



# TOWN OF NEW LONDON, NEW HAMPSHIRE

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## **BUDGET COMMITTEE MEETING MINUTES Wednesday, January 5, 2022 6:30 PM, Whipple Town Hall**

**BUDGET COMMITTEE MEMBERS PRESENT:** Joe Cardillo (Vice Chair), Jerry Coogan, Hannah Bianchi, John Raby, Lyndsay Harkins, Colin Beasley, Melissa Leintz, Michael Williams, John Cannon (Selectmen's Representative)

**MEMBERS ABSENT:** Chris Lorio

**STAFF PRESENT:** Kimberly Hallquist, Town Administrator, Lynn Lewis, Finance Officer

**OTHERS PRESENT:** Emily Cobb, Police Chief; Jay Lyon, Fire Chief; Crystal Schimpf, Tracy Library Director; Adam Ricker, Town Planner; Will Kidder, Town Clerk - Tax Collector, Bob Harrington, Public Works Director; Putnam Kidder, Recreation Director; Donna Larrow, Bill Helm, Paul Gorman, Planning Board Chair; Conservation Commission members Mark Vernon and Michael Kennedy; Tom Vannatta, Housing Commission Chair

In the absence of Chair Chris Lorio, Vice- Chair Joe Cardillo chaired the meeting. He opened the meeting at 6:30 PM and announced that they would change the order of the agenda somewhat to hear from people in attendance first.

### **Approval of September 8<sup>th</sup> and December 15<sup>th</sup> meeting minutes**

**It was moved (John Raby) and seconded (Mike Williams) to approve the minutes of the September 8, 2021 meeting. THE MOTION WAS APPROVED UNANIMOUSLY.**

**It was moved (Michael Williams) and seconded (Melissa Leintz) to approve the minutes of the December 15, 2021 meeting. THE MOTION WAS APPROVED UNANIMOUSLY.**

**Selectmen's Report – no report**

### **FY2023 Budget Review**

#### Patriotic Purposes

**It was moved (John Raby) and seconded (Joe Cardillo) to approve the Patriotic Purposes budget in the amount of \$300. THE MOTION WAS APPROVED UNANIMOUSLY.**

Archives – there was a one-time increase of \$25,000 in this budget to be used for stackable shelving. Ms. Hallquist pointed out that a donation will be made to complete the purchase of the shelving system and the shelving can be moved to a new location, should Archives leave it's current location in the basement of the Academy Building.

**It was moved (John Raby) and seconded (Jerry Coogan) to approve the Archives budget in the amount of \$26,000. THE MOTION WAS APPROVED UNANIMOUSLY.**

Energy Committee

**It was moved (Lyndsay Harkins) and seconded (John Raby) to approve the Energy Committee budget in the amount of \$900. THE MOTION WAS APPROVED UNANIMOUSLY.**

Conservation Commission – Mark Vernon stated the Conservation Commission is requesting \$50,000 for the land acquisition fund. They have asked for this number for the past few years but in 2020 they received \$10,000 and in 2021 they received \$25,000. The balance in the fund currently is \$270,000. Citizens of the community certainly support conservation as evidenced in the Master Plan survey. The trail system has seen a considerable increase in use.

Michael Kennedy stated there is some urgency for the town of New London to have adequate funds on hand to purchase land. There are move “from” states and move “to” states and New Hampshire is a move “to” state. If we want to preserve the rural character of our town, we need to be in a position to spend money when properties become available. Joe Cardillo clarified that even if funds were put into the capital reserve, they would have to wait for town meeting to request to those funds. Jerry Coogan asked for the identity of the top five properties the Conservation Commission hopes to acquire; Mr. Kennedy noted that the list is confidential as some property owners do not want their property to be known to be on the list.

Joe Cardillo stated this is a Capital Reserve request and they are currently reviewing the operating budget. The operating budget for Conservation is \$19,946.

