



TOWN OF NEW LONDON, NEW HAMPSHIRE

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DRAFT
Budget Committee Meeting
Meeting Minutes
February 25, 2015

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

MEMBERS ABSENT: Christopher Lorio

STAFF PRESENT:

Kimberly Hallquist, Town Administrator
Wendy Johnson, Finance Officer

OTHERS PRESENT:

Ed Andersen, Police Chief
Donna Larrow, Police Department Administrative Assistant
Peter Bianchi, Selectman
Linda Hardy, Town Clerk/Tax Collector
Bill Hardy, New London Resident
Tina Helm, New London Resident
Bill Helm, Planning Board Chair
Richard Lee, Public Works Director

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

Minutes of February 18, 2015

IT WAS MOVED (Joe Cardillo) AND SECONDED (Suzanne Jesseman) to approve the minutes of February 18, 2015, as amended. THE MOTION WAS APPROVED UNANIMOUSLY.

Selectmen's Report – Nancy Rollins, Selectmen's Representative

Selectman Rollins said there had not been a Selectmen's meeting since the last Budget Meeting, so had nothing to report.

Executive Budget Review

Ms. Hallquist said she had suggested the Selectmen raise their salary to \$3,000 per year but the Selectmen decided to keep it at \$2,000/year. She said the Selectmen reduced their discretionary account by \$9,000. This account included funding for an employee bonus program. Given that the Selectmen are recommending 4% across the board raises, and given that the employee committee has not yet finalized plans for a bonus program, the Selectmen felt that deleting the amount in the budget was prudent.

Ms. Hallquist added that the line for training has been cut down over the years but she would like it to stay where it is; they have been attending trainings and workshops and this funding is what is allowing them to do so.

It was noted that the line for Administrative Assistant seemed to be less than in other years. Ms. Hallquist explained that two part-time employees fill the position of the past full-time position and are less likely to go over 40 hours. There was some overtime in the budget last year because the Town conducted a town-wide assessment and Amy Rankins logged in some overtime.

Ms. Piotrow noted that office supplies and reference materials have been lowered in the Executive Budget as well. Ms. Hallquist said the FY2016 budget request has been increased over FY2015; they had overspent the office supplies budget to purchase some ergonomics items, but these expenses will not be made again.

IT WAS MOVED (Joe Cardillo) AND SECONDED (Larry Dufault) to approve the Executive Budget of \$274,538 for FY2016. THE MOTION AS APPROVED UNANIMOUSLY.

Elections & Registrations Budget Review

Chair Prohl asked for the rationale for increasing the hours for the Deputy Town Clerk/Tax Collector from 25 hours to 32.5/week. Linda Hardy (Town Clerk/Tax Collector) explained it was for more efficient operation in the office. This current fiscal year is the first time she attempted part-time help and budgeted for 25 hours. With training she is going over the 25 hours per week anyway. Between 25-30 hours provides for a really good level of staffing in the office. She would prefer that the Deputy be budgeted for an average of 32.5 hours per week so if Ms. Hardy is able to take a vacation, the Deputy can work a 40 hour week and not change the level of staffing in the office.

Mr. Cardillo said there had been some attrition in past years with this position, going from full to part time. Ms. Hardy agreed and said it was her decision to hire the deputy at part-time instead of full-time. Mr. Cardillo asked if there is any time when there are not two people in her office. Ms. Hardy said there is and pointed out that first thing in the morning and during lunch there is only one person in the office. She would prefer the deputy come in at 9:30am, take a half hour for lunch, and stay until 4 or 4:30pm. Ms. Hardy pointed out that she is not increasing the hours of the deputy position; she is adjusting them. She had a full-time person in that position and then went down to 25 hours and is finding she needs to bump it up to a maximum of 32.5 hours.

Mr. Green said in the past there was talk that giving customers the ability to pay online would cut down on the number of people coming into the office. Ms. Hardy said that is why she is not asking for a full-time person but is still sticking with a part time person. Chair Prohl asked if her issue of increasing the hours was because people had to wait to be serviced, or if it was because they weren't able to get their work done. Ms. Hardy said she always gets the work done as she is a salaried employee and stays until it is done. Having two people servicing customers does help with traffic flow but it has a lot to do with the learning curve; the more time the deputy spends doing things with her in the office, the more proficient she becomes.

Mr. Cardillo said they are talking about a differential in hours from this year to FY2016. Having resided in other towns, he realizes his experiences are different. He said he has seen an availability of evening hours in other towns or one Saturday a month that they are open. He thought offering online services may fill the need to serve those who couldn't come in during the week but wondered if the other two options he mentioned had been tried in New London before. Ms. Hardy said that for a time, the office was open every Saturday from 8am – 12pm and they saw very little traffic. Saturday hours were discontinued because it didn't seem to be advantageous to be open when people weren't coming in. Previous to her, the Town Clerk/Tax Collector attempted evening hours and her understanding was that it was not advantageous and they saw few customers.

