



TOWN OF NEW LONDON, NEW HAMPSHIRE

375 MAIN STREET • NEW LONDON, NH 03257

**NEW LONDON BUDGET COMMITTEE
MEETING MINUTES
Wednesday, October 1, 2025
Whipple Memorial Town Hall
6:00 PM**

BUDGET COMMITTEE PRESENT: Charles Kelsey (Chair), Richard Anderson (Select Board Representative), Lou Botta, Karen Epstein, Cynthia Ruis (via Zoom for a portion of the meeting).

Absent: Chris Lorio (Vice Chair), Megan Brown, Lyndsay Lund Harkins, and John Tilley.

STAFF: Lynn Lewis, Finance Officer, Jay Lyon, Fire Chief, Will Kidder, Town Clerk, Putnam Kidder, Recreation Director.

Also present:

Colin Beasley, resident

Robert Bowers, resident

Chair Kelsey called the meeting to order at 6:04 PM.

Charles Kelsey called the meeting to order at 6:04 PM, summarized the agenda topics, and introduced a draft of meeting norms for the committee to use to guide and facilitate the committee's work and discussions. Kelsey elaborated on a few of the proposed norms: 'stay on topic and agenda,' saying that should a topic not on the agenda be brought up, it would be noted and addressed later. This was related to the issue of trust as discussed at prior meetings, that in the event a department or related issue was raised but not on the agenda, it would be tabled for a later time so the department head could respond if needed. Charles Kelsey commented on 'maintain professional boundaries'. He referred to earlier comments he made to encourage members not to engage in social media commentary about the budget committee's work or fellow committee members. If he had an issue with a person in some form, he would speak directly with that person. Kim Ilg apologized that she was unable to attend the last meeting of the committee due to a medical issue, and from her perspective, the norms were basic principles we all should follow. The members in attendance agreed to and adopted the norms: 'be on time', 'be prepared', 'stay on topic and agenda', 'one voice at a time', 'give and receive feedback', 'practice active listening', 'assume positive intent', 'challenge ideas not a person', 'be respectful', 'maintain professional boundaries'.

Select Board Report: Richard Anderson reiterated remarks made at the September 15th meeting in reference to the Request for Proposal (RFP) for the Department of Public Works, that it includes evaluating the viability of the site for a new Police facility. Richard added that the RFP would also include adding new bay doors to the lower building to improve vehicle and building access.

Consent Agenda:

Charles Kelsey introduced the Consent Agenda for consideration. Kelsey explained that the purpose of the Consent Agenda was to focus the meeting discussion on salient topics. Kelsey indicated that six changes were made to the initial draft based on input from the committee. Kelsey asked for a motion to approve the Consent Agenda.

IT WAS MOVED (Lou Botta) **and SECONDED** (Karen Epstein) **to approve the minutes as recorded. THE MOTION WAS APPROVED** as follows: Lou Botta - Yea, Karen Epstein Yea, Richard Anderson – Yea, Kim Ilg - Yea, Charles Kelsey – Yea, Cynthia Ruis (via Zoom)– Yea.

Department / Area Meetings: Charles Kelsey moved the discussion to the schedule for department/area meetings. Meetings remaining to be scheduled included the Fire Department, Library, and Planning. Putnam Kidder shared that the meeting with Recreation took place last Monday with Chris Lorio and Cynthia Ruis. Kelsey added that the meeting with Adam Ricker, John Tilley, and himself for Town Planning would take place on either October 7, 8, or 9. Kelsey said that he will add the Kearsarge Regional School (KRS) to the schedule and confirmed with Richard Anderson that he would provide any salient information regarding the school budget (and financial considerations) as appropriate. Kelsey agreed that he would follow up with the respective members responsible for the Fire Department and Library meetings. Kelsey expressed concern about the compressed time frame between the department/area meetings and the completion of the report summaries in time for the department budget reviews. Discussion ensued on how to share and review the reports among all committee members, and it was agreed that the reports would be distributed upon completion via email to all committee members for review, clarification, and additional questions. The procedure for retaining and updating the department/area report information is still to be determined. The committee agreed to keep meetings closed to the public, and if a quorum were present, members would bow out to avoid it being a public meeting as defined by RSA 91-A.

Department / Area meeting assignments and schedule are as follows:

Police & Dispatch: Lou Botta & Karen Epstein - September 30th

Department of Public Works - Chris Lorio & Cynthia Ruis - October 3rd

Town Administration: John Tilley & Charlie Kelsey - October 13th

Fire Department: Kim Ilg & Lyndsay Lund Harkins (TBD)

Library: Lyndsay Lund Harkins & Megan Brown (TBD)

Recreation: Chris Lorio & Cynthia Ruis – September 29th

Capital Improvement Plan & Planning: Charlie Kelsey & John Tilley October 6th

Water Precinct: Karen Epstein & Charlie Kelsey – September 29th

Kearsarge Regional School: Richard Anderson

Budget Committee Meeting Schedule: Charles Kelsey shared an updated draft of the schedule for budget committee meetings. It was discussed and amended. Kelsey will work with Ashley Seybold on the final schedule after she has coordinated with the Associations and Departments. Budget Committee meetings

will be held on Wednesdays from 6:00 PM – 8:00 PM at Whipple Hall. The schedule stands presently as follows, but is subject to change:

October 15th Energy Committee, Conservation Commission, Garden Club, Recreation, Lake Associations, Dartmouth Health - Ambulance, Upper Valley Lake Sunapee Regional Planning Commission, King Solomon's Masonic Lodge, Court Appointed Special Advocates (CASA), Community Action Program Belknap-Merrimack Counties, Inc., Lake Sunapee Regional VNA & Hospice.

