



# TOWN OF NEW LONDON, NEW HAMPSHIRE

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## **DRAFT** **Budget Committee Meeting** **Meeting Minutes of January 13, 2016**

**BUDGET COMMITTEE MEMBERS PRESENT:** Rob Prohl (Chair), Joe Cardillo (Vice-Chair), Tyler Beck (arrived at 6:54pm), Phyllis Piotrow, John Wilson, Chris Lorio, Bruce Hudson, Suzanne Jesseman, Colin Campbell, Peter Bianchi (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  
Lucy St. John, Planning & Zoning Administrator  
Linda Hardy, Town Clerk/Tax Collector  
Richard Lee, Public Works Director  
Jay Lyon, Fire Chief  
Sandra Licks, Library Director  
Jim Wheeler, New London Resident  
Jack Sheehan, New London Resident  
Alison Seward, New London Resident and member of the Solid Waste Committee

Chair Prohl called the meeting to order at 6:30pm.

Minutes of December 9<sup>th</sup> and 16<sup>th</sup>

**IT WAS MOVED (Bruce Hudson) AND SECONDED (Joe Cardillo) to approve the minutes of December 9, 2016, as amended. THE MOTION WAS APPROVED UNANIMOUSLY.**

**IT WAS MOVED (Phyllis Piotrow) AND SECONDED (Chris Lorio) to approve the minutes of December 16, 2016, as amended. THE MOTION WAS APPROVED UNANIMOUSLY.**

Selectmen's Report

Selectman Bianchi said the select board has decided to fill the Deputy Town Clerk/Tax Collector position with a part-time employee and advertising has gone out. He reported that Ms. Hallquist wrote a letter to the Town of Sunapee to ask the contractor for the wastewater treatment plant upgrade project to pay for half of the \$15,000 fine imposed by DES because of a spill. Additionally, the Superintendent and Chair of the School Board met with the Selectmen to discuss some misunderstandings that Mark Kaplan and Bill Helm (appointed by the Selectmen to negotiate with the School Board with regards to the 1941 Building and site) had when they went to meet with the school board earlier. They hope to move forward with discussions about the 1941 building and site. Selectman Bianchi said the filing period for elected positions within the Town is the January 20-29. The select board sent out RFPs for both the Wage and Benefits Study and the Elkins Dam Engineering work; the board has not yet to review the responses. Two came in for the wage study and five came in for the engineering just that day.

The Selectmen have received the report from the K-9 Feasibility Committee on January 4, 2016. They have not met to discuss the report yet. The committee will come in to discuss the K-9 program to the Selectmen during their February 1<sup>st</sup> meeting.

Selectman Bianchi said Bob Brown, Conservation Commission Chair, came to a recent meeting to discuss an ongoing discussion about two land purchase opportunities in town. More information will come forward and a recommendation would need to be given from the Budget Committee on one of the properties. The plan of the Conservation Commission is to use some funds from the Mary Haddad Fund for one project and the Conservation Land Acquisition Fund for another; both will require Town Meeting approval.

Selectman Bianchi noted that Sam Cahan, full-time Fire Department employee, has resigned from the New London Fire Department and has taken a job with the City of Concord. They are sorry to see him go but wish him the best of luck. Chief Lyon said Mr. Cahan is an example of a local person in town, who started in New London as a Jr. Firefighter, has gone through the ranks in their organization, and gone on to study Fire Science in College. He is glad to see Mr. Cahan's hard work come to fruition.

There was some discussion about the hours that would be offered for the Deputy Town Clerk/Tax Collector position. It was noted that the Selectmen have not made any final decisions about the job as yet but have advertised it as 32 hours per week. The position is currently 25 hours per week.

Selectman Bianchi said Robin LaChance at the Transfer Station has retired.

Mr. Hudson noted that at the Selectmen's meeting on December 21st, Bill Helm retracted the request for the Enforcement Officer (\$16,500). Selectman Bianchi said the Selectmen have not yet voted on this change in their budget so they can't remove the \$16,500 amount from the selectmen's budget just yet.