**It was moved (Lyndsay Harkins) and seconded (John Raby) to approve the Conservation budget in the amount of \$19,946. THE MOTION WAS APPROVED UNANIMOUSLY.**

**It was moved (Lyndsay Harkins) and seconded (John Raby) to approve the transfer to capital reserve for Conservation land in the amount of \$50,000. Vote on the motion: Lyndsay Harkins: yes, Joe Cardillo: yes, Hannah Bianchi: yes, Jerry Coogan: yes, Colin Beasley: yes, John Raby: yes, John Cannon: yes, Melissa Leintz: no, Michael William: no. THE MOTION WAS APPROVED 7-2**

Other Conservation

**It was moved (Jerry Coogan) and seconded (John Raby) to approve the Other Conservation budget in the amount of \$27,900. THE MOTION WAS APPROVED UNANIMOUSLY.**

Housing Commission – Tom Vannatta, Chair of the Housing Commission stated the Housing Commission has a mission to advocate for and ensure a diversified housing opportunity within the community. This includes all types of housing. They are asking for a substantial increase since they are a new committee and will need funds to start on a multiphase strategic plan. They will be employing a consultant for planning and development. They will also pursue grant opportunities to help offset some of these costs.

**It was moved (Lyndsay Harkins) and seconded (Colin Beasley) to approve the Housing Commission budget in the amount of \$16,302. THE MOTION WAS APPROVED UNANIMOUSLY.**

Library – Mike Williams asked for the status of the sprinkler project. Library Director Crystal Schimpf responded that it looks like the sprinkler system project has come in under budget but noted

that the project is not fully complete and they haven't received all the final bills yet. She noted this does not come out of the operating budget and was mostly financed by a bond and some funds will come out of the library building maintenance capital reserve fund.

**It was moved (Lyndsay Harkins) and seconded (John Raby) to approve the Library budget in the amount of \$584,480. THE MOTION WAS APPROVED UNANIMOUSLY.**

Executive – Town Administrator Kim Hallquist reported that the Board of Selectmen decided not to fund \$30,000 for the records retention program. In trying to keep the budget as lean as they possibly could they felt this was an area that could wait for a future budget. Colin Beasley commented in 2015 the CIP identified space as an issue, and it is now 2022 and nothing has been done. The \$30,000 in the budget represents about 3% of the total budget and is a cornerstone of the space management strategy in this town. He would like to reinstate the \$30,000 so the town can start the process of digitizing files.

**It was moved (Colin Beasley) and seconded (Joe Cardillo) to reinstate the \$30,000 to begin the process of the records retention project. Vote on the motion: Melissa Leintz: yes, Lyndsay Harkins: yes, Joe Cardillo: yes, Hannah Bianchi: yes, Jerry Coogan: yes, Colin Beasley: yes, John Raby: no, John Cannon: no, Michael William: no. THE MOTION WAS APPROVED.**

John Cannon explained that the Board of Selectmen felt that \$30,000 wasn't really enough to get a good start on this project. He is hopeful they will put it in next years' budget. Ms. Hallquist added the Selectman stated if there were funds available in the budget near the end of FY2023 they could use funds to get started. She noted she doesn't think the Selectmen felt it wasn't important, they just were trying to cut where they could.

Colin Beasley asked about the fuel budget and Lynn Lewis, Finance Officer, responded that a contract has been negotiated with Irving with a locked in rate.

Colin Beasley asked for an explanation on what revolving funds were. Ms. Hallquist stated revolving funds are allowed by law and they are established by a vote at town meeting. Funds received for various services, Recreation and Police special details are common ones, goes directly into the revolving fund and then used to pay for the programs that generated the fees. These funds can be spent without an appropriation in the budget.

Joe Cardillo asked about the salary wage study line item for \$15,000. The last study was done in 2014. Ms. Hallquist stated it is a tough environment and she believes they are behind in updating salary wages. Many towns are doing these surveys. Lyndsay Harkins asked if we could take a salary survey that was already done and take a percentage or estimate from that. Ms. Hallquist stated that would not result in reliable data, the survey looks at other towns similar to ours and some positions are more out of line than others so apply a percentage across the board would not work. Chair Cannon pointed out that the survey will look at places where employees are going.

