
Donna Larrow, Police Department Administrative Assistant  
Janet Kidder, Selectman Chair  
Peter Bianchi, Selectman  
Bruce Hudson and Renate Kannler, New London Residents  
Linda Hardy, Town Clerk/Tax Collector  
Sandra Licks, Library Director  
Richard Lee, Public Works Director  
Jason Lyon, Fire Chief  
Steve Ensign, Board of Firewards  
Tina Helm, New London Resident

Chair Wilson called the meeting to order at 7:00pm. He welcomed new members, Christopher Lorio and Suzanne Jesseman to the Budget Committee.

Minutes of April 7, 2014

**IT WAS MOVED (Joe Cardillo) AND SECONDED (Bill Green) to approve the minutes of April 7, 2014, as amended.**

“she” should be “Kim Hallquist” on page 2.

**THE MOTION WAS APPROVED UNANIMOUSLY.**

Resignation of Pat Blanchard

Chair Wilson asked for a motion to accept the resignation of Budget Committee member, Pat Blanchard. He said he was asking for this motion with regret and thanks for her service.

**IT WAS MOVED (Joe Cardillo) AND SECONDED (Phyllis Piotrow) to accept the letter of resignation from Pat Blanchard. THE MOTION WAS APPROVED UNANIMOUSLY.**

Vote to Fill Budget Committee Vacancy

Chair Wilson asked for nominations from the floor to fill the now-vacant position on the Budget Committee. Mr. Prohl asked who had received the next highest number of votes at Town Meeting for the

two available spots at that time. It was noted that Bruce Hudson had come in third-place at the polls. Ms. Piotrow said Mr. Hudson attends many meetings, makes helpful comments and asks good questions.

**IT WAS MOVED (Rob Prohl) AND SECONDED (Bill Green) to appoint Bruce Hudson to fill the vacancy on the Budget Committee. THE MOTION WAS APPROVED UNANIMOUSLY.**

#### Capital Improvement Program (CIP)

Chair Wilson said he had passed around a draft of the CIP, which is being handled differently by the Planning Board this year. By statute, it is a Planning Board function and in years past they have tackled it in different ways. Most recently, they have used a subcommittee with two or three people from both the Planning Board and the Budget Committee and it varied on who was allowed to vote. This year, the CIP has been handled solely by the Planning Board. He noted that he didn't believe votes have yet been taken on the CIP.

For an item to be put in the CIP, it must cost a minimum of \$75,000. The CIP Plan's description explains that it is an advisory document to the Board of Selectmen and the Budget Committee. It doesn't tell these groups how to budget for things and so Chair Wilson said he feels the Budget Committee will still make use of their budgeting tables to determine how to plan the Town's budget. He didn't think the Budget Committee would see much of a difference in how they budget, with regards to this new document.

Chair Wilson said the Planning Board is calling the CIP something different than what they have in the past and he understands that what is included in this year's CIP is GIS maps, dispatch, highway equipment, and public safety. He feels that the Budget Committee will have other things that need to be addressed for the coming years and they will need to predict how much will need to be put into various funds. Chair Wilson said he thinks the Budget Committee should have a very involved CIP subcommittee this year. Mr. Prohl said the Selectmen will also be coming forward with budgetary numbers. He wondered if it would be possible to work with the Selectmen, along with a subcommittee, to come up with the Budget Committee's numbers. Chair Wilson said he had no problem with that but didn't know if they could have such a subcommittee.

Mr. Green asked why the Planning Board changed the way they were handling the CIP Program. Chair Wilson answered that the change was triggered by the Planning Board, who is in charge of the CIP. The Zoning Administrator showed them examples of four or five other towns and how they plan their CIPs. Meredith, for example, does it as an extension of their Master Plan, which is how New London is now doing theirs.

Ms. Hallquist said the Planning Board is in charge of the CIP; they have been changing how they handle it a little over the years but ultimately, it is their responsibility. Mr. Cardillo noted that in 1995 a statute gave the responsibility to the Planning Board and he wasn't sure how it got away from the Planning Board over the years but it seems that they are now ready to embrace the CIP again, on their own. Ms. Jesseman said when she was on the Planning Board in the 1990's, the Planning Board handled the CIP the way it is being done this year.

Selectman Rollins asked Ms. Jesseman to describe the relationship between the CIP planning (Planning Board) and the Budget Committee in the 1990's. Ms. Jesseman said at the end of the process they had a meeting together but she didn't remember any large intersect between the two groups. Selectman Rollins said she was fine to work on a subcommittee with the Budget Committee, but she didn't see a usefulness in doing so if the committees were parallel.

Ms. Hallquist said the Planning Board prepares the CIP and hands it over to the Selectmen and to the Budget Committee, who use it as an advisory document: they can adopt the recommendations or ignore it as they deem appropriate. She noted that the Department heads are aware that the CIP document is used for budgeting purposes. Chair Wilson said one committee (Planning Board) is focused on planning and the other committee (Budget Committee) is focused on budgeting; he doesn't feel that the two committees would be parallel.