Mr. Cardillo said he realizes he is not in the office every day but he has never had an issue having to wait to be helped. He didn't like the idea of letting the hours creep up. He thought the position could be filled by someone who may want to work "mother's hours" and go in at 9am and leave at 2:30pm. Ms. Hardy said those are not the hours she needs the help. She added that it is hard to find part-time help and the current deputy would like to work more hours. She said they need people who can be flexible who can work full days if needed and work hours that are not necessarily "mother's hours". Chair Prohl asked if the employee had threatened to quit if she didn't get more hours. Ms. Hardy said the employee had not, but Ms. Hardy is worried that if the employee were to try to fill in some hours with another part time job, she would not be as flexible and available as she is now.

Chair Prohl asked what the rationale was for increasing the hours from 25 hours. Ms. Hardy said she hasn't had the deputy in the office for 25 hours/week; she has been working more like 30 hours/week due to training or depending on the work load. It was noted that the Deputy would only receive overtime pay if she worked over 40 hours, not over 25 or even 32.5. Mr. Green asked what hours the Deputy was hired to work. Ms. Hardy said she was told she would work an average of 25 hours, but understood that there is a need for flexibility.

Chair Prohl asked why the Selectmen approved this. Ms. Hallquist said the Selectmen agreed with Ms. Hardy that it was good to have someone competent to fill the position and that it is hard to find someone flexible to fill in where needed. The learning curve is great. Ms. Hardy said the first attempt was 25 hours as she wasn't sure how a part-time person would work and how many hours would be enough. That is why she started at 25 hours. She said there won't be that much overtime which is why she reduced those lines in her budget.

Dr. Wilson said this increase in hours is a \$9,000/year increase even with the reduction in overtime. He noticed there were no other benefits listed for the Deputy. Ms. Hallquist said part-time employees don't get benefits until they work an average of 35 hours per week. The Town is in compliance with the Affordable Care Act; they offer all regular part-time employees healthcare if they pay 100% of the cost. The Town would pay for insurance if the employee works 35 hours or more per week as the employee would then be classified as full-time.

Ms. Piotrow noted that in FY2016 there is an extra election which would demand more time of the Town Clerk/Tax Collector and her Deputy.

Ms. Jesseman said she was a ballot clerk for quite a while and could vouch that the Town Clerk/Tax Collector and her Deputy spend an enormous amount of time during elections. She said they offer a real service at the elections, put in extra time and many hours; she couldn't see quibbling over this small amount of extra time and money.

Mr. Green said there is no doubt that in any department it would be easier to have more money and more employees, but questioned where they draw the line when looking at the whole scheme of things.

Ms. Hardy said she feels that she is correcting the number of hours she needs in her office to run it the way it should be; this is a change for her office (loss of the second full-time position) and she is trying to staff it the best that she can and still keep it a part-time job. She is not coming back to the Budget Committee or the Board of Selectmen to ask for a full-time person and all the benefits. She is still saving the Town a good amount of money from what it would have been if they still had a full-time employee there. Ms. Hardy said she guarantees that she will not be asking for a full-time person and benefits. Mr. Cardillo said he was still hesitant to bring it up to 32.5 hours/week. He said the budget line for this looks

like it will be overspent. He agreed that this needed some tinkering but he would like to see it go for 25 hours/week for another year.

IT WAS MOVED (Joe Cardillo) AND SECONDED (John Wilson) to amend the Town Clerk/Tax Collector Administration budget line to \$69,919.

Ms. Piotrow said the Town has a competent staff in the Town Clerk/Tax Collector's office and she has heard many people remark at how well they do. She said Ms. Hardy has a better idea of how the office should be run than any of the Budget Committee members do. Ms. Piotrow thought this was knit-picking and felt they should have confidence in the administrative staff to know what they need to do good business in the office. She thought the people in the town recognized that they were being served well and appreciate the service.

Wendy Johnson (Finance Officer) said Mr. Cardillo's suggested budget would reduce the hours in the Deputy's position by 166 hours over FY2016. It would actually be three hours less per week when considering the 4% raise. It would come out to about 29 hours per week instead of 25.

Mr. Cardillo said he wasn't knit-picking and has advocated for raises and other increases for employees in the past. He said the Budget Committee has no choice but to make recommendations. Ms. Piotrow countered that they have another choice, which is to hire competent people and trust their decisions on what they need to do their jobs.