**It was moved (Joe Cardillo) and seconded (John Raby) to approve the Executive budget in the amount of \$370,724. THE MOTION WAS APPROVED UNANIMOUSLY.**

Town Clerk/Elections

**It was moved (John Raby) and seconded (Joe Cardillo) to approve the Town Clerk/Elections budget in the amount of \$107,888. THE MOTION WAS APPROVED UNANIMOUSLY.**

Finance/Tax Collector

**It was moved (John Raby) and seconded (Jerry Coogan) to approve the Finance/Tax Collector budget in the amount of \$358,885. THE MOTION WAS APPROVED UNANIMOUSLY.**

Assessing

**It was moved (John Raby) and seconded (Jerry Coogan) to approve the Assessing budget in the amount of \$92,447. THE MOTION WAS APPROVED UNANIMOUSLY.**

Legal

**It was moved (Lyndsay Harkins) and seconded (Michael Williams) to approve the Legal budget in the amount of \$10,500. THE MOTION WAS APPROVED UNANIMOUSLY.**

Personnel Administration

**It was moved (Melissa Leintz) and seconded (John Raby) to approve the Personnel Administration budget in the amount of \$97,794. THE MOTION WAS APPROVED UNANIMOUSLY.**

Planning & Zoning – Ms. Hallquist reported the Board of Selectmen decided not to fund the corridor study that the Planning Board requested in the amount of \$15,000. Chair Cannon explained the Selectmen are in favor of doing the study however felt it was not as urgent as other priorities at this time and could be deferred.

Joe Cardillo asked if deferring this project was “kicking the can down the road” as has been stated in past years on other budget cuts. He asked Paul Gorman to address the request who explained that the study will look at how congestion points on Main Street can be addressed and it would be good if they can capitalize on the work connected with the water main replacement project.

Jerry Coogan asked if the water main would be replaced this summer; Adam Ricker stated he is unsure of the actual timeline as the Water Precinct Commissioners haven’t done the engineering yet but it will be within the next 2 to 3 years. John Cannon agreed that the timeline is unclear at this time, they have asked for ARPA funds to help with the project, but no funds have been committed yet. Michael Williams noted that there will be a lot of traffic on the road this summer from the hospital construction project, will that be considered for the study. Mr. Ricker noted that projects will be factored in as not being part of the normal traffic.

Melissa Leintz asked for clarification of the connection of the water main replacement project and the corridor study and questioned if the water main replacement does not happen for 2-3 years, why do they need funds for the study now. Mr. Ricker explained that ideally, they would have the study information before the work begins so that when the road is reconstructed once the water main is in place, it can be constructed using the findings of the study. There are issues of congestion at certain points along Main Street and this study would help them to understand ways in which they can address some of the congestion that exists. Colin Beasley asked which part of the Master Plan the project addresses. Mr. Ricker noted it was the third strategy for implementation under Transportation in the Master Plan. Although it is a transportation focus, it also looks at the Main Street streetscape as they hopefully look to the future of a form-based code system in the commercial zone which is also an implementation strategy in the Master Plan. Colin Beasley commented that this is a small investment towards the ten-year plan as represented by the Master Plan and we are into year four. It’s only about 1% of the proposed budget and he feels the town should do this as it gets the Master Plan one step further towards its goals.

**It was moved (Colin Beasley) and seconded (Melissa Leintz) to reinstate the \$15,000 for the corridor study on Main Street. Melissa Leintz: yes, Lyndsay Harkins: yes, Joe Cardillo: yes, Hannah Bianchi: yes, Jerry Coogan: yes, Colin Beasley: yes, John Raby: yes, John Cannon: no, Michael William: no. THE MOTION WAS APPROVED 7-2.**

**It was moved (John Raby) and seconded (Michael Williams) to approve the Planning & Zoning budget in the amount of \$121,234. THE MOTION WAS APPROVED UNANIMOUSLY.**

Insurances Not Otherwise Allocated

**It was moved (Michael Williams) and seconded (Hannah Bianchi) to approve the Insurances Not Otherwise Allocated budget in the amount of \$98,823. THE MOTION WAS APPROVED UNANIMOUSLY.**