Mr. Green asked if the Budget Committee would be able to change the CIP once it is given to them by the Planning Board. Ms. Hallquist said the Budget Committee cannot change the CIP as it is a Planning Board document, however the Budget Committee can act on it the way they feel appropriate within their budgeting. Ms. Piotrow wondered if it would be possible to coordinate presentations with the Department Heads so they could all hear the information at once to save time. Chair Wilson said he is against this approach. He doesn't think the Selectmen and Budget Committee should be in the room with each other taking their positions. They are two separate groups and should get the information separately. Ms. Piotrow feels it is the same information and they could both listen together; she was trying to find a more efficient process. Chair Wilson said he is not going to be running for re-election for Chairman of the Budget Committee and didn't want to assert his opinion on this matter upon the committee.

Mr. Ensign said he recalled in the 1990's the budgets were not what they are now. He chaired the Budget Committee years ago and it was all a simpler process compared to how it is now; the distribution of funds was much simpler. The Planning Board has taken a different approach this year and has chosen to separate itself from the process of the CIP beyond a dollar amount and time frame. If something is out of a 7-year horizon, the Planning Board will not look at it. Things shouldn't be a surprise to them. The CIP plans and funds are being planned the way they used to be. The Budget Committee has the obligation of evaluating the current and future needs of the town from a financial perspective; they are in charge of the funds and expenditures. Mr. Ensign thought the way the CIP is being handled now clarifies the situation and doesn't confuse it.

Selectman Bianchi said there would be a public hearing on the CIP report, which had been distributed to the Budget Committee, on November 18<sup>th</sup> at the regular Planning Board meeting.

Chair Wilson passed out a sheet with proposed subcommittee members listed, as well as proposed meeting dates for the 2014/2015 budgeting season.

The proposed subcommittees were:

Safety (including Fire, Police & Dispatch) – Phyllis Piotrow, John Wilson, Rob Prohl  
Public Works (including Highway, Sewer and Transfer Station) – Bill Green, Chris Lorio  
Library, Recreation, Planning Board, Zoning Administration – Sue Jesseman, Larry Dufault  
Administration (including Executive, Finance, Town Clerk/Tax Collector, Assessing, Government Buildings) – Joe Cardillo, Bruce Hudson

The proposed meeting dates were:

December 3, 2014  
January 21, 2015  
February 4, 2015  
February 11, 2015  
February 18, 2015  
February 25, 2015

March 4, 2015

April 8, 2015 (Public Hearing)

Mr. Cardillo asked Chair Wilson to speak to the timeline and procedure the proposed subcommittees should follow. Chair Wilson said the idea was to get the meetings done as soon as possible. Mr. Prohl said last year they met with Department Heads before the first budget meeting in December so that they could explain their thoughts and recommendations at the beginning of the process.

Mr. Dufault wondered if the Budget Committee wanted to comprise a set of common questions to ask the Department Heads. Mr. Prohl thought they should meet with the departments first and see what the needs are. They can decide to set a goal for the Department Heads at that time.

### Selectmen's Report

Selectman Rollins ran through the items the Board of Selectmen had been working on, which have relevance to the Budget Committee:

- The Board of Selectmen expects to receive budget requests from Department Heads by mid-December.
- Infrastructure issues, including those at the bandstand, Academy Building and others are being addressed by Richard Lee (Public Works Director) who has placed ads for interested subcontractors to submit estimates for needed work to be done. Matt Grimes, Facilities Maintenance, has been maintaining and updating some areas and may also be able to do some of the work that would normally be contracted out.
- Ms. Hallquist is currently looking at the Haddad Trust, with regards to money left to the Town and determining who has the authority to approve expenditures with that money.
- The Elkins sidewalk project is ongoing; Pathways Consulting recently had a meeting with those on the Elkins Subcommittee to discuss things such as railings, paint color, etc. William Rose from DOT will get back with them with remarks about the plan and the preliminary design that has been submitted.
- A dispatch study was done by Bob Barry of Primex. He conducted a thorough analysis of all components and how other towns handle dispatch. The report has given the Town a lot of good information to help move forward.
- The Selectmen conducted a meeting about dispatch on October 11, 2014 at Whipple Hall which included representation from every member town who uses New London Dispatch. While there was no vote that had been taken prior to this meeting, it was determined that the New London Selectmen would present six funding scenarios, which were broken down by town and their associated costs. Scenario #2 was favored by the majority of the Selectmen, and thus was focused on mostly as it includes the same \$3,000 user fee per town, plus a percentage of the cost comprised by the number of calls per town, in addition to a formula to charge towns for ongoing operating costs. The New London Board of Selectmen feel that New London should pay for the most recent upgrades to the infrastructure as upgrades had not been done in the past. All of the member towns voiced that they like the service they get from New London dispatch and these upgrades, paid for by New London, show a commitment from New London to remain providing a quality service. The member towns were charged with going back to their towns and discussing if they would be moving forward with being part of New London dispatch. Going forward they may talk about starting a regional compact or an agreement of more than one year (the current time-period in the agreement) with the other towns. In the future, there can be a discussion of amortizing the costs for upgrading and maintaining the infrastructure among the member towns. Selectman Rollins noted that the Police and Fire Departments have been working very hard on