It was determined that 27 hours per week would be \$69,919 from the previously requested \$72,919. Mr. Cardillo said the Budget Committee can't tell the Department Head what lines to take the funds from. Departments can move money around however they want. They can only vote on the bottom line. Ms. Hallquist said they are working from the worksheets and are looking at every line. The Selectmen need to know what line they want funds taken from. \$2,906 will be removed if they bring the hours down to 27 per week.

Mr. Cardillo withdrew his motion, which was still on the floor.

IT WAS MOVED (Joe Cardillo) AND SECONDED (John Wilson) to adjust line number 01-4140-200-115 (Deputy Town Clerk Wages) by \$2,700 to \$14,000. THE MOTION PASSED. 5 members voted in favor of the motion; 4 were opposed.

Ms. Piotrow noted that Budget Committee member Chris Lorio was not present at the meeting and could request that the issue be raised again.

IT WAS MOVED (Joe Cardillo) AND SECONDED (Bill Green) to approve \$70,219 for the Election, registration and Vital Statistics section of the FY2016 budget. THE MOTION PASSED. 5 members voted in favor of the motion; 3 were opposed. Larry Dufault abstained from the vote.

Finance Budget Review

Ms. Johnson said the audit is largest expense in her budget, (\$22,000) which is shared in cost by the library and the sewer department. Revenues of \$4,000 - \$6,000 offset this expense from the sewer and library.

Ms. Johnson explained that the Town uses the program "Munismart" for financials and they have used it for 12-13 years. While it is cumbersome, it works. They could spend lots more and have something fancy

but they don't. It is \$14,500/year for licensing fees for this program. New Hampshire Municipal Association dues are \$5,636. Ms. Hardy said the rest of the fees in that line item are for other dues and subscriptions.

Mr. Cardillo said he would like to adjust another \$2,700 in this section for the Deputy Tax Collector's line.

IT WAS MOVED (Joe Cardillo) AND SECONDED (Bill Green) to amend line 01-4150-220-115 (Deputy Tax Collector Wages) to \$14,000.

THE MOTION PASSED. 5 members voted in favor of the motion; 4 were opposed.

Mr. Cardillo said for the first time last year they had two amounts on the ballot; what the Budget Committee recommended and what the Selectmen recommended. He wondered how this would work this year. Ms. Hallquist said if the Selectmen decide to stick with their recommendation, they would again be printed on the ballot next to the Budget Committee's recommendations. She felt it was important to let people know who wants what amount and why.

IT WAS MOVED (Bruce Hudson) AND SECONDED (Joe Cardillo) to approve \$255,680 for the FY2016 Finance Budget. THE MOTION PASSED. 5 members voted in favor of the motion; 4 were opposed.

Reassessment of Property

Ms. Hallquist said New London's assessors are part of the Tri-Town Assessing group with Newbury and Sunapee. She noted that the two other towns are on the calendar year for budgeting. The Assessing budget is up 5.2% due in part to an \$8,000 increase that has been added to hire some contracted services for people to measure and list properties. New London's budget has increased by 4.4% to account for this and to cover until FY2017.

Dr. Wilson asked how these increases can be controlled. Ms. Hallquist said there is a board, with members from each of the three towns, that oversees the assessing department. New London currently has two representatives (a Selectman and a citizen) plus the Town Administrator. Representation on the board rotates year to year, sometimes a town will only have one representative (citizen or Selectmen) and sometimes two, like New London has this year. The Town Administrator from each town is always on the Board. The Board prepares and votes on the budget and oversees the work of the department.

Ms. Hallquist explained that \$8,000 included in the 2015 budget is to measure and list properties. This has to be done each year to pick up changes to properties and to confirm existing data. Mr. Green suggested this would be done only for those having a building permit. Ms. Hallquist said that quite a few people do work without getting building permits. She noted that it is more cost effective to hire people to perform the measuring and listing tasks (which requires much less expertise) than to have the Assessing Staff do it. In this way, Norm Bernaiche (Chief Assessor) and Kristin McAllister (Assistant Assessor) can use their time to evaluate the data, come up with the values, and meet with property owners in person or by telephone to discuss the assessment.

Ms. Hallquist said this \$8,000 has been requested to increase the accuracy of the information the assessors, and ultimately the Town, can get on the properties. She noted that New London pays almost 33% of the budget; they would pay 33% of the \$8,000 increase.

IT WAS MOVED (Suzanne Jesseman) AND SECONDED (Joe Cardillo) to approve the FY2016 Assessing budget of \$92,200. THE MOTION WAS APPROVED UNANIMOUSLY.

