



TOWN OF NEW LONDON, NEW HAMPSHIRE

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

BUDGET COMMITTEE MEETING MINUTES Wednesday, September 25, 2019 7:00 PM

BUDGET COMMITTEE MEMBERS PRESENT: Rob Prohl (Chair), Joe Cardillo (Vice Chair), Suzanne Jesseman, Jerry Coogan, Mark Christensen, John Raby, Michael Williams, John Cannon (Selectmen's Representative)

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

OTHERS PRESENT: Jay Lyon, Fire Chief

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

Approval of Meeting Minutes

IT WAS MOVED (John Cannon) AND SECONDED (Jerry Coogan) to accept the minutes from the April 17, 2019 meeting. THE MOTION WAS APPROVED.

Selectman's Report

Selectman John Cannon reported that at the last Board of Selectmen's meeting they discussed the following:

- The MS-1 Form for the state revaluation was signed at the Board of Selectmen meeting Monday night. Kim Hallquist stated that if anyone wants to meet with Norm Bernaiche if they feel they've had an improper assessment they can still do so this month.
- Chair Prohl asked Selectman Cannon if the Selectmen have discussed any significant projects that may affect the budget. Selectman Cannon answered no, not at this time.

Building and Facilities Report

Michael Williams, a representative of the Building and Facilities Committee provided an update. Mr. Williams stated that since the last Budget Committee meeting in April, the Building and Facilities Committee has met thirteen times. They have interviewed and toured the library, fire department, Archives, Academy Building/town administrator, town clerk, police department and Buker/Whipple Hall. The committee is becoming familiar with the facilities in town.

The preliminary report was presented to the Board of Selectmen last Monday. This provided information that stated most of the buildings are adequate with the exception of the Police Department. They also recommended that a records management program be implemented for departments that have a lot of records. There is currently no policy. The committee agrees there is a

need for a maintenance plan for all facilities. Several committee members have volunteered to put together a plan and work with the department heads to produce a schedule and budget requirements.

The charter of the committee was broad, and it took a little while for the committee to get focused. The primary areas of focus now will be providing the maintenance plans to departments. The committee does plan to make a recommendation regarding the Police Department as the Board of Selectmen would like this feedback and the committee intends to provide it. The committee will also make a recommendation as to whether the town should consider the position of a Facilities Manager. There was a discussion about hiring a building inspector as well.

The Building and Facilities Committee also took on oversight of the work that North Branch Construction did on the Buker Building. There was a \$600,000 bond that was approved at the last town meeting to complete repairs and renovations to the building. North Branch took on this project prior to the formation of the Building and Facilities committee. Rip Cross volunteered to be the liaison between the Committee and North Branch and reported back to the committee. The project is done, went very well and came in under budget. It was concerning to the Building and Facilities Committee that the work was done without North Branch having any awareness of the Mires Report or the Harriman report. It was also not put out for bid and that is a lot of money to spend without a bidding process. The Selectmen made the decision to hire North Branch. A question was asked if the Selectmen are allowed to do this and Ms. Hallquist responded that while it is not typical, as most large projects are put it out for bid, the Selectmen may award a project to a company without bidding if they believe it is the best way to go, as in this case.

Chair Prohl asked where the Committee was regarding a timeline of making a recommendation about a Police Station. Mr. Williams stated it was made clear to them at the Board of Selectmen meeting that it was expected that they provide a recommendation in time for the budget cycle. This expectation was a surprise to the Building and Facilities committee.

Jerry Coogan asked if there was a site identified that would be appropriate for a Police Department and Mr. Williams responded no. The only thing that the Harriman study considered was modifying the existing site. It is not the intent of the Building and Facilities committee to find a new site, they will just recommend finding a new site or suggest trying to do something on the existing site.

Joe Cardillo stated it has taken them some time to work through the Harriman report. It was a difficult report as numbers were different throughout the report and didn't add up. Police Chief Ed Andersen has been clear about what the Police Departments needs are but they have never been put in writing for review. The Building and Facilities committee has done a lot to document those needs.