#### Discussion of Proposed Selectmen's FY2017 Budget

##### *Street Lighting*

**IT WAS MOVED (Chris Lorio) AND SECONDED (Suzanne Jesseman) to approve the Street Lighting Budget, as submitted. THE MOTION WAS APPROVED UNANIMOUSLY.**

##### *Transfer Station*

Chair Prohl asked about the \$8,000 in the Conferences and Training budget. \$7,000 of the total is for a Transfer Station study, which has been requested by the Solid Waste Committee. He wondered why they would want to start this project now and not a year from now, as there are a lot of other projects going on in the town. Mr. Lee said Northeast Resource Recovery Association (NRRA) is going to come up with recommendations on what they can do to get by with what they have through a free study. After this study, the Solid Waste Committee may want to move forward with a more detailed study to be able to plan for the future; the transfer station is 28 years old and they will need to update things at some point. Putting it off another year is just pushing it back another year.

Chair Prohl said he was just concerned that they have a lot of expensive projects going on in the town currently and moving forward with this study meant another project to add to the list.

Alison Seward, Chair of the Solid Waste Committee, said the committee was formed last May by the Selectmen. She said they were told by someone who is well-known in this industry that a study of the transfer station would be about \$7,000. The facility was created almost 30 years ago and is now bursting at the seams. The committee would like to find out how they can work with what they have and find out how they can increase recycling, which should pay off the investment of the study. Mr. Lee said because

of the way they process their recyclables right now, they are not making much money on them and in some cases they are losing money.

Ms. Seward said it was her understanding that if they were to have the \$7,000 to do the study they weren't planning on using the money until spring. They aren't asking anyone to take on a project at this point. The study would just be to form recommendations on how the Town should go forward in the future.

Mr. Cardillo wondered what they would get, exactly, for the \$7,000. Ms. Seward said that is not clear yet but they would have these answers in the next week. Chair Prohl opined that if this was important enough, the Selectmen could find the money in the budget elsewhere if the Budget Committee removed it from the budget. Mr. Cardillo wonders if there is enough talent in the town already to consult with the Town on how best to handle the recycling and the set-up of the Transfer Station. Mr. Lee said they are handling plastic seven times before it is sent out of town to be recycled, which he feels is ridiculous. They are also paying \$100/month to keep a box at the Transfer Station to collect newspaper and have to do so because of the way they handle recycling newspaper. He said there might be talent in town to give recommendations about the Transfer Station (which is spread over four sites), but if he came forward to the Selectmen or the Budget Committee with a number, he is sure they would ask him if anyone has really looked at the solid waste system and done a study. That is why they want to have this study done now.

Mr. Lorio said it is a trust issue with the vendor as to whether they will do a good study or will do very little. He feels they really need to find out exactly what information they will get from the study.

**IT WAS MOVED (Rob Prohl) AND SECONDED (John Wilson) to eliminate the \$7,000 from the budget for the study of the Transfer Station.**

Mr. Lorio said the funds for this study won't be used until 2017 which would mean there would be no planning for any new Transfer Station until 2018. The longer they wait, the more it will cost.

Ms. Seward said she doesn't think anyone on the Solid Waste Committee expects instant action after results are found from the study. It is a vision for the future and a timeframe can be created upon completion of the study. It is a discussion point to start planning for the future. Mr. Lee said there is a free survey that would include a tentative design suggestion (outlining the amount of land they would need). Permission will still be needed from the State to build a new station, and they won't know how much it will all cost. He feels the intent is to get them started thinking on where a new station could go, depending on the size they need, and find out the costs of a new facility. They are trying to begin this process with this study.

Mr. Cardillo said he would appreciate some information on who is doing the study and what will come of it. Ms. Hallquist said the question for the Budget Committee is whether to fund the request or not; the Selectmen will decide how they will seek out consultants to do the work, for example putting out an RFP, and then will evaluate the proposals and select the best firm to award the work to. The current discussion is just to hear what the money will be used for and whether to set aside money to potentially do the study. Ms. Seward said they would write the scope of work appropriately but have not done it yet. They are waiting for the free study by NRRA to decide if they need to move forward with a study that costs more.

Ms. Piotrow said the Transfer Station is used by almost every citizen in town. Also, when they appoint and encourage volunteers to spend considerable amount of their own time on an issue, and think about it and what ought to be done, they should give weight to their considerations. These people are volunteering and when they come forward with a modest recommendation that has the support of the staff involved,

the Budget Committee should give it serious consideration. Ms. Jesseman agrees; if they don't take their suggestions seriously, people will get discouraged and not volunteer.

