



TOWN OF NEW LONDON, NEW HAMPSHIRE

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NEW LONDON BUDGET COMMITTEE MEETING MINUTES Friday, January 19, 2024 Whipple Memorial Town Hall 5:00 PM

BUDGET COMMITTEE PRESENT: Chris Lorio, (Chair), Colin Beasley (Vice Chair), John Wilson, Hannah Bianchi, Mark Christensen, Melissa Leintz, Charles Kelsey, Lyndsay Harkins, Lou Botta, Bebe Casey, Selectman Representative

STAFF: Kimberly Hallquist, Town Administrator; Lynn Lewis, Finance Officer

ALSO PRESENT: Robert Harrington, DPW Director; Police Chief Emily Cobb; Fire Chief Jay Lyon; Bob Brown, Conservation Commission Chair, Adam Ricker, Planning & Zoning Administrator, Will Kidder, Town Clerk/Tax Collector; Janet Kidder, Selectman; Dan Harkins; John Doyle; Mary Doyle; Joe Cardillo; Rich Epstein; Karen Epstein; John Ellis; Steve Solomon, Tracy Memorial Library; Sherry Williams, Tracy Memorial Library Trustee; Joseph Kubit, Trustee of the Trust Funds; Bill Helm, Selectman; Jerry Coogan; Bob Bowers; Michael Kennedy.

Chair Chris Lorio opened the meeting thanking everyone for their flexibility to move to a Friday night. He reminded everyone to remain respectful of everyone else even if there is a difference of opinion.

Vice-chair Colin Beasley revisited his conversation with Chief Cobb at the previous meeting regarding cutting her budget and the mention of the cruiser. He stated that she was correct, the cruiser was mentioned in her original statement. He apologized for the error.

Approval of January 10th meeting minutes

There was a discussion about the confusion caused by the use of a pronoun on page one. It was agreed that the pronoun “she” would be replaced by “Selectman Casey.” There was also a typo on page four: feet should be fees.

IT WAS MOVED (Lou Botta) and SECONDED (Charlie Kelsey) to approve the minutes of January 10th as amended. THE MINUTES WERE APPROVED UNANIMOUSLY.

Selectmen’s Report

Selectman Casey gave the following report:

There were two updates to the budget from the Selectboard: they increased the line item for computers in Dispatch by \$6,000 and they lowered the overtime line in Highway by \$20,000.

The Selectboard also voted not to recommend the Petition Warrant article for \$900,000 to purchase the property next to the Police Department. Reasons included the owner was not approached about selling the property and the Police Department has not expressed a desire or need for that property.

There is a balance of ARPA funds of approximately \$130,000. The Board has decided to spend that on planning for the new Police/Communications Center and for the renovation project at the Academy Building to expand the Town Clerk-Tax Collector office and to add safety features to the building.

They received an update from the Library that withdrew their bond request and also revised their Capital Reserve

request to \$60,000.

Colin Beasley stated that there was a conversation regarding the recommendation from the subcommittee on Capital Reserve Funds to the Board of Selectmen and he was not sure if the BOS responded to them. Selectman Casey will take this back to the Selectmen.

Petition Warrant Article: \$900,000 bond to purchase property next to Police Department:

To see if the Town will vote to raise and appropriate the sum of nine hundred thousand dollars (\$900,000) for the purpose of (1) purchasing the "McEnrue Trust" property, fronting on Seamans Road, Map 85, Lot 003 (currently assessed for \$435,900) for future Town use as may be determined, with the intent that it will provide protection for town property as it abuts the current Whipple Hall property and the Town Green; and, (2) applying the funds remaining after such purchase for improvements to the Police Department to enhance safety and improve working conditions there. Furthermore, to authorize the issuance of nine hundred thousand dollars (\$900,000) of bonds or notes in compliance with the provisions of the Municipal Finance Act (NH RSA 33:1 et.seq.as amended) and to authorize the Board of Selectmen to issue and negotiate such bonds or notes and to determine the rate of interest thereon.

There was a review of how a petition warrant article is presented: signatures of 25 voters is needed to place a question on the warrant. It was noted that the property owner was not contacted prior to the submission of the petition. Bob Bowers, one of the petitioners, noted that he attempted to speak with the property owner multiple times but was unsuccessful and he mailed her a copy of the petition. There was a discussion of the validity of the article without prior contact with the property owner. Kim Hallquist explained that if the rules of a petition warrant article are met: the required 25 signatures and submission prior to the deadline, it will go on the warrant regardless of whether the property owner was approached in advance or not.

Selectman Casey noted that the Selectmen voted not to recommend the article.

John Wilson asked whether the Budget Committee's vote was more of a formality given the 10% rule. Kim Hallquist replied that the Budget Committee decision will direct voters on whether the Budget Committee feels that the article should be approved. The 10% rule states that voters could, over the nonsupport of the Budget Committee, could nevertheless approve the appropriation so long as it does not exceed 10% of the budget as recommended by the Budget Committee. Although the Budget Committee has not yet finished its budget, it is very likely that it will exceed \$9 million dollars, so \$900,000 (10% of \$9 million) can be approved by voters even if the Budget Committee does not recommend the article.