Advertising & Regional Association

**It was moved (John Raby) and seconded (Michael Williams) to approve the Advertising & Regional Association budget in the amount of \$18,818. THE MOTION WAS APPROVED UNANIMOUSLY.**

Health Officer

**It was moved (Joe Cardillo) and seconded (Michael Williams) to approve the Health Officer budget in the amount of \$6,340. THE MOTION WAS APPROVED UNANIMOUSLY.**

Health Agencies

**It was moved (John Raby) and seconded (Lyndsay Harkins) to approve the Health Agencies budget in the amount of \$244,684. THE MOTION WAS APPROVED UNANIMOUSLY.**

Welfare Officer & Intergovernmental Welfare

**It was moved (John Raby) and seconded (Melissa Leintz) to approve the Welfare officer budget in the amount of \$5,470 and Intergovernmental Welfare budget in the amount of \$6,000. THE MOTION WAS APPROVED UNANIMOUSLY.**

Welfare Vendor Payments

Ms. Hallquist explained that these funds are used by Celeste Cook, Welfare Officer, to make rent payments, car payments, provide food, etc. to eligible applicants.

**It was moved (John Raby) and seconded (Melissa Leintz) to approve the Welfare Vendor Payments budget in the amount of \$16,000. THE MOTION WAS APPROVED UNANIMOUSLY.**

Parks and Recreation

Colin Beasley asked how local organizations can access the funds, what is the timing. Ms. Hallquist noted that an organization could bring their plan to the Recreation Commission who would make a recommendation on whether the programming would be good for the town and so funding should be approved. The request would then go to the Selectmen for a final decision. He asked what the history of use of the funds has been. Ms. Hallquist noted that last year was the first year of the fund and because of the pandemic organizations did not put on programs where they needed funding from the town; the Rotary Club would have been the first as they planned to have a Food Truck Festival and would have requested funds to assist with that program however they canceled due to pandemic

concerns. Ms. Hallquist suggested that no cuts be made to the fund due to lack of use as the pandemic had an impact on that.

Jerry Coogan asked about the balance of the revolving fund, Ms. Hallquist estimated the level is about \$10,000, there has been no deposits into it in more than a year as we have not had programming that is fee generating. She noted that in past years with Chad Denning and Scott Blewitt, they put on such a large amount of programming that the fund would get as high as \$80,000, however the money would be used to pay for the tickets to amusement parks, baseball games, summer day camp program, etc that generated the deposits into the fund. Lyndsay Harkins noted that recreation revolving funds are money in and money out and she did not believe it should be discussed as part of this budget review.

**It was moved (John Raby) and seconded (Jerry Coogan) to approve the Parks and Recreation budget in the amount of \$192,177. THE MOTION WAS APPROVED UNANIMOUSLY.**

#### Bonded Debt Principal & Bonded Debt Interest

**It was moved (John Raby) and seconded (Michael Williams) to approve the Bonded Debt Principal in the amount of \$364,708 and Bonded Debt Interest in the amount of \$103,213. THE MOTION WAS APPROVED UNANIMOUSLY.**

#### TANS

Ms. Hallquist noted TANS are tax anticipated notes; it has been decades since New London has needed to borrow money in anticipated of taxes. If the town did need to borrow money, there needs to be an appropriation to allow the payment of the interest, in this case there is \$1, to allow the payment of interest. The amount of interest would exceed \$1, the Selectmen would transfer funds into that account from other areas of the budget.

**It was moved (Michael Williams) and seconded (John Raby) to approve the TANS amount of \$1.00. THE MOTION WAS APPROVED UNANIMOUSLY.**

#### Capital Outlay

This account reflects purchases from capital reserve funds, the town's savings accounts, to make capital improvements. Ms. Hallquist noted that the \$93,000 in expenditures from the Town Building capital reserve fund for the Whipple generator and fire department roof are not included in the budget as the selectmen are agents to expend so it does not go to town meeting for a vote so it is not included in the Budget Committee budget. Ms. Hallquist noted that at the start of the budget preparation work, she includes the amount so the Budget Committee knows that expenditures will be made, and they can use that information when deciding how much to contribute to the fund in the budget.