Dr. Wilson said this is a difficult budget this year; everyone has increases that they feel are "musts." They can't do it all. He understands the Transfer Station needs improvements but at some point they need to cut back on these things. It is hard for him to vote against things like this because he knows that improvements can be made but he has to keep in mind the rising tax rate which looks to be 13% at this point. Ms. Piotrow said the tax rate Dr. Wilson has been referencing to is deceiving; people will not see the overall tax rate go up 13%, it will be a smaller amount. The Budget Committee is talking about the Town's tax rate. Mr. Cardillo said a \$400,000 homeowner will see a \$400 increase in their tax bill based on all the increases coming at them this year. He is not concerned about having a study but is worried if he has a study done now and no work can be done for several years, they will need another study when they are ready to do the work.

Mr. Cardillo said he doesn't want to discourage volunteerism but feels that these things take time. Perhaps the committee can run with this another year before doing the study. Ms. Piotrow feels it important to have both short and long term solutions from the study. Mr. Lee said short term solutions will likely come from the NRRA study.

Mr. Bianchi said the school meeting last Saturday revealed that their budget may increase 3% which means the Town may need to come up with over \$400,000 for the school tax. Chair Prohl said he is worried about the future.

Chair Prohl called for a vote on the motion on the floor:

**THE MOTION PASSED.**

**In favor: Prohl, Campbell, Cardillo, Bianchi, Hudson, Wilson. Opposed: Lorio, Beck, Piotrow, Jesseman.**

#### *Transfer Station Signs*

Dr. Wilson suggests reducing the sign fund by \$1,000. Mr. Lee said this will leave them enough to purchase one 2" x 2" sign. They want to encourage people to recycle and they need to update the hand-made signs they had when they opened the Transfer Station 28 years ago. Inspectors come and write them up for not having the appropriate signs. There have been no fines imposed as yet.

**IT WAS MOVED (John Wilson) to reduce sign line item by \$1,000.**

There was no second to the motion.

**IT WAS MOVED (Phyllis Piotrow) AND SECONDED (Chris Lorio) to approve the amount of \$388,672 for the Transfer Station budget. THE MOTION WAS APPROVED UNANIMOUSLY.**

#### *Landfill Monitoring*

There was discussion on the varying costs of the testing. Mr. Lee said surveying is needed periodically and the stump dump is monitored. They also test two or three monitoring wells around the landfill.

**IT WA MOVED (Phyllis Piotrow) AND SECONDED (Suzanne Jesseman) to approve the Landfill Monitoring budget of \$21,000. THE MOTION WAS APPROVED UNANIMOUSLY.**

#### *Cemeteries*

There was discussion about lawnmowers. Mr. Lee said they buy the mowers from Lowes, run them for two years, and then get rid of them. They are used 30 hours/week each during the summer.

**IT WAS MOVED (Joe Cardillo) AND SECONDED (Suzanne Jesseman) to approve the Cemeteries Budget of \$28,555. THE MOTION WAS APPROVED UNANIMOUSLY.**

#### *Town Buildings*

Chair Prohl suggested cutting the fuel lines down given the current rates of fuel and how they are projected to remain low. He asked Ms. Johnson if they can lock in a low price for heating fuel. Ms. Johnson said she did last year and they lost on fuel prices as they went down even further; it is a gamble. Dr. Wilson suggests a 15% reduction from each town building heating fuel budget.

**IT WAS MOVED (John Wilson) AND SECONDED (Phyllis Piotrow) to reduce each building's fuel line by 15% for a total reduction of \$6,435. THE MOTION WAS APPROVED UNANIMOUSLY.**

#### *Academy Building Maintenance and Repair*

Mr. Hudson asked about the \$10,000. Mr. Lee said this is for general repair and things like light bulbs and painting. This is being asked for in an effort to not have to dip into the Capital Reserve Fund for building maintenance. Whatever amount they give him, he will use.

Dr. Wilson wonders if the same kind of fund should be set up for maintenance as has been created for the vehicle/equipment repair for all the town's vehicles/apparatus. Mr. Lee said this would be a fine idea; they could also have one for all the heating systems in the Town.

