



TOWN OF NEW LONDON, NEW HAMPSHIRE

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DRAFT **Budget Committee Meeting** **Meeting Minutes of September 14, 2016**

BUDGET COMMITTEE MEMBERS PRESENT: Rob Prohl (Chair), Joe Cardillo (Vice-Chair), Phyllis Piotrow, Bruce Hudson, Tyler Beck, Suzanne Jesseman, Lyndsay Lund, Colin Campbell, Nancy Rollins (Board of Selectmen's Representative)

BUDGET COMMITTEE MEMBERS ABSENT:

Chris Lorio

STAFF PRESENT:

Kimberly Hallquist, Town Administrator

Wendy Johnson, Finance Officer

OTHERS PRESENT:

Richard Lee, Public Works Director

Jay Lyon, Fire Chief

Chair Prohl called the meeting to order at 7:00pm.

Approval of Minutes

IT WAS MOVED (Bruce Hudson) AND SECONDED (Joe Cardillo) to approve the minutes of May 11, 2016, as circulated. THE MOTION WAS APPROVED UNANIMOUSLY.

Selectmen's Report

Selectman Rollins said the Selectmen have come up with their schedule of budget-related meetings. Everyone present received a copy. With regards to personnel and the town projects on their list, the department heads were asked to come in with reasonable budgets.

Selectman Rollins said there is a two-page list of current projects available through Ms. Hallquist and said it would be helpful for the Budget Committee to look at it. Some things need to be addressed sooner than later and there are others that will need to be looked at long-range.

Selectman Rollins said the Board of Selectmen have spent a great amount of time on the personnel study prepared by Thornton and Associates. Recommendations were made and the Selectmen and Ms. Hallquist used these recommendations to guide the salary increases for employees to bring them up to competitive levels. The last compensation study was done in 2006 and nothing came of it. While there have been COLA increases over the years, nothing was done to look at baseline salaries as compared with other towns to keep them competitive. They will continue to look further into their full compensation package beyond salary on an ongoing basis. There is \$50,000 suggested by the Selectmen to complete the salary raises to be included in the upcoming budget cycle. Selectman Rollins said there were seven individuals that were significantly below the competitive level.

Mr. Cardillo asked who the comparable towns were. Selectman Rollins suggested Mr. Cardillo look at the study as it has all these details and more. Ms. Piotrow opined it was a thorough and worthwhile report; it was very well done.

Ms. Johnson said the MS-535 is the financial report of the town for the period ending June 30, 2016. The unassigned fund balance is \$1,221,352 (this is not an audited figure). Last year it was \$1,352,489.

Ms. Lund asked what the payroll was annually. Ms. Johnson said approximately \$2,000,000.

Budget Training Options

Ms. Hallquist said NHMA does two budget workshops each year. There is one in Manchester on 9/20. She and Wendy will go to the one at Attitash on 9/27. Ms. Lund asked to also attend this workshop. Selectman Rollins said she would attend the Manchester training. This training goes over warrant articles, encumbrances, etc. Ms. Hallquist and Ms. Johnson will present a training session to the New London Budget Committee.

Selectman Rollins feels it is important to use examples for their town to see how these things will affect the tax rate. How do decisions they make impact the tax rate?

It was decided that this training would be Saturday, November 12th from 9:00am to 12:00pm.

Review and Recommendations from Past Budget Cycle – FY2017

There was discussion of how best to have budget members meet with the departments. Subcommittees seem to work but it was noted that the meetings with department heads should be open for others not just a particular subcommittee to attend. Mr. Hudson feels a structured meeting with the department head, along with an open-house type of scenario for others who wish to see the area and ask questions should be attempted. He feels it is valuable to go to every department especially if one hasn't been before. Chair Prohl said the subcommittee reporting back to the Budget Committee helps identify key issues. It was noted that minutes need to be taken on these visits to the departments. Mr. Cardillo feels the process should be streamlined; he thinks the open house may be a better way to do it rather than to have a scheduled meeting with a report due. Ms. Piotrow feels one person at each open house should write a brief, one-page report. Ms. Lund is in favor of having the subcommittee be assigned to each department and welcome any others to attend if they want. She wanted to provide enough time to each department for questions/answers/tours.