Colin Beasley asked about the fire truck fund. Chief Lyon explained that if a fire truck was ordered today, it would take 560 days for delivery, the number of orders is way up. They used to see 3% - 6% increases per year, over the past four year and a half years the cost of apparatus is increasing, 7% - 10% every six months; 14%-20% per year. John Cannon noted the increases are due to steel tariff increases. Chief Lyon explained that this lease to own plan is a way to lock in the price now and not have the yearly increases when the town takes delivery of the truck in the future.

This expenditure is to replace engine #2. Chief Lyon noted that all of the equipment in New London is multifunctional, this makes the vehicle more expensive however you save because you do not have

to purchase multiple pieces of apparatus. John Cannon noted that with the purchase of this piece of apparatus it will lower the ISO rating which in turn lowers insurance costs to property owners.

Jerry Coogan asked if the payment would be a down payment on the vehicle, the Chief responded that it was not, explaining once the apparatus arrived the funds from the capital reserve funds would be used. The excess funds appropriated into the CRF over what is needed for engine #2 would be used future purchase of other apparatus. It is very similar to lease to own, at the end of the term the town would own the vehicle, not turn back the vehicle. This plan allows the town to make lower payments into the CRF. Colin Beasley asked if the CRF would make the lease payments, Chief Lyon agreed.

Jerry Coogan asked which sidewalks would be done. Bob Harrington responded that he hoped to replace the sidewalk from Homan Corner towards the school, however he will be working with the Water Precinct as they replace the water main and he is not yet sure where they will begin the work. That will dictate which sidewalks will be replaced.

**It was moved (Joe Cardillo) and seconded (John Raby) to approve the Capital Outlay amount of \$965,539. THE MOTION WAS APPROVED UNANIMOUSLY.**

#### Transfers to CRF

John Raby stated we need to move more vigorously on our conversion to clean energy and would like to increase the amount appropriated to Energy projects from \$30,000 to \$40,000. Michael Williams stated there isn't a plan and the Energy Committee has not weighed in on this increase.

**It was moved (John Raby) and seconded (Melissa Leintz) to increase the appropriation to Energy projects from \$30,000 to \$40,000. Melissa Leintz: yes, Lyndsay Harkins: no, Joe Cardillo: no, Hannah Bianchi: no, Jerry Coogan: no, Colin Beasley: no, John Raby: yes, John Cannon: no, Michael William: no. THE MOTION FAILED 2-7**

**It was moved (John Raby) and seconded (Michael Williams) to approve the Transfers to Capital Reserves Fund in the amount of \$937,510. THE MOTION WAS APPROVED UNANIMOUSLY.**

#### Sewer

**It was moved (Joe Cardillo) and seconded (John Raby) to approve the Sewer amount of \$366,348. THE MOTION WAS APPROVED UNANIMOUSLY.**

#### Revenues

**It was moved (Joe Cardillo) and seconded (John Raby) to approve the Revenues amount of \$4,172,845. THE MOTION WAS APPROVED UNANIMOUSLY.**

#### **Other Business**

Joe Cardillo gave a brief explanation about what unassigned fund balances are and where they come from. Essentially the unassigned fund balances are budget funds that were not spent. The Selectmen have the ability to draw on these unassigned fund balances when the tax rate is set to reduce the amount needed to be raised by taxes.

Will Kidder reminded the Budget Committee that the filing period is coming up and there are three Budget Committee members up for re-election. The filing period starts on January 19<sup>th</sup> and ends January 28<sup>th</sup> at 5:00pm.

The Public Hearing on the Budget will be held on February 2<sup>nd</sup> at 6:30 PM.

The reconciliation meeting with the Selectmen will be held on Monday, January 24<sup>th</sup> at 6:30 PM

**It was moved (Lyndsay Harkins) and seconded (Joe Cardillo) to adjourn the meeting.  
THE MOTION WAS APPROVED UNANIMOUSLY.**

The meeting adjourned at 8:20PM.

Respectfully submitted,

Trina Dawson,  
Recording Secretary  
Town of New London