



# TOWN OF NEW LONDON, NEW HAMPSHIRE

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**APPROVED**  
**Budget Committee Meeting**  
**Meeting Minutes**  
**February 11, 2015**

**BUDGET COMMITTEE MEMBERS PRESENT:** Rob Prohl (Chair), Joe Cardillo (Vice-Chair), Christopher Lorio, Suzanne Jesseman, John Wilson, Bruce Hudson, Larry Dufault, Bill Green, Phyllis Piotrow, Nancy Rollins (Board of Selectmen's Representative)

**STAFF PRESENT:**

Kimberly Hallquist, Town Administrator  
Wendy Johnson, Finance Officer

**OTHERS PRESENT:**

Ed Andersen, Police Chief  
Peter Bianchi, Selectman  
Linda Hardy, Town Clerk/Tax Collector  
Sandra Licks, Library Director  
Richard Lee, Public Works Director  
Jason Lyon, Fire Chief  
Scott Blewitt, Recreation Director  
Donna Larrow, Police Department Administrative Assistant  
Bill Hardy, New London Resident  
Doug Lyon, Board of Firewards  
Laura Lorio, Recreation Commission  
Lindsay Lund, New London Resident  
Tina Helm, New London Resident

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

Minutes of February 4, 2015

**IT WAS MOVED (Joe Cardillo) AND SECONDED (Bruce Hudson) to approve the minutes of February 4, 2015, as amended. THE MOTION WAS APPROVED UNANIMOUSLY.**

Selectmen's Report

Selectman Rollins noted that the Selectmen have not met since the last Budget meeting, so she had nothing new to report.

Setting Goals and/or Focus Areas

Chair Prohl said although the Budget Committee voted last week not to set a goal for a maximum budget increase across the board, it isn't too late to set a target. He believes in bringing in the lowest budget they can but not a budget that compromises the quality of life or the health and safety of citizens. He asked for comments on the subject. Dr. Wilson said he has the goal of a 2% - 3 increase in his mind. The 6.6% proposed increase in the selectmen's budget is slightly inflated because it doesn't include the money that

was appropriated for the console, which was never purchased. He added that the CPI is 1.4% for the last year.

Dr. Wilson wondered why the expense for the console is considered capital outlay. Ms. Hallquist said it is because it is a capital item. If they are buying something by warrant article, putting it in capital outlay is the way to show it. Dr. Wilson wondered how they could have capital outlay items if they haven't been appropriated yet. He thought funds had to transfer from a capital reserve or have the money appropriated before it can come from capital outlay. Mr. Cardillo said it will come into the budget through a warrant article. This won't be coming from capital reserve funds, but through capital outlay. Dr. Wilson said they should be consistent with where these kinds of things are listed in the budget. Ms. Hallquist agreed and noted that she requested the proposed appropriation be moved so that the FY2015 and FY2016 dispatching budgets are consistent, and noted that showing it at the top of the bottom part of the summary sheet made no difference, so long as both appropriations were show in the same place in its respective budget year.

Mr. Cardillo said there is currently a proposed 6.6% increase. The real increase they should and could experience is closer to 2%. This doesn't need to be achieved by cutting things, but can be accomplished by using the \$244,295 in capital reserve funds (CRF) that have been identified as no longer needed for the original purpose. He noted that it is the Selectmen's responsibility to decide if they will ask voters to discontinue the CRF's and if so, what to do with the funds. The Budget Committee can't make a decision on that money. Mr. Cardillo encouraged the Budget Committee to be involved in this to decide where to allocate the funds. If they do the right thing with those numbers, the 6.6% will go down without cutting.

Chair Prohl asked if the \$244,295 would be applied against the budget. Ms. Hallquist noted that it will be included on the revenue side, but not on the expenditure (budget) side and will be considered during the tax rate setting process in October.

Mr. Cardillo added that he sees a reserve for the Town Building Maintenance Fund for \$100,000. He believes in planning and putting money away however there needs to be a plan. He isn't comfortable personally with this amount of money being set aside because there is no plan. He wants to make sure everyone is funded as they need to be. He recalled the Town using \$18,000 of tax payer money to fix the bandstand roof which, before it was completed, increased to \$30,000. He had asked the Selectmen to talk to the Bandstand Committee about using the Mendelson Fund to help pay for the repairs, as the funds had been used for repairs in the past, but the Selectmen never went forward with asking to use those funds. Now they have to do more work on the bandstand and he doesn't think they will come out spending less than \$100,000. Mr. Cardillo believes the Academy Building project should be bonded.

