



TOWN OF NEW LONDON, NEW HAMPSHIRE

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BUDGET COMMITTEE MEETING MINUTES

January 3, 2018
6:30 PM

BUDGET COMMITTEE MEMBERS PRESENT: Rob Prohl (Chair), Phyllis Piotrow (Vice Chair), Joe Cardillo, Lyndsay Lund, Tyler Beck, Bruce Hudson, Nancy Rollins (Selectmen's Rep), Suzanne Jesseman, Chris Lorio.

STAFF PRESENT:

Kimberly Hallquist, Town Administrator
Wendy Johnson, Finance Officer

OTHERS PRESENT:

Richard Lee, Public Works Director
Ed Andersen, Police Chief
Sandra Licks, Library
Donna Larrow
John Garvey
Frank Anzalone
Nancy Mahar

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

Approval of meeting minutes

IT WAS MOVED (Joe Cardillo) AND SECONDED (Bruce Hudson) to approve the minutes from the December 20, 2017 meeting with a few spelling corrections. THE MOTION WAS APPROVED UNANIMOUSLY.

Selectmen's Report – No report

Library: \$540,670

The wage study was reviewed by the Budget Committee. It was an extensive and comprehensive study.

Bruce Hudson noted that the Tracy Library is not subject to jurisdiction and review by the Town Administrator or the Board of Selectmen. This is a state statute.

Mr. Hudson questioned the primary contractor – Granite Roots Construction. This is the primary contractor/handyman service that the Library utilizes and this company does a range of repairs for them. Mr. Hudson asked if they go out for bids. Frank Anzalone stated it depends on the project. If it's a larger project, Granite Roots Construction would subcontract it out and act as the project manager.

Chair Prohl asked about the crushed drainage pipes in the past and why they needed to be replaced. Ms. Licks believes it was during the 1990 construction. Chair Prohl feels there were several

mistakes made during that construction. Is there a way to go back? Richard Lee stated the company is now out of business.

Phyllis Piotrow commented that the carpet in the meeting room needs to be cleaned. Ms. Licks stated they get cleaned once a year.

Lyndsay Lund asked Frank Anzalone if he feels any of the repairs or estimates are out of line with the funds requested. Mr. Anzalone stated that no, nothing looks out of line. Not only do they look at the work that's been done but also look further ahead. He commented that the carpets may look dirty but they are actually clean, they are just old and worn out. Those are in the budget to be replaced in a few years. They all scrutinize the invoices that come in. Ms. Lund noted that she did some research on operating budgets for maintenance costs and she found the library's request to be under the national average.

Chris Lorio asked about the increase in wages but noted there was a decrease in benefits. Ms. Licks replied that changes in the different plans can have that impact. Mr. Lorio also asked about the repairs and upkeep and the amount being increased by \$10,000. Looking ahead, will this be the number that would be used moving forward or would it drop back down? Ms. Licks feels this will be the new number.

Chair Prohl noted on the revenue side in 2017 there was a larger amount than usual, \$21,565 in gifts. This was significantly above the normal amount. Ms. Licks stated that this was due to a one time bequest of over \$13,000 that year.

\$20,000 a year is raised by the Friends of the Library. A special project is identified that the library can do with these funds that will make a big impact.

Selectman Rollins stated that although the Board of Selectmen has no jurisdiction over the library, they made it clear to their department heads and the town where they wanted to keep the tax rate. The first question she has is regarding their decision making around salaries. A number of positions are in the 75-100 percentile which is not a decision the Board of Selectmen made with their department heads. She'd like to know how many positions that equates to.

Selectman Rollins also asked the question if there has been a long range look at what this building will need in the next five to ten years. Could there be a consideration of a capital fund drive. There is also the continued question of sprinklers for the building.

John Garvey commented that with respect to wages, this was a thoughtful process that was done for over a year. They are behind the town and are now trying to get caught up in the phasing process. When the feedback was given from the wage study, they felt they had a responsibility to put them in a certain range. There is one person who has been employed for over 35 years and is at 100% but most are at the lower percentage of the 75-100% range. With the descriptors that were given from the study, the board felt in good conscience, they were placing them where they should be and fazed them in over two years.

Selectman Rollins suggested in the future, having a separate salary schedule of all of the positions to better understand the decisions.

IT WAS MOVED (Tyler Beck) AND SECONDED (Bruce Hudson) to approve the request of \$540,670. THE MOTION WAS APPROVED UNANIMOUSLY.

Capital Reserve- Library Maintenance, \$35,000

IT WAS MOVED (Phyllis Piotrow) AND SECONDED (Suzanne Jesseman) to approve the request of \$35,000. THE MOTION WAS APPROVED UNANIMOUSLY

Advertising & Regional Associations: \$18,473

These titles come from the state department of revenue. The appropriations are for the Upper Valley Lake Sunapee Regional Planning Commission and the Lake Sunapee Region Chamber of Commerce. Phyllis Piotrow commented that giving \$12,500 of tax payers' money to the Chamber of Commerce to advertise businesses and only \$9,000 is given to advertise town activities that affect everyone in the town doesn't seem right.

Selectman Rollins replied that the line item of tourism and the Chamber of Commerce doesn't equate to advertising and instead should be considered marketing. Hiring a new Director of Public works and advertising what New London has to offer as a town to tourists are two different things.

Ms. Hallquist feels it's very important to the Town since this money pays for the information booth to be staffed and this is where visitors can get information and directions.

IT WAS MOVED (Bruce Hudson) AND SECONDED (Tyler Beck) to approve the request of \$18,473. THE MOTION WAS APPROVED UNANIMOUSLY.

Other Conservation: \$24,400.

This includes the lake protective associations for Milfoil prevention and also care of the Town's trees.

