



TOWN OF NEW LONDON, NEW HAMPSHIRE

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BUDGET COMMITTEE MEETING MINUTES Wednesday, January 8, 2020 7:00 PM

BUDGET COMMITTEE MEMBERS PRESENT: Rob Prohl (Chair) Joe Cardillo (Vice Chair), Jerry Coogan, Chris Lorio, John Raby, Michael Williams, Lauren Snow Chadwick, Mark Christensen, John Cannon (Selectmen's Representative)

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

OTHERS PRESENT:

Joe Kubit, New London Resident
Tim Paradis, Energy Committee Member
Bob Harrington, Public Works Director
Police Chief Ed Andersen
Fire Chief Jay Lyon
Jamie Hess, Energy Committee Chair
Sandra Licks, Library Director
Bob Brown, Conservation Commission Chair
Mark Vernon, Conservation Commission Member
Michael Kennedy, Conservation Commission Member
Debbie Stanley, New London Resident & Ausbon Sargent Land Preservation Trust

Rob Prohl called the Budget Committee meeting to order at 7:00 PM.

Approval of December 11, 2019 minutes

IT WAS MOVED (John Raby) AND SECONDED (Chris Lorio) to approve the minutes of the December 11, 2019 meeting with the correction of Lou Botta's name. THE MOTION WAS APPROVED UNANIMOUSLY.

Approval of the December 18, 2019 minutes

IT WAS MOVED (Joe Cardillo) AND SECONDED (Michael Williams) to approve the minutes of the December 18, 2019 meeting with two corrections. THE MOTION WAS APPROVED UNANIMOUSLY.

Selectmen's Report

Selectman John Cannon reported that the Selectmen reviewed the budget request submitted by Riverbend Community Health and voted against funding it. The Selectmen are considering a recommendation to submit a warrant article at Town Meeting to establish a Housing

Commission. Selectmen Cannon pointed out that the time period to sign up to run for office starts January 22, 2020 and ends January 31, 2020 and the last day to submit petition articles is February 4, 2020. The Selectmen will be putting a warrant article for acceptance of a small piece of land on Bog Road.

FY2021 Budget Review:

Bonded Debt, Principal

IT WAS MOVED (Michael Williams) AND SECONDED (John Raby) to approve the Bonded Debt, Principal amount of \$336,417. THE MOTION WAS APPROVED UNANIMOUSLY.

Bonded Debt, Interest

IT WAS MOVED (John Raby) AND SECONDED (Chris Lorio) to approve the Bonded Debt, Interest amount of \$113,651. THE MOTION WAS APPROVED UNANIMOUSLY. TANS (Tax Anticipated Notes)

IT WAS MOVED (Michael Williams) AND SECONDED (John Raby) to approve the TANS amount of \$1. THE MOTION WAS APPROVED UNANIMOUSLY.

Capital Outlay

Vehicles – The total for vehicle outlays is \$401,600.

IT WAS MOVED (Rob Prohl) AND SECONDED (Jerry Coogan) to accept the amount of \$401,600. THE MOTION WAS APPROVED UNANIMOUSLY.

Buildings - The total for Building outlays due to Library expenses is \$290,000.

IT WAS MOVED (Rob Prohl) AND SECONDED (Chris Lorio) to accept the amount of \$290,000 THE MOTION WAS APPROVED UNANIMOUSLY.

Improvements

Joe Cardillo led a discussion about the current 6.2% budget increase this year. He pointed out that this is a result of adding personnel in several departments. These positions are needed so it is a good thing. Mr. Cardillo stated that the town has done a good job of planning in the past and has put money away in reserve funds. He gave a lot of thought on how to figure out a way to minimize the impact going forward. Mr. Cardillo proposed using the Regional Transportation Improvement Fund that currently has approximately \$150,000 in it for transportation projects. This fund grows each year due to car registration fees which adds \$5 per registration to the fund. In order to spend this money, there needs to be a warrant article. It is required that money from this fund must be spent on transportation related needs such as sidewalks, roads, bridges and culverts. This fund has been used in the past to fund new sidewalks on Seamans Road and Parkside Road and some of the funds may be used if the Bunker Road guardrail project moves forward.

Mr. Cardillo suggested speeding up the gravel road paving process and coming up with \$150,000 worth of paving projects instead of using the \$66,000 of tax dollars that has been planned for this year. This will help reduce the impact on the taxes. In return, we wouldn't fund the sidewalk fund for \$30,000 since it is not scheduled to be done this year and we wouldn't fund \$100,000 for gravel road paving capital reserve fund payment. Sidewalks are scheduled to be done in 2022. We would essentially be trading \$150,000 worth of work for \$130,000 in reserves. The capital reserved funds not funded this year (gravel roads and sidewalks) would be funded again the following year.

This year, the transfer to reserve funds is \$783,510. Mr. Cardillo's proposal means that this amount would be lowered by \$130,000.