Chair Prohl said it is the Selectmen's decision to put the reallocation of funds from capital reserves on the warrant.

Ms. Piotrow said she has been hearing that they can "push things off another year if necessary," which she believes is a bad idea. She thinks perhaps a bond and a plan should be made, however making the decisions now and setting money aside now would likely reduce the amount of money they would ultimately bond and have to pay interest on later. She was frustrated that they have talked about the same issues for the last 3-5 years.

Mr. Cardillo said \$40,000 of the \$244,295 could go towards the GIS mapping project. He wondered what this example would do to the budget increase percentage. Ms. Hallquist said the money appropriated will still show on the expense side, and if compared to the previous year will show as an increase, since \$40,000 was not appropriated last year for that item. She stressed that revenues are not applied against

expenses until the discussion turns to tax rate and pointed out that expenditures and revenues will both change as the budget process progresses. Ms. Hallquist noted that the surplus applied to the tax rate is also something to consider when comparing tax rates from the previous year.

Mr. Cardillo asked if, for example, they reduced the Fire Department's truck appropriation by \$10,000 and used \$10,000 from the unexpended capital reserves, did it have to show on both sides. Ms. Johnson (Finance Officer) said it would still show and would be considered a wash.

Mr. Green said expenses are 6.6% greater this year over last year's budget. For purposes of deciding to have a goal or not, he said he has heard reasons why they should set a goal. Statements made by Chair Brown of the Conservation Commission as well as members of the Lakes Associations claim that it is getting harder and harder to find volunteers and they need additional funding to keep up with their programs. Also, statements by Nancy Friese from COA illustrate that there will be an increasing demand for services each year. Mr. Griffin from the hospital said they have made reductions in staffing and held wages steady for the most part, for the last two to three years. Mr. Green noted that he felt that if the Budget Committee does not have a goal or strategy as a group, he didn't see the use in going line by line and approving what the Selectmen have put in front of them. The Town has to be responsible to meet the needs of citizens and to be fair to the employees, which is a fine line. If they look at the environment in their community, the status is continuing and not changing significantly. If they removed waterfront properties in the revaluation, there would have been a decrease in the values this year. Mr. Green said that this is not only true for New London, but other towns as well. Even though the plan they are making is only for 12 months, the demographics are huge. The only thing they have in their control is the Town budget; not the State, County or School.

Mr. Green said he knows of 20 commercial properties available in New London, which means there are probably more. This is a measurement of the activity in town, which he feels is eye-opening. He said wages were up across the board in the US approximately 2%. While he wants to keep competitive and attractive to newcomers, property taxes are a variable that have to be considered; and they don't go down.

Mr. Cardillo said that every \$63,000 cut from the budget is a 1% drop. Mr. Lorio commented that half the budget increase is due to payments into capital reserves.

Mr. Cardillo said the Selectmen have voted for an across the board 4% wage increase. In the past, increases have been 1.7% and 2%. Department Heads came in asking for 1.5% – 6% increases. He wondered if these specified raises had been accepted, would there have been a significant change in comparison to a 4% raise across the board. Ms. Johnson said this wasn't something they looked into.

#### Reconciliation of Budget Differences

Chair Prohl wondered if the Budget Committee would like to plan to sit down with the Selectmen to hammer out compromises at the end. Ms. Piotrow thought they should see what the differences were first. There may not be that many differences. Chair Prohl thought it was confusing last year when they had two amounts of money on the warrant that voters at Town Meeting had to vote on.

#### Continuation of the Recreation Department Budget

At the February 4<sup>th</sup> meeting, it was determined that some members of the Budget Committee wanted more time to review the Recreation Department's information before making decisions. Following is the continued discussion from the February 4<sup>th</sup> meeting.

Dr. Wilson asked about the Revolving Fund, specifically how is it administered. Ms. Hallquist said the funds can be used for anything having to do with recreation. Approval from the Town Administrator and

the Recreation Director is required to spend any of the funds. The Finance Officer does the accounting, and the Treasurer holds the funds. Mr. Blewitt noted that the fund was established in 2004.