**IT WAS MOVED (Chris Lorio) AND SECONDED (Suzanne Jesseman) to approve the General Government Building budget of \$178,810. THE MOTION WAS APPROVED UNANIMOUSLY.**

#### *Administration*

Mr. Hudson asked about the \$100,000 pool for employee compensation. Ms. Hallquist said the Board of Selectmen arrived at the figure during a meeting at which Steve Ensign (Board of Firewards) suggested it as a good starting point if the select board goes ahead with the compensation study. The amount of \$100,000 was arrived at based on 5% of the total salary expense of the town, which is about \$2 million dollars. Adjustments will be made to the salaries based on what the study comes up with. The \$100,000 could be more or less than what the salary study suggests for adjustments. Ms. Hallquist explained that there are probably salaries that are as much as 10% underpaid that will need to be adjusted and there are probably more salaries that are close to, slightly over or under, what they should be according to market rates.

Chair Prohl feels the Budget Committee could cut \$40,000 from that account and it will still give the select board enough money for adjustments. Ms. Piotrow feels this is too much of a cut. The biggest disparities will be in the higher paid ranks which are very important to the governance of the town. Those positions will need more than a 1-2% increase. She's heard sometimes even an 8% increase is necessary. She wonders if they could cut it to something more like \$80,000. Dr. Wilson said he is totally against the approach of putting a pool of money aside. He would like to see the study and then assimilate the information and decide what they want to spend on it. Mr. Lorio asked if Dr. Wilson believes that if the money is put aside, the select board will spend it all. Mr. Lorio noted that it is his understanding that if the study shows that all of the money is not needed for salary adjustments, it will not be spent. Ms. Hallquist agrees; if the study is done by the end of June, the Selectmen will look at the study and see how much the changes are going to cost and then make the adjustments at the start of the new fiscal year, which is the time when salary adjustments are made. Dr. Wilson said he doesn't see a lot of people

leaving because of money. Chief Andersen disagrees noting that the attrition level is almost half since they have changed the benefit packages.

Ms. Hallquist said the Selectmen won't blow all the money just because they have it. Dr. Wilson said this seems to have come up after one meeting of the selectmen's compensation committee meeting. Ms. Hallquist said this wasn't the case and she feels a salary study should be done at least every 10-15 years by a professional outside firm. Mr. Lorio said it should be more often than 10 years. Chair Prohl thinks this project should be spread out over 2-3 years. Ms. Hallquist said Steve Ensign, who is a respected businessman and who has some experience in working with compensation plans for large groups of employees, recommended the figure based on a percentage of their current compensation; it wasn't a random number.

Mr. Cardillo said it seems unfortunate that the budget committee is seen as the "bad guys" because the Selectmen haven't made the decisions they are supposed to. Mr. Cardillo said the Selectmen said they were going to do a wage study last year and it wasn't done. He thinks the study should have already been done by now as the budget committee has been asking for. They should be able to budget for wage increases, not just assume 5% increases across the board. Ms. Hardy said in 2006 a wage study was done and implemented for one year. After that, it was put aside and they stopped. Chief Andersen said at the time the wage study was done, the Police Department was talking about joining a union. Because the program was taken away, they don't have faith in these studies.

Mr. Lorio said they are running on a recommendation from the Selectmen. If they have employees who leave because of being underpaid, it is much more expensive than giving a 2 or 3% increase. They have done a horrible job of keeping employees up to speed of what wages should be. He is fine with the \$100,000 if that is the recommendation of the select board. He doesn't feel they will spend it all if they don't need to. He agrees that the study should have been done earlier.

Ms. Piotrow agrees with Mr. Lorio and says they need to consider the alternative. They need to let the Selectmen do their study and come back with a figure. It would have been nice to get the results earlier than now.

Chair Prohl understands the dilemma and feels they should put some money aside to adjust the underpaid employees and then put a plan in place to keep up to date with wages.

Mr. Cardillo agrees that they don't have an alternative; they have to fund the line at some amount. He doesn't know why they dropped a good program when they had one in place. They have to figure out a reasonable amount. Ms. Piotrow said they should expect the study to be completed by a certain date.

Ms. Hallquist noted that the Budget Committee doesn't always have to cut things from the budget, if they wanted a compensation study done, they could have put the amount necessary into the budget and then urged the Selectmen to do the study with those budgeted funds.