After discussion, it was decided to use \$135,000 of the Regional Transportation Improvement Fund for paving. Sargent Road as it was projected would cost \$66,000 and Fairway Lane is approximately \$68,500.

IT WAS MOVED (Jerry Coogan) AND SECONDED (John Raby) to spend \$135,000 out of the Regional Transportation Fund for road paving Capital Outlays. THE MOTION WAS APPROVED UNANIMOUSLY.

Chair Prohl asked about the Town Building maintenance fund. He noted that they have used bonding a lot for issues that have come up. He asked Bob Harrington is there were any anticipated expenses in 2021, 2022 and 2023 and if there was a need to keep building up that account. Kim Hallquist stated that this account can be used for roof repairs, paint, carpeting etc. The Buildings and Facilities committee will start working on a maintenance schedule so there will be projects scheduled over the next few years but they haven't been identified yet. Joe Cardillo stated the town has done a lot of work over the past four or five years to maintain its buildings. They had to borrow money in order to catch up on work that needed to be done. The fund currently has a large enough balance that Mr. Cardillo suggests taking a year off putting money in there, noting that this is yet another area in the reserves that we can forgo for just one year but get right back to funding it next year.

IT WAS MOVED (Joe Cardillo) AND SECONDED (Lauren Chadwick) to forgo funding \$50,000 for one year in the Town Building maintenance fund. THE MOTION WAS APPROVED UNANIMOUSLY.

Transfers to Capital Reserves

IT WAS MOVED (Michael Williams) AND SECONDED (John Raby) to remove the amount of \$100,000 for gravel roads and upgrade paving and remove \$30,000 for sidewalks for a total amount of \$130,000 in Capital Reserves. THE MOTION WAS APPROVED UNANIMOUSLY.

Bob Brown, Chair of the Conservation Commission attended the meeting to discuss the request of a \$50,000 contribution to the Land Acquisition Fund. The Board of Selectmen agreed on a \$10,000 contribution. Chair Brown stated that he is disappointed in that amount.

Chair Brown does not believe that any of the Boards are anti-conservation or don't believe in the work they do. He would like the Budget Committee to consider a higher contribution as they need reasonable, level funding to build the fund to a manageable number.

Debbie Stanley addressed the committee and stated that Chair Brown has done a tremendous job managing the conserved properties in town. In 2001, the State of New Hampshire, through the Forest Society did a number of studies to determine the amount of land each town should set aside for conservation. With that data, it was determined that each community should conserve 25% of the acreage. This is based on science and population and what was happening in New Hampshire. We live in a state that depends on tourism and land conservation is a big part of the economy. Land conservation is important for overall quality of life, air quality, water resources and farmland. Ms. Stanley noted that she attended a conference in October that discussed new data. There are now new threats including violent weather events, forest fires and food insecurity. She believes the percentage of 25% conserved land will be increase to 30% in the future.

Mark Vernon, Conservation Commission member, reported there was a good response from the Master Plan Survey that was recently done by the Planning Board. There was a 91% positive response to the question regarding supporting continued efforts to conserve land. When asked to prioritize land conservation out of the eleven initiatives and strategies presented in the survey, land conservation was ranked third. This illustrates strong support among the people in New London for land conservation.

IT WAS MOVED (Jerry Coogan) AND SECONDED (John Raby) to add \$40,000 to the Land Acquisition fund for a total of \$50,000. Jerry Coogan: Yes, Mark Christensen: Yes, Chris Lorio: Yes, John Raby: Yes, Rob Prohl: No, Lauren Chadwick: No, Joe Cardillo: No, Michael Williams: No, Selectman Cannon: No - THE MOTION FAILED.

IT WAS MOVED (Rob Prohl) AND SECONDED (John Raby) to amend the above motion to increase the amount from \$10,000 to a \$25,000 contribution to the Land Acquisition Fund. THE MOTION WAS APPROVED UNANIMOUSLY.

The Budget Committee stipulated that the funding should continue every year moving forward.

IT WAS MOVED (John Raby) AND SECONDED (Joe Cardillo) to approve the total amount of \$618,510 for Transfers to Capital Reserves. THE MOTION WAS APPROVED UNANIMOUSLY.

Revenues

IT WAS MOVED (John Raby) AND SECONDED (Michael Williams) to approve the Revenues amount of \$3,766,610. THE MOTION WAS APPROVED UNANIMOUSLY.

With all of the changes above, the budget increase was reduced from 6.2% to 3.9%.

Other Business

Joe Cardillo commented that he attends a lot of meetings in many different municipalities. He suggested that we consider starting Budget Committee meetings with the Pledge of Allegiance. Mr. Cardillo thinks the Budget Committee would be a good committee to start this tradition with and perhaps it will spread to other boards and committees. The Budget Committee was in agreement with this.

Adjourn

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

The Budget Committee will meet jointly with the Selectmen on January 15th at 7:00 PM to discuss areas where the groups do not agree.

The meeting adjourned at 8:45PM.

Respectfully submitted,

Trina Dawson,

Recording Secretary
Town of New London