Dr. Wilson asked if both Mr. Blewitt and she signed off on the updates to the van. Ms. Hallquist answered in the affirmative. Mr. Blewitt added that the Recreation Commission is also involved in making decisions on what is purchased with revolving funds.

Mr. Green opined that at the rate the Recreation Department was spending the money in the Revolving Fund, there wouldn't be any money left in it the next year anyway so they may not even have one. Mr. Lorio said Mr. Blewitt was directed to get the fund down to \$15,000; that is why the expenditures were made. Mr. Blewitt said the Commission said they wanted to make purchases to make the department better and get the balance where everyone was comfortable with it. Dr. Wilson didn't know why \$2,000 (that Mr. Blewitt was asking for in a "Special Events" line item) couldn't be obtained from the Revolving Fund.

Mr. Cardillo asked Mr. Blewitt to clarify the difference between Special Events-funded programs and Revolving Fund-funded events. Mr. Blewitt explained that "Special Events" funds help pay for free events for the community, such as the Haunted Walk at Halloween and the Easter Egg Hunt at Easter. The Revolving Fund is where money comes in and goes out for events, like Red Sox tickets and the Dinner with Jack Frost.

Dr. Wilson asked about the "Safe Routes to School" event that came from the Revolving Fund. Mr. Blewitt said he was told he would get grant money from funds remaining from the Pleasant Street Sidewalk project. Therefore, he went ahead and purchased a small give-away for each child that participated in the walk, which was called the "Chad Denning Walk to School Day". As it turned out, the grant didn't work out and he ended up having to pay for the items he purchased. He used money from the Revolving Fund to do this. Mr. Blewitt noted that he has enough materials now to do the walk a couple more times.

Mr. Green noticed that the Day Camp was a drain on the Revolving Fund. Mr. Blewitt said he hoped for a better outcome this year. They have a new leader who works at the elementary school and hopes to get more kids to come. Last year they had 25-30 kids attend camp each week. He would like to have 40-55 kids/week. Mr. Blewitt said two years ago they had to rent a bus to bring kids to Bucklin Beach each day, which was costly and lost the department a couple thousand dollars. Making use of the van last year saved them a lot of money and they saw a gain of a few thousand dollars.

Mr. Hudson asked if the goal is to break even on programs or to make a profit. Mr. Blewitt said sometimes they try to make a slight profit; and sometimes they take a loss.

Ms. Piotrow asked how much time passes between when money comes in and goes out of the Revolving Fund. Mr. Blewitt said it is different for different programs. For instance, he is already taking reservations for day campers, so funds are coming in now. Camp counselors won't be paid until the summer. The funds trickle in at different rates. It was noted that the summary sheet being reviewed showed income and expenses from July 1st to the present, so it did not reflect the entire accounting of the Day Camp for the 2014 season.

Mr. Prohl asked if cash comes in for programs. Mr. Blewitt said it does at times. Mr. Prohl asked Mr. Blewitt if there was any way for him to be dishonest using the system. Mr. Blewitt said he supposes he could fudge the books, but it would be difficult. There is always a receipt that comes from each transaction. He explained that he uses the same program that the Outing Club uses, called "Rec Desk."

This is different from the program they had both used previously, called “Rec Track.” In the past, the Outing Club had paid for the purchase of the “Rec Track” program and the Town covered the cost to renew the license each year. The “Rec Desk” program is much more user friendly and less expensive to purchase and maintain. The Outing Club and Recreation Department have their own licenses and pay their own licensing fees each year. They can accept cash, check or credit card. Every couple of weeks Mr. Blewitt gives Ms. Johnson a printout with cashed checks and credit card confirmations, and any cash received for deposit.

Ms. Hallquist pointed out that the \$2,000 for “Special Events” was approved at the last meeting; all they need to vote on is the bottom line.

**IT WAS MOVED (Chris Lorio) AND SECONDED (Suzanne Jesseman) to approve the FY2016 Recreation Department budget of \$148,431. THE MOTION PASSED. Selectman Rollins opposed.**

#### Public Safety Budget Review

##### *Police Department*

Joe Cardillo asked about the Special Detail line. He said that historically this line has had \$10,000 and they have never spent more than \$6,000. Can they reduce that number? Ms. Johnson said there is an off-setting revenue; it is a wash. This is for when the Police Department charges individuals for coverage of their special events.