Mr. Hudson said last year they gave a 4% raise across the board. It was roughly \$80,000. He referenced a comment Mr. Cardillo made at a previous meeting: "payroll is 40% of the budget." If they look at \$180,000 being spent in raises over two years, that is a lot of money. It needs more scrutiny in his point of view. He trusts the townspeople and selectmen but it is a point of angst for the majority of the Budget Committee that these things aren't getting done in a timely manner. Selectman Bianchi said since he has been on the Board of Selectmen, each year in down times 95% of the employees got a raise. They give good raises; last year it was 4% across the board. He doesn't think this was that bad. If they have to go

into giving merit raises and bonuses, then fine. But he isn't in favor of just putting \$100,000 aside for possible raises.

Chief Andersen pointed out that the LGC compensation study that Selectman Bianchi used to say that New London is at the top of the list for compensation does not always have accurate information, noting that he has done his own research and has contacted the towns directly and gotten different results that given in the LGC study. The amount the other towns were paying their employees was not what was printed. This is why he feels the study is important to have done. They also have to consider the uniqueness of New London and the variables that must be considered (the town has many miles of roads, a college and a hospital).

Selectman Bianchi said when other people have been getting pay cuts and people were getting laid off, New London was giving raises. Mr. Lorio said those employers are "for profit" companies which is very different than government agencies. Selectman Bianchi said he doesn't buy the fact that the starting point is so low that an employee will never get paid what they should, per step. Selectman Bianchi said at the school meeting he learned that they changed the employee contribution to insurance from 10-15% down to 5%. They are still saving money because they are offering a different plan. The Town needs to consider benefits as well when discussing compensation.

Chair Prohl said until they get the study and a program is set up he would like to fund the employee pool at \$65,000.

**IT WAS MOVED (Rob Prohl) AND SECONDED (Joe Cardillo) to reduce the \$100,000 to \$65,000.**

Ms. Piotrow wanted to amend Chair Prohl's motion:

**IT WAS MOVED (Phyllis Piotrow) AND SECONDED (Suzanne Jesseman) to reduce the \$100,000 to \$80,000. THE MOTION FAILED.**

**In favor: Piotrow, Campbell, Jesseman. All other were OPPOSED.**

A vote was taken on the original motion, prior to it being amended:

**THE MOTION FAILED.**

**In favor: Cardillo, Hudson, Wilson, Prohl. All others were OPPOSED.**

**IT WAS MOVED (Chris Lorio) AND SECONDED (Tyler Beck) to keep the funding at \$100,000. THE MOTION FAILED.**

**In favor: Lorio, Beck, Campbell, Jesseman, Piotrow. All others were OPPOSED.**

Ms. Piotrow noted that Selectman Bianchi is not voting the way the selectmen voted in this instance. It was explained that he is a member of the Budget Committee and can vote any way he desires.

**IT WAS MOVED (Joe Cardillo) AND SECONDED (Bruce Hudson) to reduce the fund to \$75,000. THE MOTION FAILED.**

**In favor: Cardillo, Hudson. Opposed: Lorio, Beck, Jesseman, Piotrow, Prohl, Bianchi, Campbell, Wilson.**

Mr. Lorio reminded the Budget Committee that they are voting on an amount they may or may not use. He understands the tax implications but he would rather keep it reasonable where the recommendation is and they can reduce it a bit, but not cut it in half or by a quarter.

Selectman Bianchi said if the money is there, it will get spent. Mr. Lorio said it is up to the Selectmen what they spend from the money. He deals with this kind of predicament every quarter in his job. Mr. Lorio observed that he sees a lot of lines in the current budget that are not spent so he believes that if the entire \$100,000 is not needed, it will remain unspent.

Ms. Hallquist said if the study comes in and it concludes that there are employees who are significantly underpaid, those employees will likely expect the selectmen to make adjustments. The majority of people, she believes, are paid at appropriate levels. Maybe 25-30% are underpaid. She knows for sure there are some salaries that are underpaid. Ms. Hallquist cautioned that when a study is done and the results are not instituted, it breeds low morale among employees.

Chair Prohl said he was on the original compensation committee and when they met with the college and hospital he found it will take time to figure out the best way to institute a plan (step/merit raises), etc. Ms. Hallquist said they aren't talking about instituting new plans for FY2017; first the compensation study will be done to see where the salaries are as compared to the recommended salary for each position.