Jerry Coogan suggested having an open house for the public to tour the Police Department to see what renovations have been done. John Raby suggested raising awareness with the public about this. Mr. Raby would be willing to write a column for the *Intertown Record* with this information.

Chair Prohl asked if the Buildings and Facilities committee has been charged with looking at Recreational facilities. Mr. Williams stated they have looked at all departments. The issue with the Recreation Department is the question of if they belong co-located. Depending on what happens with the Police Department and if the decision is made to remove the Recreation Department out of that building, there is a cost associated with that and the Budget Committee needs to be aware of that. Mr. Cardillo noted that on Tuesday there is a Zoning Board hearing and the Outing Club will ask for a special exception for plans to build an indoor facility. The Outing Club has indicated publicly that they would be willing to work with the Recreation Department. The Recreation Department has been invited numerous times to Outing Club meetings and public hearings and they have not attended. The question was asked about the town's participation in Outing Club meetings, Ms. Hallquist noted

that the town has been represented at all public meetings held by the Outing Club as she has attended, and at times one or more Selectmen have attended.

Understanding the Budget: Accounts, Expenditures, Revenues, Tax Rate

Ms. Hallquist pointed to the budget worksheet handout and explained that the last column will be filled in and will be the proposed budget for fiscal year 2021. The columns to the left are previous years budgets and actuals. Once the budget is approved by the Budget Committee, it gets transferred to the MS-737 which is the signed budget that is posted with the Warrant and goes in the town report and is the subject of the Town Meeting vote.

The codes used are dictated by the state of New Hampshire and the DRA requires all towns to use these purpose codes. At Town Meeting, voters are able to reduce the budget by as much as they want but can only increase it by 10%.

John Raby asked if it was a legal requirement for towns to provide affordable housing. Ms. Hallquist replied that a town must make reasonable opportunities for this, should a developer come to town and want to build it. A town may have to relax its zoning rules, such as density requirements to make it reasonable. The town is not required to look for developers or build it themselves.

Wendy Johnson provided an overview for new members on how to read the 19-page budget worksheet.

Ms. Johnson discussed revenues, which are part of the budget, noting that these are estimated amounts until more accurate numbers are calculated in September.

Ms. Johnson also discussed the Capital Reserve funds. There are three sections of capital expenditures: vehicles, buildings and improvements. These items come out of a previously established capital reserve fund, bond issue or loan. There will be a corresponding revenue item for these. It will show as an expense and then show up on the revenue side.

Jerry Coogan asked Ms. Hallquist if there are any big-ticket items coming up this year. Ms. Hallquist responded that the library will be asking for a bond to install a sprinkler system in their building. They are working now to obtain an estimate. When asked why the Library Trustees are asking for it this year, Ms. Hallquist noted that she assumes it is because year after year the Selectmen and the Budget Committee ask the Library Trustees what their plans are for installing a sprinkler system.

FY 2021 Joint Budget Review with Selectmen – 6:30pm

Chair Prohl reported that in the past, the Budget Committee has come to the Board of Selectmen meetings to hear the information about what the department heads are asking for. The department heads can be asked to come back to the Budget Committee if more information is needed. The Budget Committee agreed that the joint meeting is beneficial and will continue with this format.

Budget Schedule

Chair Prohl asked that if Budget Committee members are unable to attend a meeting to please let him know. A schedule of meetings has been distributed to all Budget Committee meetings.

Other Business

Jerry Coogan reported that he and Selectman Cannon attended the New Hampshire Municipal Association workshop on municipal budgeting which he found very helpful.

**IT WAS MOVED (John Raby) AND SECONDED (Suzanne Jesseman) to adjourn the meeting.
THE MOTION WAS APPROVED UNANIMOUSLY.**

The meeting was adjourned at 8:05 PM.

Respectfully submitted,

Trina Dawson,

Recording Secretary
Town of New London