Chief Andersen was asked about the training line. Chief Andersen said training used to be included in their overtime budget. He wants to better monitor how training is paid for, which is mandated through the State of NH. The State is increasing the length of the training academy, and is mandating trainings for fire arms, taser, defensive tactics, and specialty schools. The New London Police Department has four new young officers. In the past there were officers with 10+ years of experience. Chief Andersen explained that he reduced overtime by \$6,000 and created a training line of \$15,000 to meet the mandatory amount of hours required, multiplied by the overtime rate.

Mr. Cardillo noticed that the \$8,000 in the Conferences and Training line has only \$2,000 spent from it so far. Did they expect to spend the remaining this budget cycle? Chief Andersen said they still have some ammunition bills coming in and will be sending officers to two classes in the spring. They will also be using these funds for necessary equipment at the shooting range.

Mr. Cardillo said the “Holiday Pay” line has been the same number for the past several years. Ms. Johnson explained that this is for those in the Police Department who work during a holiday. Normally they are paid overtime for that day. They take out the regular wage part out of overtime and put it in the holiday pay line so it doesn't distort the overtime pay.

Mr. Cardillo asked about the “Vehicle Maintenance” line which has been \$10,000 each year. Chief Andersen said they come very close to the \$10,000 limit each year. Mr. Cardillo thinks that having new vehicles in the fleet should reduce this line. Chief Andersen said the line pays for tires, brakes, and major break-downs. One car had a transmission problem at 80,000 miles and was still under warranty. If they didn't have the warranty, they would have had to pay \$3,000 in repairs. It is customary for the Police Department to keep cars an average of about 6 months longer than any warranty they can buy on the cars. He hoped by having the 4<sup>th</sup> cruiser, they can use it to make the extra trips to court in Newport and Concord, helping to keep the miles off of the newer vehicles to keep them under warranty until they are ready to leave the fleet.

Mr. Cardillo asked what “Professional Services” was. Chief Andersen said this was the fee paid to the County attorneys.

Mr. Cardillo asked about the line for “Miscellaneous.” Chief Andersen said this line is to purchase chairs and tables in the training room. The current furniture is falling apart, the tables are extremely heavy, requiring more than one person to lift them, and the chairs are mismatched in size and shape. If New London could sponsor a week-long training in their facility, they would get two free trainings for their department. These trainings are generally \$650 per person. By holding these occasional trainings at the Police Department, people would be brought into the area for a week and would support the local economy. Currently, the facility doesn’t look presentable enough to house these types of trainings.

Chief Andersen said the Police Department is not the only department that uses the room; it is used occasionally by the Recreation Department, Highway Department, and by those running the Town’s Animal Shelter. He felt it was time to make the room look more professional and explained that he had cut down his previous proposal of \$3,000 to \$2,000 due to finding a better price on chairs.

Chief Andersen was asked about the line for “New Employee Expense” and whether it needed to be as high as it was. Chief Andersen said they have one officer looking to move to another police department, which will necessitate the use of these funds to outfit a new officer. When Chief Andersen asked the officer why he was leaving, he was told that he would be getting \$2 more per hour, a generous benefits package, and more leave time. Chief Andersen explained that the costs to outfit a new officer are high: \$700 - \$1,000 for a custom-fit, bulletproof vest that has a 5-year lifespan, \$200 for boots, \$300 for a winter jacket, and \$50-\$80 for a shirt. It adds up quickly and can easily cost \$4,000 - \$5,000 to outfit an officer.

Mr. Lorio asked about the line for gasoline and if it could be decreased at all. Chief Andersen said he could, but hesitates in doing so due to variability in rates.

Mr. Green said the biggest increase with the budget is salaries and wages. He wonders why the budget committee is being asked about salary as they haven’t in the past. Ms. Hallquist said she asked the Department Heads to include their salary request in their budgets this year as some felt that their salaries and those of their staff, were not competitive. This information, along with the presentation to the Selectmen by the Employee Committee, was used by the Selectmen to consider the salary increase for this year. The Selectmen decided on a 4% across-the-board raise.

Mr. Green asked if the Selectmen considered other towns and what was going on with their salaries and what is happening in the private sector. Ms. Hallquist said she believed the Selectmen are aware of what is happening in the private sector as they keep up the current events.

Dr. Wilson said for wage increases in the past, the Budget Committee used to decide on a lump sum and the Selectmen could disperse it as they saw fit. He offered that the Budget Committee can change anything they want on any line item. He noted that salaries are included in the budget differently now as they are listed in each department budget.