Joe Cardillo noted that he did not feel that purchasing the property would be considered speculation. He noted that no money will be spent until Town Meeting votes on it. Mr. Cardillo noted that he has been involved in several conversations over the years where he understood that the property owner would be willing to sell to the town so he did not feel it has been represented accurately that she is not willing to sell to the town, he suggested that it is more likely that she is not ready to sell to the town now but this article gives the town another option to have that conversation.

There was further discussion regarding the merits of that property.

IT WAS MOVED (Chris Lorio) and SECONDED (Lyndsay Harkins) to NOT recommend the article.

John Wilson noted that he disagreed with the motion to not recommend because he felt that the Budget Committee should not be limiting the voters of Town Meeting, they should make their own decision. Chair Lorio noted that even if the Budget Committee votes not to recommend, voters can decide to approve the article.

Charlie Kelsey noted that he felt conflicted because a vote could be perceived by some as either a vote to deny a new police station and keep the police in their current location. He felt that the question is really about the future and do we want to acquire land for the future. He acknowledged the issues that Lyndsay Harkins has raised. He

noted that the way the vote would be perceived is an issue for him.

Mark Christensen asked what would happen if this vote is voted down at Town Meeting and a year from now the property owner decides to sell. If that happened, the request to purchase would have to go back before Town Meeting voters.

Colin Beasley suggested the Committee take a vote that will appear along with the Selectmen's recommendation.

Vote on the motion NOT to recommend: YES: Lorio, Harkins, Botta, Christensen, Casey; NO: Bianchi, Wilson, Leintz, Beasley; Abstained: Kelsey. THE MOTION NOT TO RECOMMEND PASSED: 5 in favor, 4 opposed, 1 abstention.

Capital Reserve Funds Transfers In & Out

Colin Beasley explained the reports that he had prepared. He added some additional information to the Capital Reserve spreadsheet and put other major expenses at the bottom for consideration. He also included a summary of the Capital Reserves that will be reviewed. He thought this information was important to have in the overall discussion.

Chair Lorio stated that the committee has been provided with a document of the historical town tax rate as a reference when working through this budget. Lou Botta noted that New London is the 22nd lowest tax rate in the state and the municipal tax rate is the 30th lowest. There was added discussion about the tax rate needing to be taken in context with property values and the tax burden.

The committee reviewed information from Colin Beasley regarding the Capital Reserve accounts and the need to be more strategic in planning for larger projects. He believes that the Town needs to look at long-term and short-term capital investments to ensure we are making the right decisions for upcoming years. Public safety should be the priority, with asset management as the second and future requirements should be third. There were multiple spreadsheets organizing this data along with funding sources that included capital reserves, bonds, and potential surplus. There was information on the Master Plan and the progress by committees. This would be something to go through during the processes meeting. We should look at ways to "soften the blow" of upcoming expenses such as building maintenance, corridor study, and potential water source. Colin Beasley provided a summary of the Transfers to Capital Reserves and Capital Outlays to make the discussion easier. This will help develop the budget committee's plan for future outlays and expenses.

General Government CRF

There was discussion on whether to change the money going into an account if the amount coming out has been reduced or raised. It was asked if we were voting tonight and Chair Lorio confirmed that the committee would not vote on Capital Reserves at this point. This exercise is to make sure everyone sees an accurate picture of each Capital Reserve balance for this and future years.

Town Building Maintenance

Transfers out are listed as \$88,000 for Academy Building Roof and \$150,000 for Academy Building Renovation. The transfer in is \$150,000. Lynn Lewis stated that the \$100,000 can be removed from the spreadsheet as the BOS agreed to fund that from ARPA funds. Chair Chris Lorio confirmed the new balance remaining at the end of FY2025 as \$162,333. Lynn Lewis cautioned against lowering the contributions to this account as it is used for unexpected expenses. Kim Hallquist confirmed that we did not lower this amount last year when we cut contributions. It was brought up whether the roof was something that had to be done this year. Director Harrington stated that we had already put it off one year and he received estimates at that time.

Whipple Hall was also discussed for roof repairs and Director Harrington stated that there is a lot of work, and it would probably not make it until 2029. It may wait a little while and possibly need to be done in 2026/27.

There was a discussion about the risks of deferred maintenance. Bob Harrington and Chief Lyon confirmed that

you could have mold or other issues if roofs are leaking.

Computer Maintenance Fund

There was a discussion about the original target for this account being \$75,000 but we should speak to Mike Williams, Technology Officer, about the target amount and dates of potential projects.

Municipal & Regional Transportation Fund

The committee asked if there are plans for gravel roads and Director Harrington stated he has no plans to use this fund this year. He intends to use this fund in 2026 for Whitney Brook which will leave about 8 miles of dirt roads in Town.