Legal Budget Review

Ms. Hallquist said they reduced this line by \$2,500. It is hard to say who is going to sue the Town and for what. They have insurance for some issues, but not for property appeals. March 1st is the deadline for abatement appeals and she has been told from the Assessors that so far, there are not an inordinate number of abatements filed.

IT WAS MOVED (Phyllis Piotrow) AND SECONDED (Suzanne Jesseman) to approve the Legal budget of \$20,200 for FY2016. THE MOTION WAS APPROVED UNANIMOUSLY.

Personnel Administration Budget Review

Ms. Johnson said the first five items under this heading are items the Town fronts for the library; they process their payroll and are reimbursed by the Library, which is a wash.

Leave-time buyout

Ms. Johnson said this is when an employee retires or leaves employment and has accrued vacation/leave time the Town has to pay it out. This is in the budget to cover those unforeseen expenses.

Health Insurance Deductible

Ms. Johnson said this is to cover \$1,000 towards the deductible per policy plan. They have not exceed the \$10,000 budgeted. Ms. Hallquist explained that full-time employees who have insurance have a deductible of \$1,000 for a single person policy, \$2,000 for a two-person plan, and \$3,000 for a family plan. The Town will pay up to \$1,000 for the deductible should an employee or a covered family member have medical expenses subject to the deductible. There are 27 health insurance policies for full-time employees with a total exposure of \$1,000 per plan. The total exposure of the town is \$1,000 for each policy, although it is extremely unlikely that 100% of the employees would have medical expenses subject to the deductible.

IT WAS MOVED (Joe Cardillo) AND SECONDED (John Wilson) to amend the Health Insurance Deductible line to \$8,000, a decrease of \$2,000. THE MOTION PASSED. 5 members were in favor of the motion; 4 were opposed

IT WAS MOVED (Joe Cardillo) AND SECONDED (Bruce Hudson) to approve the FY2016 Personnel Administration budget of \$92,640. THE MOTION PASSED. 5 members were in favor of the motion; 4 were opposed.

Planning & Zoning Budget Review

Ms. St. John said she is requesting an increase of \$1,500 in the part-time hours for the secretary position. She explained that she is finding it very difficult to properly file the many items that come through the Planning Office. Public files need to be retained and be accessible to the public. She was concerned with the appearance of her office and making it more professional. There is not enough time in her day to take on this reorganization task. Ms. St. John is requesting that the amount in the secretary's budget be \$4,000 total, which is an increase of \$1,500.

Ms. St. John said that her training line for the Planning Board and the Zoning Board of Appeals is necessary as there are new members and training opportunities are present. She added that training for herself is available and there are conferences and webinars she would like to consider attending. She noted that training for Planning and Zoning Board members is important as they are quasi-judicial boards.

Bill Helm (Planning Board Chair) said that he has had six new members appointed to the Planning Board since the last Town Meeting. The Zoning Board has new people as well. He supported Ms. St. John's request as they are asking volunteers to sit on these boards and they are in need of these training opportunities. Mr. Helm didn't think this was a lot of money to consider and new members should be afforded some training.

Chair Prohl asked why the Selectmen did not vote for these requests. Ms. Hallquist said she felt the members needed training even if they were not all new members. The Selectmen were trying to find some places to cut, however the Selectmen didn't disagree that money could be used wisely in these areas.

Mr. Cardillo asked if they are running out of storage for the Planning Board. Mr. Helm said in the CIP discussions, it was noted that there was a town-wide need for more space. Ms. St. John is asking for help to sort what she has, not necessarily to ask for more space.

Chair Prohl asked if a line could be overspent with the Selectmen's approval. Ms. Hallquist said it could.

Chair Prohl asked what the RPC was. Mr. Helm said it was the Regional Planning Commission. Ms. St. John said they are looking at the overlay districts and re-zoning the maps in the upcoming fiscal year. They will work with the RPC to create these maps. Dr. Wilson asked if this was over and above the services the Town pays for already through their member dues. Ms. St. John answered in the affirmative and said that the RPCs work by membership dues and they vary in sizes. There are nine commissions in the State. Selectman Rollins and Bob Crane are on the commission representing New London. They are currently looking at a regional perspective and they provide data resources to their member towns.

Chair Prohl asked what a regular training would be for a new board member. Mr. Helm said until now, nothing. They are now signing up several members of the PB to go to training in Concord. Ms. St. John said she and Ms. Hallquist have provided some training to the Planning and Zoning Board members in the past. It can't all be learned at these trainings, but also on the job. Reading cases and participating in the discussions is how they learn and get experience. Mr. Helm added that it would be a good vote of confidence for the Planning and Zoning Administrator to meet her needs than to suggest she go back to the Board of Selectmen to ask them to move money around for this kind of thing. Supporting her in this modest request is a good idea.