Chair Prohl said a 3% increase was equivalent to \$70,000 which includes FICA and retirement.

Chief Andersen said it is important for him as the Chief that the Police Department wages become more competitive. He suggested that the Budget Committee should consider the amount they spend in outfitting an officer, training them for 6-8 weeks before they can be on the road alone, and academy expenses (16 weeks long, up from 12 weeks). An officer who has been with the Department two years is going to a

smaller town, getting \$2 more/hour and better benefits. This is impossible to compete with. He doesn't want the New London Police Department to be seen as a training ground. Losing an officer affects more than just that one officer; it impacts the whole department. The department is staffed 24/7, 365 days/year. It is very hard to manage when they lose people every 2-3 years. They have had employees leave to go to the public sector because they make more money. A lot of money is invested in the officers the town has and he wants to retain them. The 4% raise he thinks is wonderful, although it still wouldn't compete with the other town their officer is leaving New London for.

Mr. Green asked if exit interviews are done of those leaving the Police Department. Chief Andersen said they are; some leave for pay, some because of hours, and some leave to get better shifts. He thought if they were more competitive with surrounding towns, it would be best for the department's retention. When people leave the department it causes a decrease in morale because the schedules have to change and others have to take up the slack.

Mr. Cardillo didn't think the budget committee should engage in salary discussions. How do they determine who should get raises? Also, who reviews the Department Heads? Chief Lyon said the Board of Firewards looks at this information closely, which is why they have suggested a greater than 4% raise for him in FY2016.

Chair Prohl said the Selectmen have voted in the 4% increase. The Budget Committee has to look at everything to see where reductions can be made. Sometimes they can't have both: raises and a lower budget. Mr. Cardillo felt the Budget Committee should look to other places than wages and salaries to make cuts.

Mr. Green said this is the first time they have had to review salaries and offered that this was the only area there was no subcommittee. Ms. Hallquist said the subcommittees are free to discuss what they wish with each department, including salaries. She noted that the Board of Selectmen typically save the issue of salaries for the end of their budgeting process. It is a topic that is discussed at a public meeting and members of the Budget Committee are typically in attendance and can give their input if they would like to, as can members of the general public. Employee evaluations are conducted but there is no money attached to them. If there were steps, that would change. Selectman Rollins said going forward they should do a review of personnel compensation and benefits. Mr. Hudson said an across the board raise is the fairest way to go until that is done. Selectman Rollins said she felt there were compelling reasons to go with the 4% raise for now and move to reform the way personnel compensation is handled going forward.

Chief Lyon said in 2006 a wage and salary study was done and although there had been changes since then, the study would be a good place to start.

Ms. Piotrow said there is a need for the Board of Selectmen and the Employee Committee to review the system and create a process by which employees can move from one step to another. The best thing the Budget Committee can do is strongly recommend they follow through with this.

Doug Lyon said when he was a selectman they had a step system and it was done away with by subsequent boards. He strongly urged the selectmen to go back to a step system. He also commented that the budget committee shouldn't compare the private and public sector with regards to salaries, as was mentioned earlier in the meeting; it is like comparing apples to oranges. There are vast differences in profit motives, bottom lines, and job descriptions.

**IT WAS MOVED (Phyllis Piotrow) AND SECONDED (Suzanne Jesseman) to approve the Police Department budget as approved by the Select Board.**

Mr. Hudson confirmed that there are 8 full-time and 5 part-time officers in the police department; there were no anticipated changes. Chief Andersen confirmed this and said they did plan to replace the part-time officer who was planning to leave the department.

Mr. Green said he hears that they want to hire more people but that the employees feel they are not getting high enough increases in pay. If he was an employee of the Town he would be concerned about that. Chief Andersen said the part-time budget remains the same whether he has 5 or 50 part-timers. Having a decent pool of part-time employees is crucial. For six years when he worked in the department, he never had a Saturday off unless he was on vacation. The part-time help allows the full-time officers to be able to get time off and rotate working the weekend shifts.

Mr. Green said that for the size of their town, they have one of the highest budgets and about half is personnel. He didn't know how they could get control over this. Ms. Hardy (Town Clerk/Tax Collector) asked Mr. Green where he got his information from. Mr. Green said he didn't recall exactly, but would get the link to her so she could see it for herself.