Energy Projects

Charlie Kelsey confirmed that Jamie Hess had proposed to purchase the solar panels in 2026/2027 and would need significantly more in the account to make the acquisition. Jamie has spoken at a BOS meeting. He stated that our first opportunity to buy would be 2026 and extend through 2028. We could put money in over the next 3 years to get to the target amount needed. Director Harrington stated that they should also consider that there will be some type of maintenance plan when the solar panels are purchased. Chair Lorio asked about other projects that will be coming from the Energy Committee. Selectman Casey stated that there was an initiative to have all renewable electricity by 2030 and the price tag was approximated at \$900,000. Joe Cardillo suggested we set aside a portion of unreserved funds each year to prepare for the cost of solar panels. Karen Epstein asked if there were numbers on how much we would save with the solar purchase. Bebe Casey stated that there would be an income to the Town of about \$2,800 once purchased and they would pay for themselves in 10 years.

Records Management

Charlie Kelsey asked if this was an item to defer and Kim Hallquist confirmed that the Selectboard did not appropriate any money for this category for 2025.

Public Safety

Fire Vehicle Fund

Charlie Kelsey asked if there was a value to buying out the lease on the truck early. Lynn Lewis explained that it is not classified as a true lease. We financed the cost of the truck to lock in the price. The new truck was delivered this week and we have 4 remaining payments. There may be some savings paying off the loan early. Chief Lyon explained the price increases of new trucks and lead times.

There was further discussion about the useful life of pieces of equipment and the trade-off in maintenance and how to extend the life of a vehicle and the risk of extending the life of the utility vehicle. Chief Lyon has stated that delaying may increase the maintenance and repair costs.

An inquiry was made regarding the Police Department truck that went to the Fire Department. The old truck will be auctioned off. The transferred vehicle will be used for the fire inspector and therefore its reliability is not as critical as a front-line command vehicle allowing them to use an older vehicle.

There was a discussion about scheduling and the next meeting is January 24th. The agenda would be to finalize the budget. The Selectman agreed to look at their schedule to see if it is necessary to change any budget information prior to the next Budget Committee meeting. There was further discussion about the need to discuss capital reserves and the meeting schedule.

Communications Equipment

Colin Beasley asked about the scheduling of the Communications Tower and Console replacement in regard to how they were listed on CIP. Lynn Lewis confirmed that the \$100,000 was moved to 2028 and the \$350,000 is in 2027. Chief Cobb confirmed that the tower cost would not be necessary if there a new Police/Communications

Center is established but the consoles would still be needed. The consoles could be moved to a new facility.

Highways and Streets

There was a discussion about how sidewalks are chosen for repair and if there was a timeline on the Main Street sidewalks. Director Harrington stated that per the engineers, we are not going to look at Main Street sidewalks until after the water project is completed.

Seamans Road was chosen because it was still the old concrete sidewalk and needed repair.

Charlie Kelsey asked about the 2 trucks that were needed this year and if the life of the vehicle replacement could be extended. Director Harrington provided photos of the rust and deterioration of the body of the vehicles along with the pins that hold the plows. The trucks are run in the worst possible environment so there is always a lot of corrosion.

Culture and Recreation

Conservation Land Acquisition

Kim Hallquist stated that the Conservation Commission requested \$75,000 be contributed to this account. The Selectboard chose not to contribute to this account this year.

Bob Brown addressed the request for additional funds in this account along with a history of the fund. There are 32 miles of hiking trails. New Hampshire Forest Society recommends that a town preserve/conserves 25% of their land mass. We currently have 15% in conservation and private property as an easement for conservation. The Conservation Commission has a list of properties they would like to purchase as they might become available.

Selectman Casey was asked if there was a discussion from the Board surrounding the choice to not fund the account. She stated that there was a not a discussion, but they strategically chose to distribute the 1 million that they had committed to capital reserves to accounts that had upcoming expenditures.

Charlie Kelsey asked about the balances and if they reflect interest earned. Lynn Lewis stated that she uses the amount that is guaranteed which is principal and realized dividends. She does not use current market value when putting together the spreadsheet.

Chris Lorio asked that when committee members send requests to department heads, they include the entire committee, so everyone has access to the information. It is also important that if they come from individuals, that it is not seen as a committee request. He does not want to see department heads get bogged down under requests that may take hours to accomplish.

The meeting adjourned at 7:34 PM.

Respectfully submitted,

Respectfully submitted,
Lynn Lewis
Finance Officer

Note: RSA 91-A:2, II provides that “*Minutes of all such meetings, including nonpublic sessions, shall include the names of members, persons appearing before the public bodies, and a brief description of the subject matter discussed and final decisions.*” A video of the entire meeting may be available for viewing on the town website, New London.NH. gov, if more than the brief description contained in these meeting minutes is desired.