The following assignments were given for each department:

Fire/Police – Lyndsay Lund
Library – Colin Campbell
Recreation – Tyler Beck
Public Works – Phyllis Piotrow
Admin/Buildings – Chris Lorio

The person in charge of each department will get in touch with the department head to determine the date they will meet. These dates will then be announced so others may attend if they wish.

There was discussion on what parameters or structure is used during these department head meetings. Discussion should revolve around needs, concerns, and capital reserves.

Chair Prohl said this year there will be additional discussions with the Capital Reserve subcommittee on the updated numbers in the Capital Reserve. Both the Selectmen and Budget Committee will have a say in these amounts. These meetings are open to the public.

Chair Prohl asked if the Budget Committee wanted to continue with having the Capital Reserve Subcommittee again this year. It was thought that this was a worthwhile effort and it would continue.

Bus Tour of Town Public Works Projects – Current and Proposed

Richard Lee will drive the Budget Committee members around town in the new Recreation Department van to look at various project sites. This will happen on October 14th at 1:00pm. Members will meet at the Town Office.

FY2018 Budget Schedule

It was determined that meetings would continue to be on Wednesday evenings at 7pm.

Meetings would be held the following dates:

November 30

December 7

December 14

December 21

January 4

January 11

January 18

Public Hearing: February 1 and (if needed) February 2

Election of Budget Chair and Vice Chair

IT WAS MOVED (Bruce Hudson) AND SECONDED (Suzanne Jesseman) to have Rob Prohl continue as Chair of the Budget Committee. THE MOTION WAS APPROVED UNANIMOUSLY.

IT WAS MOVED (Suzanne Jesseman) AND SECONDED (Bruce Hudson) to nominate Phyllis Piotrow as Vice-Chair of the Budget Committee. THE MOTION WAS APPROVED UNANIMOUSLY.

Other Business

Capital Reserve Subcommittee

Phyllis Piotrow, Rob Prohl and Nancy Rollins would be on the Capital Reserve Subcommittee. The date of the first meeting of this subcommittee is October 19 at 6:00pm at the Town Office. If they do not finish on the 19th, they will continue the following evening, October 20, at 6:00pm.

Upcoming Department Head Presentations to the Selectmen

Ms. Lund thinks it helpful for the Budget Committee member assigned to the departments attend the meeting of the Selectmen when the Department Heads give their budget presentation to the Selectmen. Selectman Rollins said due to this being a deliberative process, it is helpful for as much exposure as possible to each department.

Absent Members and Alternative Meeting Attendance Methods

It was asked if members can participate by phone if they are unable to make a meeting. It was noted that this was possible and it had been done in previous years.

Selectman Voting Methods

Selectman Rollins was asked if she would vote as representative of the Selectmen or per her own views. Selectman Rollins said she participates as a member of the Budget Committee as a representative of the Selectmen but she will vote as she feels appropriate. The citizens expect them to do due diligence, have a thoughtful democratic process and come to a consensus.

Ms. Piotrow feels the public needs to be aware of what the issues are by using all methods of media. Ms. Hallquist feels the lack of questions at Town Meeting was proof that people understood what was going

on and questions had been asked before Town Meeting. She feels the citizens are educated. Mr. Hudson feels learning about what is going on in the town is easy through looking at the Town's website.

IT WAS MOVED (Suzanne Jesseman) AND SECONDED (Bruce Hudson) to adjourn the meeting. THE MOTION WAS APPROVED UNANIMOUSLY.

The meeting adjourned at 8:12 pm.

Respectfully submitted,

Kristy Heath, Recording Secretary
Town of New London