October 29th Capital Improvement, Financial Forecast Models

November 5th Emergency Management, Police & Dispatch

November 19th Fire Department

December 3rd Department of Public Works

December 10th Town Admin. (Finance, Tax Clerk & Collection, Planning) Library

December 17th Revenues & Capital Reserves, (Debt Obligations)

January 7th Wiggle Week – follow-up on outstanding items

January 21st Committee's Proposed Budget

January 28th Budget Finalized, reconciliation with the Board of Selectmen's Budget

February 4th Public Hearing (if needed)

Water Precinct Report: Karen Epstein with Charlie Kelsey presented the written report on the Water Precinct from their meeting on September 29th. Upon the suggestion of Richard Anderson, the committee agreed to review the report outside the meeting and provide any questions for clarification or additional information to Karen Epstein to follow up on. Charles Kelsey provided a high-level summary. The meeting focused on discussing the New London Water Precinct's operations, history, and future challenges. The Precinct was formed 100 years ago to provide drinking water and fire protection. It is regulated by state and federal guidelines and managed by a commission comprised of three commissioners serving 3-year terms. Key issues discussed included water demand trends and the need to increase capacity in the single-source system. It was noted that the water quality is exceptional and some of the best in the country, and at a very low cost.

Richard Anderson conveyed the ongoing concern about the need for additional water and the time frame involved. The meeting focused on water capacity issues in the town, with Karen Epstein adding that the report noted the potential of something being done in conjunction with the Water Precinct and the Town. The group discussed the importance of water for development and the town's economy, as well as the role of the Water Precinct in managing water resources. Lou Botta noted that while the Budget Committee does

not have a direct role in water management, it is important to understand the Precinct's activities and their impact on the community. The discussion also touched on potential alternative water sources within the Precinct, which had been explored in the past but required the consent of landowners; however, these were not feasible due to landowner objections.

Fund Balance:

Charles Kelsey introduced the topic of the Unassigned Fund Balance (UFB) and its purpose and importance. The UFB is a measure of equity between revenues and expenditures, i.e., Assets minus Liabilities, and exists to address possible negative trends and unforeseen circumstances, ensuring stable cash flow and town services to function.

Lynn Lewis further explained the town's Fund Balance, noting that the UAB allows the town to meet cash flow needs, complete scheduled projects, and provide contingency monies for unexpected situations. The Board of Selectmen has used a portion of the excess UFB to offset property taxes. The NH Department of Revenue Administration recommends a UFB range of 5% - 17% of General Fund Operating Expenses. The Town's Fund Balance Policy adopted in 2021 established a target unassigned fund balance range of 5% - 17%. In 2023, the UFB was \$1,868,289, representing 7.25% of General Fund Operating expenses. The 2024 UFB was \$1,880,606, representing 6.81% of General Fund Operating Expenditures. It was noted that these respective balances were at the low end of the range. Lynn stated that the 2025 UFB was confirmed by the recent Town audit and would be made public after the audit was presented to the Board of Selectmen. A question was raised about whether the town's quarterly tax billing cycle was to smooth cash flow. Will Kidder explained he did not know if that was the reason for the change (which preceded his tenure), but added he thought possibly the change in the fiscal year from December 31st to July 1st had something to do with the change to quarterly billing. Richard Anderson indicated that, although it seemed counterintuitive, switching to quarterly billing caused more problems for municipalities than semi-annual billing.

Lynn touched on the Claremont's ~ \$5,000,000 deficit, attributing it to a combination of factors, including school expenses, a recent unexpected additional insurance bill of nearly \$1,000,000, poor grant management, inaccurate revenue projections, unrecorded expenses, and generally poor financial management and oversight. Lynn emphasized that New London is in very good shape and maintains conservative revenue estimates and proper record-keeping, including a general ledger and an annual independent audit. Lynn also noted that Claremont experienced challenges to special education funding.

Richard Anderson agreed with Lynn's comments and said that he had some positive news, although the Kearsarge Regional School received an additional \$900,000 bill for healthcare insurance, but was able to cover it using their unexpended funds, and still allowed a higher return to the towns than originally planned. Richard further stated the challenges with the KRS budget and that, at times, some members' focus turned to the special needs education costs, and doing so by discouraging enrollments. He expressed that this was an unacceptable alternative, not the least of which was the obligation to serve those less fortunate, and certainly the illegality of such an approach.

Lynn Lewis also addressed the distribution of budget packets. Karen Epstein raised the importance of an end-of-year financial review prior to the budget presentations to understand actual expenses and any issues that might influence budget requests.

Public Comments: Colin Beasley asked whether there was a plan to address the Board of Selectmen's recommendation from last year for Jay Lyon to prepare a forecast of staffing changes and their impact on operating expenses. Jay Lyon, Fire Chief, responded that he has completed 95% of that report and welcomed sharing it at any time, including at the upcoming meeting with budget committee representatives. He gave a brief overview of the staffing changes, their impact on operations, expenses, and grant funds.

Charles Kelsey noted the next meeting to be on October 15th, starting the budget review process. Kelsey said that, given the energy level in the room, the meeting evaluation would be solicited offline from all in attendance.

Charles Kelsey called for a motion to Adjourn.

IT WAS MOVED (Lou Botta) **and SECONDED** (Karen Epstein) **to adjourn. THE MOTION WAS APPROVED** as follows: Lou Botta - Yea, Karen Epstein- Yea, Richard Anderson – Yea, Cynthia Ruisis – Yea, Kim Ilg – Yea, Charles Kelsey – Yea.

The meeting adjourned at 7:47 PM.

Meeting recorded on Zoom via the written minutes compiled by Charles Kelsey