IT WAS MOVED (Joe Cardillo) AND SECONDED (Suzanne Jesseman) to approve the request of \$24,400. THE MOTION WAS APPROVED UNANIMOUSLY.

Health Administration: \$5,337

This includes the Health Officers salary and associate costs.

IT WAS MOVED (Chris Lorio) AND SECONDED (Tyler Beck) to approve the request of \$5,337. THE MOTION WAS APPROVED UNANIMOUSLY.

Health Agencies: \$218,278

This is the Council on Aging, Lake Sunapee Region VNA, New London Hospital Ambulance and CASA.

IT WAS MOVED (Phyllis Piotrow) AND SECONDED (Chris Lorio) to approve the request of \$218,278. THE MOTION WAS APPROVED UNANIMOUSLY.

Welfare Administration: \$3,349

IT WAS MOVED (Tyler Beck) AND SECONDED (Suzanne Jesseman) to approve the request of \$3,349. THE MOTION WAS APPROVED UNANIMOUSLY.

Inter-Governmental Welfare: \$6,000

This is the Community Action Program (CAP).

IT WAS MOVED (Bruce Hudson) AND SECONDED (Suzanne Jesseman) to approve the request of \$6,000. THE MOTION WAS APPROVED UNANIMOUSLY.

Welfare Payments: \$16,000

This includes money paid to landlords, utility bills, mortgage payments, etc. The town has a responsibility if a resident qualifies.

IT WAS MOVED (Tyler Beck) AND SECONDED (Suzanne Jesseman) to approve the request of \$16,000. THE MOTION WAS APPROVED UNANIMOUSLY.

Conservation: \$16,306

This includes the intern who works on trails, supplies and materials.

IT WAS MOVED (Bruce Hudson) AND SECONDED (Joe Cardillo) to approve the request of \$16,306. THE MOTION WAS APPROVED UNANIMOUSLY.

Energy Committee: \$450

IT WAS MOVED (Suzanne Jesseman) AND SECONDED (Phyllis Piotrow) to approve the request of \$450. THE MOTION WAS APPROVED UNANIMOUSLY.

Archives: \$1,000

IT WAS MOVED (Suzanne Jesseman) AND SECONDED (Tyler Beck) to approve the request of \$1,000. THE MOTION WAS APPROVED UNANIMOUSLY.

Patriotic Purposes: \$300

IT WAS MOVED (Bruce Hudson) AND SECONDED (Phyllis Piotrow) to approve the request of \$300. THE MOTION WAS APPROVED UNANIMOUSLY.

Transfer to Capital Reserves: \$603,510

Chair Prohl asked Selectman Rollins what the thought process was regarding Capital Reserves. Selectman Rollins stated there is a bond that will end in 2020 and they are anticipating a number of projects that will need to be done and will do a new bond then.

Phyllis Piotrow feels more should be added to the Capital Reserve. Interest rates are going up and she feels the amount saved shouldn't go down.

IT WAS MOVED (Joe Cardillo) AND SECONDED (Suzanne Jesseman) to approve the amount of \$603,510. THE MOTION WAS APPROVED UNANIMOUSLY.

Transfer to Sewer Capital Reserve Fund: \$20,000

IT WAS MOVED (Joe Cardillo) AND SECONDED (Suzanne Jesseman) to approve the amount of \$20,000. THE MOTION WAS APPROVED UNANIMOUSLY.

The operating budget increase is 2.93%.

Bonded Debt Principal: \$328,203

IT WAS MOVED (Chris Lorio) AND SECONDED (Suzanne Jesseman) to approve the amount of \$328,203. THE MOTION WAS APPROVED UNANIMOUSLY.

Interest: \$83,729

IT WAS MOVED (Tyler Beck) AND SECONDED (Lyndsay Lund) to approve the amount of \$83,729. THE MOTION WAS APPROVED UNANIMOUSLY.

TANS (Tax Anticipated Note): \$1

IT WAS MOVED (Lyndsay Lund) AND SECONDED (Chris Lorio) to approve the amount of \$1. THE MOTION WAS APPROVED UNANIMOUSLY.

Sewer Debt Service: \$129,778

IT WAS MOVED (Phyllis Piotrow) AND SECONDED (Suzanne Jesseman) to approve the amount of \$129,778. THE MOTION WAS APPROVED UNANIMOUSLY.

Sewer Bonded Debt Interest: \$54,808

IT WAS MOVED (Chris Lorio) AND SECONDED (Tyler Beck) to approve the amount of \$54,808. THE MOTION WAS APPROVED UNANIMOUSLY.

Revenues: \$2,953,915

IT WAS MOVED (Bruce Hudson) AND SECONDED (Lyndsay Lund) to approve the amount of \$2,953,915. THE MOTION WAS APPROVED UNANIMOUSLY.

Capital Outlays-Vehicles: \$34,500

IT WAS MOVED (Phyllis Piotrow) AND SECONDED (Suzanne Jesseman) to approve the request of \$34,500. THE MOTION WAS APPROVED UNANIMOUSLY.

Capital Outlay Improvements: Gravel Roads: \$98,625

IT WAS MOVED (Tyler Beck) AND SECONDED (Suzanne Jesseman) to approve the request of \$98,625. THE MOTION WAS APPROVED UNANIMOUSLY.

Other Business:

Chair Prohl thanked Mr. Lee for taking care of the snow removal on the sidewalks in Elkins. Chair Prohl also asked for feedback on the joint budget meetings. Please contact him with any comments.

The next meeting will be held on Wednesday, February 7, 2018 at 6:30pm.

IT WAS MOVED (Tyler Beck) AND SECONDED (Chris Lorio) to adjourn the meeting. THE MOTION WAS APPROVED UNANIMOUSLY.

The meeting was adjourned at 7:47 pm.

Respectfully submitted,

Trina Dawson