Chief Andersen thinks it important to understand that in 6 months, he has gone through three oral boards with potential new hires and even offered a \$5,000 sign-on bonus, and they can't find someone to hire. The Town of Hanover has a \$10,000 sign on bonus and offers \$4 more per hour to start. The Police Department is down six officers. It is a struggle. The draw to the public to work for a town used to be a decent retirement, and a well-paying job. Right now, there are many people offering \$20/hour to start for clerk positions in private businesses. He feels they need to leave a fair amount of money in there to cover positions underfunded. The public benefit has been cut more and more. He is running his officers ragged to cover the shifts.

**IT WAS MOVED (Rob Prohl) AND SECONDED (Joe Cardillo) to reduce the \$100,000 pool to \$80,000. THE MOTION FAILED. In favor: Prohl, Cardillo. The rest were OPPOSED.**

Mr. Cardillo feels \$100,000 is just too much and figures they could make adjustments with \$50,000. They need to come to a consensus.

**IT WAS MOVED (Phyllis Piotrow) AND SECONDED (Chris Lorio) to reduce the \$100,000 pool to \$90,000. THE MOTION FAILED.**

**In favor: Lorio, Beck, Campbell, Jesseman, Piotrow.  
Opposed: Bianchi, Wilson, Hudson, Cardillo, Prohl.**

After several failed attempts to come to an answer, the Budget Committee decided to move on and come back to this topic until the end of the meeting.

Ms. Hallquist said they would like to increase the Moderator pay from \$50 to \$150 per meeting.

**IT WAS MOVED (Phyllis Piotrow) AND SECONDED (Suzanne Jesseman) to approve the budget of \$69,485 for the Town Clerk/Tax Collector budget. THE MOTION PASSED.  
Bruce Hudson was out of the room and did not vote.**

#### *Finance*

**IT WAS MOVED (Chris Lorio) AND SECONDED (Suzanne Jesseman) to approve the Finance budget of \$258,243. THE MOTION PASSED.  
Bruce Hudson was out of the room and did not vote.**

*Elections and Registration*

**IT WAS MOVED (Phyllis Piotrow) AND SECONDED (Chris Lorio) to approve the Elections and Registration budget of \$95,815. THE MOTION WAS APPROVED UNANIMOUSLY.**

*Legal*

This budget is currently at \$25,000. Ms. Hallquist said there are three court cases going right now. Some funding could be taken from this area but it is hard to say how much. Some years they need more than others.

**IT WAS MOVED (Rob Prohl) AND SECONDED (Chris Lorio) to reduce the Legal budget by \$5,000. THE MOTION WAS APPROVED UNANIMOUSLY.**

*Personnel Administration*

It was explained that the amount of \$104,057 were expenses for insurance that are reimbursed by the Library. Leave Time Buyout is funding to cover paying for an employee's unused vacation time if they leave.

*Planning & Zoning*

Chair Prohl suggests waiting until next week to vote on this budget. The Selectmen still need to take a vote on the reduction of the enforcement officer position. The Budget Committee agreed to wait.

Ms. Piotrow wondered if more time should be allocated to administrative help for the Planning Board. Chair Prohl wonders if Ms. St. John will be getting help from the added administrative hours that resulted after Kristy Heath left. Ms. Hallquist said that is the plan. After the Town Report is completed, they plan to give four hours per week to Ms. St. John.

Mr. Hudson noted that the Regional Planning Commission (RPC) Planning Services at \$2,500 has not been spent in four years. Mr. Hudson asked what the funding is for. Ms. St. John said if they want the RPC to do some extra things for them, which their membership does not cover, it will incur fees. They haven't had a need for this in the past couple of years but the potential exists.

**IT WAS MOVED (Bruce Hudson) AND SECONDED (John Wilson) to reduce the RPC funding to zero.**

Ms. Hallquist said it could be that the Planning Board will need the services of the RPC more in the future due to the fact that Ms. St. John would be spending more time enforcing and will need help with other things. We may be asking for their help.

*The motion was amended as follows:*

**IT WAS MOVED (Rob Prohl) AND SECONDED (Chris Lorio) to reduce the RPC funding to \$1000. THE MOTION WAS APPROVED UNANIMOUSLY.**

They would vote on the final total after the Selectmen vote on the \$16,500 change (Enforcement Officer position).

*Capital Reserve*

Chair Prohl asked Mr. Lee about the drainage pipe at the library and what his ideas were about it.