Chair Prohl called for a vote on the motion:

**THE MOTION WAS APPROVED UNANIMOUSLY.**

*Fire Department*

Chair Prohl asked Chief Lyon if he was expecting to expend \$18,700 in addition to \$12,000 in the Vehicle Repair & Maintenance line. Chief Lyon said they overspent that line by \$6,000 in the current budget cycle and had to pay out of other funds. He said in recent budgets he has had to be cheap on maintenance items for the station, and he has had to put off some vehicle maintenance. The recommendation by the Budget Committee was to take things out from the Refurbishment Capital Reserve (for emergency repairs) and put them into the operating budget where they belong. He agreed that this makes sense. Steve Ensign, Board of Firewards, and he feel it prudent to be good stewards of the budget and have some kind of funding source to use in the event of a catastrophic malfunction in a vehicle. He noted that it could be lowered this year if necessary, but he felt it would be prudent to put some money aside to the larger, and often unplanned, repairs.

Dr. Wilson said it was an either/or discussion to fund the account or increase the operating budget last year and they voted not to fund the account and left it open with \$22. They decided to put the money in the budget instead. He feels it should remain either/or and that both areas shouldn't be increased. He is ambivalent about which place the money was kept. It matters, however, that there is money somewhere to do this work.

Ms. Hallquist said all department budgets have vehicle repair lines, which is necessary for the routine maintenance items like tires, oil changes and minor repairs. Ideally there should be both: CRF and funds in the operating budget – one for larger, sometimes unexpected repairs, and the other for the routine repairs and maintenance. She pointed out that it is not a good idea to put large amounts into the operating budget for expenditures that may not be needed since the money can then be used for other purposes if not needed. On the other hand, money in a CRF can only be used for that purpose. If the repairs are not needed, the money is not spent. Ms. Hallquist said she talked to the Chief about the capital reserve fund that had just \$22 in it. She felt they should have money put aside for a catastrophic,

unforeseen circumstances and suggested \$12,000, which is the amount placed into the account when it was established by Town Meeting voters.

Chief Lyon said they have over \$2,000,000 of equipment in the Fire Department and they are asking for \$12,000 for Vehicle Repair & Maintenance. The Police Department has asked for \$10,000 for their Vehicle Repair & Maintenance line for just \$80,000 worth of cruisers. Tires themselves cost \$800 - \$1,000 for fire apparatus. There is a reason why things are so expensive; the machinery is not cheap. They budget what they need, not necessarily what they want and he prepares a zero-based budget. They do things to save money such as getting grants and working with the Firefighter's Association. They want to adequately fund things to make them safe and reliable.

Dr. Wilson said they had talked about either/or and now they are asking for both. Doug Lyon said this is a contingency fund and isn't going to get spent unless there is an emergency. If not spent, it will stay in the fund. Dr. Wilson felt it was wrong that this was being discussed differently than it had been all along. Chair Prohl said the Firewards said it would be good to do this down the road. The Capital Reserves Subcommittee met and asked if this could wait a year or if they could put a smaller amount in. The Subcommittee decided not to fund it. Ms. Hallquist noted that she did not recall this fund discussed at the subcommittee meetings. She noted that she brought the subject up to the Chief when she became aware of the \$22 balance in the account. This was after the subcommittee concluded its work. Chief Lyon said this issue was discussed at the station, not at the subcommittee meeting. He offered that they try to be as transparent as possible.

Chair Prohl said when they left the fire station, they were under the assumption that they wouldn't be asking to fund the line this year. Doug Lyon said if they put it in and it doesn't get spent, it will sit there. If they need it, they have it. He didn't think it was prudent budgeting to scramble around and find funds elsewhere in the budget when something catastrophic happens. There are lots of things in the Fire Department they are not doing that they should because they don't have the money for it. This includes getting the bay floor fixed, replacing the faulty trim at the station, and the wiring of the overhead traffic light. For this last item, Chief Lyon said he has a quote for a solar device that will keep them from having to dig up the road.

Chair Prohl said every year things come up and that is why they have an unreserved fund balance. Mr. Hudson said what was actually spent each year has been under budget. In 2014 – 2015 it looks like about a \$20,000 difference. There looks to be another \$20,000 difference this year.