Ms. Piotrow asked if it was good to get part-time help now to help her get organized or wait until they talk about this as a town-wide initiative. Mr. Helm said Ms. St. John spends a lot of time trying to find things and could be more efficient if she had the help to get organized.

Ms. St. John said the Right to Know law gives the public the right to see property information. There are files in several places and they have to be pieced together. Notices of decisions document the decisions made by the boards. A paper trail is necessary should they be brought to court against a planning or zoning action.

Ms. Piotrow asked if hard copies must be provided or if links to things can be given. Ms. St. John said most of these things are not digitized. Chair Prohl said it is a mess in the basement and disorganized. He added that there are also issues with code enforcement in Ms. St. John's department. He feels this is the Town Administrator and Selectmen's job to get this under control.

Ms. Hallquist said she has talked to some companies that will come in and spend several months scanning all of the records the town wants digitized. This could reduce several filing cabinets down to only a few. This process is not cheap and will cost several thousand dollars to complete. It would take a while to even

get to this system because the files are in such disarray right now. Ms. Hallquist stressed that property files are important as property owners want to know that their property records are secure and the Town knows what is going on.

Mr. Green asked how the \$4,000 would put a dent in this problem. Ms. Hallquist said this would be a start; someone could create an index of what is in each file cabinet, and get some handle on where everything is. She believed the Town should look into digitizing things in the future, but it isn't cheap. Mr. Cardillo said the server capacity would need to be increased as well if this kind of digital back-up was done. Ms. Hallquist agreed.

Chair Prohl didn't think that \$1,500 would go far in this part time capacity considering the condition of the files at this point.

IT WAS MOVED (Bruce Hudson) AND SECONDED (John Wilson) to increase the Planning and Zoning Conferences & Training budget for FY2016 to \$2,500.

THE MOTION WAS APPROVED UNANIMOUSLY.

**IT WAS MOVED (Suzanne Jesseman) AND SECONDED (Phyllis Piotrow) to increase the part-time secretary line to \$4,000. THE MOTION FAILED.
3 members voted in favor of the motion; 6 were opposed.**

**IT WAS MOVED (Joe Cardillo) AND SECONDED (Bill Green) to approve the amount of \$88,742 for the Planning and Zoning Administration budget for FY2016.
THE MOTION WAS APPROVED UNANIMOUSLY.**

Dr. Wilson said that there were two bills in the State legislature that had to do with requirements by towns in keeping records for a long time. They are trying to do something to decrease the need. He thought they should see how those bills came out. Selectman Rollins said the RPC is tracking this and has created a document to list the decisions made by the legislature.

Mr. Helm said a letter from Jack Sheehan had been sent into the Town regarding a tax map case which illustrates the problem with the GIS maps. He thought the cost would be increased years down the road if the inaccuracies in the GIS maps are not addressed now. The CIP subcommittee approved appropriating the money to complete the GIS project in the coming fiscal year. Mr. Helm noted that poor tax maps have resulted in a case coming before the Planning and Zoning Boards.

Bonded Debt

Ms. Hallquist said the Town will start paying back the \$5.2 million bond for the Sunapee Wastewater Treatment upgrade project in FY2016. 1/3 of the share, to be paid by tax payers, is expected to be about \$50,000 for principal and about \$42,000 for interest. Sewer users will pay 2/3 and the amount will be \$100,000 for principal and \$84,000 for interest. This will be included in the sewer bills.

**IT WAS MOVED (Joe Cardillo) AND SECONDED (Bruce Hudson) to approve \$258,599 for the principal amount of Bonded Debt in FY2016.
THE MOTION WAS APPROVED UNANIMOUSLY.**

IT WAS MOVED (Larry Dufault) AND SECONDED (Suzanne Jesseman) to approve \$82,001 for Bonded Debt Interest for FY2016. THE MOTION WAS APPROVED UNANIMOUSLY

IT WAS MOVED (Suzanne Jesseman) AND SECONDED (Larry Dufault) to approve \$1 for Debt Service Tax Anticipated Note (TAN) for FY2016. THE MOTION WAS APPROVED UNANIMOUSLY.

Public Hearing Dates

It was determined that Wednesday, April 8th would be the first public hearing at Whipple Hall. If necessary, a second hearing would be held on Thursday, April 9th at Whipple Hall. Both meetings will begin at 7:00pm.

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

The meeting adjourned at 8:45pm.

Respectfully submitted,

Kristy Heath, Recording Secretary
Town of New London