Mr. Lee said he wasn't sure. He wasn't involved enough to give an opinion. Ms. Licks said Frank Anzalone is heading up the project right now. She said they have a firm estimate from someone who has done work for them before. The price includes the assumption that they will have to do it all and will not be able to tie into the old pipe that may have been damaged under the new portion. He didn't think considering the amount of work they have to do and the extensive digging, \$38,000 was a bad price.

Ms. Piotrow asked if they could include the bond end-dates for the Budget Committee. Selectman Bianchi said all that information is in the Town Report. Ms. Hallquist said they would find a way to make that information available for them.

Bridge Repair: Mr. Lee said it is estimated that it will cost \$525,000 to replace the culverts on Brookside Drive. The bridges are on the State's "red list" right now which is why they are trying to get moving. His recommendation is to pick one side to complete now and fix the next another time. This would insure access for homeowners in the event of a catastrophic storm event.

Sewer Lagoons: Chair Prohl asked if the Sewer Lagoon closure project would go over several years. Selectman Bianchi said they have thought about spreading that project over three years to five years. The budget committee will probably need to put more money into the capital reserve account for this project. They plan to meet next Tuesday to go over their plan before sending it to the State.

Highway Building: \$23,000 is what the Selectmen recommended for the highway building. Chair Prohl Mr. Lee if he is worried about the sand shed falling in before the three years is up and they can put up a new one and asked if there was any interest in combining projects into a bond instead of putting so much money into a capital reserve. Chair Prohl said for example, funding for the Brookside Drive project and the sewer lagoons could go into one bond. It was noted that the lagoons wouldn't need that much additional funding as they already have \$60,000 in the fund. Selectman Bianchi said they have enough to get started on the lagoons right now and since they may work on them over several years they wouldn't need it fully funded at this time.

Mr. Lorio asked what they were paying for bonds right now. Dr. Wilson said there is a bond sheet in their budget packet. They have principal payments of \$291,000. Retiring bonds in 2017 will save the Town \$70,000.

Dr. Wilson suggests getting both bridges and the salt shed done with a bond. He wondered where they are with the Elkins Dam. Ms. Hallquist said they have to have it done by 2018. Dr. Wilson asked about Whipple Hall. Ms. Hallquist said they have had two studies on it. They need to address electrical issues, safety issues, and plaster work. It depends on how much the Selectmen will put towards it in the Town Buildings Capital Reserve. There has not been further discussion about moving the Recreation Department at this time because of the stall with the 1941 building and site. Therefore, the capital reserve fund recommended by Chief Andersen to move Dispatch was not funded by the Selectmen.

Chair Prohl asked if they have to repair both bridges on Brookside Drive. Mr. Lee said they could close the road on one end and the other could be repaired. It would be an inconvenience for some of those living there, but at least they would have access. Mr. Lee said it will cost about \$600,000 for 14 homes to have access.

Mr. Lorio agrees that bonding for some projects will work well.

It was decided that the Budget Committee would discuss the pool for employee compensation at the next meeting.

The next meeting is scheduled for Wednesday, January 20<sup>th</sup> at 6:30pm. A reconciliation meeting with the Selectmen will follow may follow at 8:00pm, subject to the availability of the Selectmen.

Mr. Sheehan said he was there to hear the discussion about the Zoning Enforcement Officer, which has been tabled. He thinks it is an important issue in the town. He doesn't feel they have been doing a very good job of enforcing their regulations and isn't sure if it is a matter of priority or staffing. It should be addressed. He urged they change priorities within the town.

Chair Prohl said having talked with Peter Stanley, they should have an assistant for the Planning & Zoning administrator so they can tend to zoning issues and then other tasks can be tended to by the Planning and Zoning Administrator.

Mr. Wheeler said if they have a small amount to deliberate on, the 13.5% is where they will end up at this point. Chair Prohl said they could drop it down to 6 or 7% if they take some out of the capital reserves. Ms. Piotrow feels if things are explained well at Town Meeting, people will understand the increases. Mr. Wheeler they should consider that their tax rate surpassed Sunapee and Newbury four years ago.

Selectman Bianchi said a discussion of the apportionment formula came up regarding the percentages they pay for the school based on average daily membership and equalized valuation. It was 60/40 and now New London has fewer students. He hopes the articles of agreement don't change because New London will get hit again.

The Chair declared the meeting adjourned at 9:38pm.

Respectfully submitted,

Kristy Heath, Recording Secretary  
Town of New London