Chief Lyon said New London has on-call officers which enables them to go to more calls in New London, which is more than the surrounding towns combined. They do what they do for about half as much as Newbury spends. A call department costs a lot less to maintain than a career department.

**IT WAS MOVED (John Wilson) AND SECONDED (Nancy Rollins) to approve the FY2016 Fire Department budget of \$334,723. THE MOTION WAS APPROVED UNANIMOUSLY.**

*Board of Firewards*

**IT WAS MOVED (Nancy Rollins) AND SECONDED (Suzanne Jesseman) to approve the Board of Selectmen's FY2016 budget for the Board of Firewards. THE MOTION WAS APPROVED UNANIMOUSLY.**

*Emergency Management*

Dr. Wilson asked what the Emergency Management funds were spent on. Ms. Hallquist said that she is the Emergency Management Director (EMD) and there is an Emergency Management Committee which

is made up of some department heads, representatives from the schools, the hospital and COA. In the event of an emergency in town, this committee will spring into action to help direct the emergency response to the issue. The largest expense is for the maintenance of generators at the Police, Fire and Town Office. Chad Denning (former Recreation Director) used to be the EMD and preferred to not receive a salary for the work, but instead opted for earning additional leave time. When a non-employee is appointed to serve as EMD, the salary line will likely be funded again.

**IT WAS MOVED (Joe Cardillo) AND SECONDED (Bruce Hudson) to approve the FY2016 Emergency Management budget of \$5,900. THE MOTION WAS APPROVED UNANIMOUSLY.**

*Communications & Dispatch*

Dr. Wilson asked about the \$18,000 in the Repair and Maintenance line. It was noted that this expense is for the ComLog. Dr. Wilson inquired if this could possibly be purchased using FY2015 funds. Chief Andersen said the possibility exists that if they are under budget during the current budget cycle, they could purchase it before FY2016.

Chair Prohl asked if the Selectmen meet with the other towns and they determine that the other towns want no part of New London Dispatch, would there be anything in the budget that would change. Chief Andersen said the part-time wages could go down. They also wouldn't need the second console. One console would be \$107,000.

Mr. Green asked if other towns have responded about the capital reserve program they would need to participate in to continue being a part of New London Dispatch. Chief Andersen said they are improving their infrastructure and through doing so, are better off to bargain with the other towns now that they can offer better service and coverage. They will continue to talk about how they divide capital reserve funds as well as the percentages they charge the towns. This information will come through the Select Board and they will meet with the member towns again as they did in October, 2014.

Chair Prohl said the Board of Selectmen has voted to meet with the other towns to see if they can come up with an agreed-upon formula. They won't know this before town meeting, however. Chief Andersen said they have moved forward and have made a lot of changes and actually have hard numbers now. This will be helpful in the discussion. Mr. Hudson said nothing will be in place with the other towns until FY2017. It will be the other towns' 2016 budget, but New London's FY2017.

Dr. Wilson suggested they could buy the first console and not the second until the other towns definitely join. Chief Andersen said if that was done, they would have to go back to having just one dispatcher on, as the old console system will not be compatible with the new one. Ms. Hallquist said the timing to get the answer from the other towns is tricky since they will not know for sure until their voters vote at their town meeting, which is in March.

**IT WAS MOVED (John Wilson) AND SECONDED (Phyllis Piotrow) to approve the FY2016 Dispatch budget of \$377,119.**

Mr. Hudson reminded those at the meeting that New London's share of dispatch is 62% of the bill. They have been talking about this for a period of time. Whoever comprises the next Board of Selectmen has to have this be their number one priority for FY2016.

Chair Prohl acknowledged that Dr. Wilson has put in many hours with Chief Andersen to get the dispatch information. He thinks Dr. Wilson has done a great job.

Chair Prohl called for a vote on the motion:

**THE MOTION WAS APPROVED UNANIMOUSLY.**

Meeting Schedule

Chair Prohl asked if the Budget Committee wanted to add a meeting. It was decided they would wait and see how far they get. If a meeting needed to be added, they would do so.

The next meeting of the Budget Committee is Wednesday, February 18, 2015 at 7:00pm.

**IT WAS MOVED (Joe Cardillo) AND SECONDED (Chris Lorio) to adjourn.  
THE MOTION WAS APPROVED UNANIMOUSLY.**

Meeting adjourned at 9:17pm.

Respectfully submitted,

Kristy Heath, Recording Secretary  
Town of New London