



TOWN OF NEW LONDON, NEW HAMPSHIRE

375 MAIN STREET • NEW LONDON, NH 03257 • WWW.NL-NH.COM

BUDGET COMMITTEE PUBLIC HEARING MEETING MINUTES

**Wednesday, February 6, 2019
7:00 PM**

BUDGET COMMITTEE MEMBERS PRESENT: Robert Prohl, (Chair) Joe Cardillo (Vice Chair), Phyllis Piotrow, Lyndsay Lund, Suzanne Jesseman, Lauren Snow Chadwick, Jerry Coogan, Chris Lorio Bill Helm (Selectmen's Rep).

ABSENT: Mark Christensen

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

OTHERS PRESENT: Selectmen Chair Nancy Rollins, Selectman Janet Kidder, Bob Brown, Sandra Licks, Scott Blewitt, Celeste Cook, David Cook, John Raby, Jay Lyon, Jerry Gold, Renate Kannler, Bruce Hudson, Vahan Sarkisian, Ed Anderson, Tim Paradis, Jamie Hess

Robert Prohl called the meeting to order at 7:00 PM.

Chair Prohl noted that Phyllis Piotrow and Lyndsay Lund have chosen to not run for re-election and thanked them for their service on the Budget Committee.

Budget Committee Minutes of January 28, 2019

IT WAS MOVED (Phyllis Piotrow) AND SECONDED (Joe Cardillo) to approve the minutes from the January 28, 2019 meeting. THE MOTION WAS APPROVED.

Open Public Budget Hearing

Overview by Town Administrator

Ms. Hallquist thanked the Selectmen, the Budget Committee and all of the department heads for their hard work. They worked to get the necessary items and appropriations into the budget that are required to run the town while keeping the expenditures as low as possible so the tax rate stays low.

This year the Budget Committee and the Selectmen have agreed on the same budget. Yesterday was the last day to submit petitioned warrant articles and none were submitted so there are no new articles to discuss.

Ms. Hallquist summarized the budget that is being presented at the hearing: the General Operating Budget is up 2.4%; when transfers to Capital Reserves (town savings accounts) are considered, the budget is up 3.2%. If all of the warrant articles are approved at Town meeting, and the variables of revenues, valuation and use of surplus remain consistent with last year, the town tax rate will go from \$4.34 to \$4.47. Ms. Hallquist stressed that this tax rate is an estimate as we won't know the exact amount until the fall when the rate is set by the State.

There are three bond issues that will be brought to town meeting.

- \$750,000 to address infrastructure projects that are outstanding.
- \$600,000 dedicated to the renovation and repairs to the Buker Building.

- \$30,000 for a storm water asset management plan.

The Selectmen will hold a bond hearing regarding these three items on February 25, 2019 and all are encouraged to attend.

FY2020 Budget Highlights:

- The funding of a full-time position in the town clerk/tax collector's office. This will bring the staff level back to the level of 2013 when the full-time position went to part-time.
- The biggest percentage increase (368%) in any line item of the budget is in the Emergency Management Department. The increase is to fund the establishment of a Community Emergency Response Team (CERT). The Emergency Management Committee is very excited about this program, under the direction of Lou Botta, Emergency Management Director. Ms. Hallquist pointed out that New London has experienced a few severe weather emergencies in the past and the availability of the CERT team will help immensely during these types of events. This is an increase of \$18,000.
- Town voters will be asked to establish a new capital reserve fund which will be for energy conservation projects and the initial deposit will be \$30,000. This will allow the town to work towards last year's warrant article about energy efficiency.
- Capital Outlays – These purchases are from existing capital reserve funds:
 - \$104,800 for a highway department dump truck and sander.
 - \$50,000 for library stack room upgrades
 - \$110,375 for paving gravel roads
 - \$22,000 for Bunker Road guardrail – This will come from the municipal transportation improvement fund.
- Other Articles
 - Up to \$6,000 from Timber harvest proceeds will go to the Conservation Commission fund. The town receives funds from the timber harvest operations and has agreed to split the net profit with the Conservation Commission.
 - \$3,000 into the Archives fund.
 - The Selectmen are recommending a 2% COLA increase for all town employees. The Step program will also continue so all employees with an acceptable evaluation will get a 2.5% increase.
 - The maximum not-to-exceed rate increase for employee health insurance is 4.9%

Vahan Sarkisian asked for more information regarding the increase to the Emergency Management budget. Chair Prohl stated that Emergency Management Director, Lou Botta is putting together a CERT team. This requires training, supplies and materials. In the event of a disaster, this team would pull together to work with town and state officials to deal with the emergency. This provides added protection for our town.

Jerry Coogan inquired about the installation of the guardrails on Bunker Road. He has heard there is erosion under the road and over time it may need major repair. Ms. Hallquist answered that Public Works Director Bob Harrington was unable to attend tonight's meeting but she knows that he has inspected the area in question and is aware of the potential erosion issue.

Mr. Coogan also asked for clarification of his understanding that the repairs to Buker are only to provide a temporary fix and that a decision has been made to build a new Police facility. Chair Prohl responded that the repairs are being done for the future use of the building as it will be used for other purposes.

Joe Cardillo stated that they try to be cognizant of the timing of implementing bonds. Currently a bond is retiring in the amount of 1.25 million dollars and we are basically replacing it with the \$600,000 Buker building repair bond and \$750,000 infrastructure bond.

Phyllis Piotrow added that the reason for these large bonds is because in the past there hasn't been enough money put in capital reserve funds. She would like to see more money put into capital reserve funds so we can save money instead of borrowing it.

Jerry Gold wanted an explanation as to why they are not doing as Phyllis Piotrow recommends with regards to putting more money into capital reserve funds. Chair Prohl explained some of the items are large ticket items so unless the money was raised, it would largely increase property taxes. It is a balancing act to keep the budget increase within a certain range.

John Raby stated there are two axis: one is between bonding and the other is capital reserves. This is "pay me now or pay me later". The job of the budget committee is to balance both of these axis and to decide if we will pay the bill now or leave it for our kids. Another issue to consider is how to make the town as attractive as possible to people of all ages. How can we bring young, growing families to town to make it viable for generations to come?

David Cook commented on the acoustics in Whipple Hall and stated it is very difficult to hear. He recommends spending money to hang drapery to help with this. Chair Prohl responded that there has been money set aside for town building maintenance which includes chairs and curtains for Whipple Hall.

It was moved (Phyllis Piotrow) and seconded (Chris Lorio) to approve the FY2020 budget amount of \$9,995,085. THE MOTION WAS APPROVED UNANIMOUSLY.

It was moved (Joe Cardillo) and seconded (Lyndsay Lund) to approve the revenue amount of \$4,532,350. THE MOTION WAS APPROVED UNANIMOUSLY.

Other Business

Chair Prohl would like to hold a meeting in April with new members elected to the Budget Committee.

It was moved (Lyndsay Lund) and seconded (Suzanne Jesseman) to adjourn the meeting. THE MOTION WAS APPROVED UNANIMOUSLY.

The meeting adjourned at 7:47 PM.

Respectfully submitted,

Trina Dawson, Recording Secretary
Town of New London