this initiative by writing grants. She added that New London Police and Fire personnel, along with personnel from Sunapee Police Department hiked all the new equipment for a repeater to the top of Mount Kearsarge so it could be installed on the tower. This saved the Town money and she wanted it noted that the Town is appreciative of their effort.

- RFPs have been released for the Whipple Hall engineering report for analysis of the building's existing conditions, architectural integrity, energy review, and recommendations on what improvements could be made and what the benefits of the improvements would be. There were two responses to the RFP and the Board of Selectmen decided to go with Dennis Mires, PA. The Building Committee was also in favor of Mr. Mires' RFP.
- Related to Whipple Hall, Jim Perkins, Town Archivist, has sought permission from the Selectmen to get Whipple Hall included on the designated list of historical places through the State of New Hampshire. The Selectmen agreed that this would be a good thing to do. One benefit of getting on the list is that it could put the Town in a position to apply for some assistance from L-CHIP or the Conservation Plate Program to help refurbish the hall.
- Selectman Rollins said she has learned at a recent Tri-Town Assessing meeting that New London's Grand List has increased.
- Through two meetings with the Sunapee Sewer Commission, it was agreed that there would be no changes to any differentiation in terms of percentages that New London and Sunapee pay for flows to the treatment plant, until they have more data. There were some anomalies in the data from the flow meters that need to be addressed.
- The Single Stream Recycling Committee has been having regular meetings. There has been no final report yet but the Committee has determined that at this point in time, New London would not benefit from Single Stream Recycling, and there needs to be more research done on recycling.
- The Employee Committee has been meeting and plans to present to the Board of Selectmen in December.

#### Other Business

Wendy Johnson (Finance Officer) was asked to discuss the surplus.

Ms. Johnson said they ended fiscal year 2014 with an unreserved fund balance of \$479,946 which is made up of \$184,000 from revenue surplus (the Town received more than was estimated), and the remainder (\$296,000) was from the unexpended balance of appropriations. She noted that the Selectmen voted to use \$450,000 of the balance to reduce the 2014 tax rate. They don't have the tax rate yet but are in line to get it from the State. They have a projected tax rate of \$3.94 per thousand.

Ms. Johnson indicated that part of the \$184,000 was a refund from LGC (\$26,500). Motor vehicle registration fees were up over \$45,000. Building permits were over \$17,000. Planning Board fees were \$2,500, Zoning Board of Appeals fees were \$1,500, and the Worker's Compensation refund was \$11,700.

Mr. Prohl wondered where the largest unspent budgets were realized. Ms. Johnson said the Police Department was \$55,000 under budget, Highway was \$52,000 under budget, the Transfer Station was \$42,000 under budget, Streets and Highways was \$18,000 under budget, the Administration (Executive)

was \$13,000 under budget, Town Clerk/Tax Collector was \$14,500 under budget, and Finance was \$12,000 under budget. It was noted that a lot of these budgets were under spent because of staffing losses.

Election of Chairman of the Budget Committee

**IT WAS MOVED (Phyllis Piotrow) AND SECONDED (Joe Cardillo) to appoint Rob Prohl as Chairman of the Budget Committee. THE MOTION WAS APPROVED UNANIMOUSLY.**

Election of Vice-Chairman of the Budget Committee

**IT WAS MOVED (Phyllis Piotrow) AND SECONDED (Bill Green) to appoint Joe Cardillo as Vice-Chair of the Budget Committee. THE MOTION WAS APPROVED UNANIMOUSLY.**

Selectman Rollins asked if it had been a precedent that the selectmen's representative not participate in the subcommittees. Mr. Wilson answered in the affirmative. He said, however that this year it may change but it depended on the Chair. Selectman Rollins said she would do what needed to be done to help in the process.

Nomination of a Capital Reserves Committee

It was decided that the Capital Reserves Committee would be comprised of Rob Prohl, Joe Cardillo, John Wilson, and Nancy Rollins.

**IT WAS MOVED (Larry Dufault) AND SECONDED (Bill Green) to adjourn. THE MOTION WAS APPROVED UNANIMOUSLY.**

The meeting adjourned at 7:51pm.

Respectfully submitted,

Kristy Heath, Recording Secretary  
Town of New London