



TOWN OF NEW LONDON, NEW HAMPSHIRE

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BUDGET COMMITTEE MEETING MINUTES Wednesday, May 18, 2022 6:30 PM, Whipple Town Hall

BUDGET COMMITTEE MEMBERS PRESENT: Chris Lorio, (Chair) Joe Cardillo (Vice Chair), Hannah Bianchi, Lou Botta, Lyndsay Harkins, John Wilson, Mark Christensen, Colin Beasley, Bill Helm (Selectmen's Representative)

MEMBERS ABSENT: Melissa Leintz

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

OTHERS PRESENT: Emily Cobb, Police Chief; Adam Ricker, Planning & Zoning Administrator; Will Kidder, Town Clerk-Tax Collector; Bob Harrington, Public Works Director

Approval of Minutes of March 23, 2022

It was moved (Joe Cardillo) and seconded (John Wilson) to approve the minutes of the March 23, 2022 meeting. THE MINUTES WERE APPROVED UNANIMOUSLY.

Selectmen's Report

Selectman Helm reported the Selectmen have met five times since the last meeting on March 23, 2022. The four themes of those meetings included:

- There was a Whipple Hall update session and more recently they approved hiring Frank Anzalone to work with the Whipple Hall subcommittee.
- The Recreation Commission has come before the Selectmen twice and they approved \$26,000 in funds to be transferred to the Outing Club for field upgrades. At the most recent meeting, Recreation Director, Putnam Kidder discussed summer programs and alerted them to the fact there may be a budget shortfall because of increased wages being paid to staff.
- The Barn Playhouse came before the Board regarding parking, and the Selectmen approved changes to the parking ordinance, specifically related to Everett Park and which side cars can park on.
- Governance proposals were made by Bill Helm. Two decisions made by the board were to dissolve the Solid Waste Committee and the Building and Facilities Committee. They also agreed to have the Police Site Review Committee present at the Board of Selectman meeting on June 9, 2022.

Joe Cardillo noted that a proposal that stated Budget Committee members cannot be on any other committees has been withdrawn. Some of this discussion drew attention to an RSA that talks about who can and can't sit on a budget committee and raised questions that need to be followed through on. The members in question are Lyndsay Harkins who is a member of the School Board Budget Committee and Lou Botta is who is the Emergency Management Director (EMD). Joe suggested that an interpretation from town counsel should be obtained to ensure this is a legally constituted

board. Kim. Hallquist noted that Lyndsay Harkins is not in violation of the RSA as the town Budget Committee does not have control over the school budget, instead, Budget Committee members vote on the school budget just like all other voters. The issue of Lou Botta, EMD, is less clear and depends on whether he is considered a “parttime employee” of a “department”. Lou noted that if he can’t serve on the Budget Committee because he is the EMD, he will resign as EMD. Town counsel will be contacted for clarification.

Continue discussion of potential budget committee/department lead meetings, expectations and meeting schedule.

Chair Lorio stated at the last meeting, Colin Beasley brought up a proposal to have more monthly or regular meetings outside of the normal budget timing that we’ve had in the past. This would be to help new members and also to learn more about the departments. Chair Lorio stated it will be important for the department heads to have guidelines and understand what their responsible for during these discussions. There were some items in that proposal that Chair Lorio does not feel are under the guidelines of what the Budget Committee does. Chair Helm noted that the Selectmen will be discussing Budget Committee guidelines at their next meeting.

Colin Beasley explained there is a set of things that are common among all the department heads that we should talk about so everyone is on the same page with expectations. Then there are other things that are department specific that should be discussed. Next year is going to be a tough year and we need to be cognizant of that.

Hannah Bianchi stated she and Melissa Leintz did a site visit of the sewer department with Bob Harrington and it was a great opportunity for them to see what they are doing and get a good understanding of all of it. She stated she cannot do this for all departments so it would be easier to have smaller groups that she could commit to and then divide into teams. Colin Beasley stated if people are assigned to certain groups, they won’t get a view of the groups that aren’t assigned to. Chair Lorio clarified that people always have the ability to join other groups even if they weren’t assigned to it. Mr. Beasley stated we need to keep the taxpayer in mind and there needs to some analysis done. He reviewed previous budgets for the last two years the actual numbers came in less than budget twice in a row. If the actuals were the budget and it was forecasted properly, the tax rate would have been reduced for 2019 and 2020. Past performance should be evaluated to understand the line items that were forecasted and didn’t come in at that number to look at trends year after year. Mr. Beasley believes that past performance should be looked at and questions should be asked. Chair Lorio stated they do that when the department heads present their budget. Mr. Beasley responded he did not see that happen last year.

Mark Christensen stated the department heads are the experts and it is important for Budget Committee members to visit departments to listen and learn. Lou Botta agreed and stated you have to rely on your experts to provide the best recommendations possible to develop a budget. If you usurp that, you end up with fake budgets.

Selectman Helm stated it’s important to look at the cycle that ends up creating the tax rate because it’s not the budget that creates the tax rate. If the actuals and the budget were the same, there would be less money that flowed over into the reserves which is what the Selectmen use to help set the tax rate. He wants to make sure everyone understands how the tax rate gets set.

Mark Christensen made a motion to do a tour around town. Lou Botta seconded the motion but this motion was later withdrawn. After discussion, it was decided to move forward with small groups

and each group would tour two departments. If anyone else wanted to go to other departments they would have the option to do that. The department heads would discuss budget items and provide an overview of daily operations. Mr. Beasley would like to standardize the expectations for the department heads. Chair Lorio will work with town Administrator Kim Hallquist to set up a schedule for small group meetings that would begin in July and August.

John Wilson stated it should be an aspirational meeting to discuss what the department heads hope for during the upcoming budget year and what they hope to accomplish. Chair Lorio feels we should have a reasonable expectation of what the department heads are prepared to deliver to them. Hannah Bianchi feels it should not be structured in a way that tells the department heads what they should tell the budget committee. For the budget committee to direct them in this way would be missing an opportunity. Bob Harrington feels it would be helpful to know a few items ahead of time that the Budget Committee would like him to discuss. Chief Cobb stated her preference is that the conversation would flow naturally, and her intention would be to give a tour in both dispatch and a ride along with an officer. If there is a desire for a deeper dive into budget items she would want to know ahead of time as that would require a lot of time to prepare. She would not want to feel unprepared. Mark Christensen responded it is important not to blind side the department heads and we want to make them feel supported.

Lyndsay Harkins stated there seems to be frustration on the part of budget committee members on how they should be going about this process. She recommended at the next meeting that each budget committee member be allowed to share their ideals, focus and concerns. This would help them understand and collaborate better with each other. Chair Lorio disagrees and doesn't feel this is necessary.

Selectmen/Budget committee meeting schedule

Selectman Helm reported that he did ask the other Selectmen at the meeting last night and they would prefer to continue the process of having joint meetings with the Budget Committee at the beginning of the process when that gets established. These joint meetings would be held on Thursdays starting in September.

John Wilson would like to start with a tax rate and update it with any changes made to the budget after each meeting to show how it has affected the tax rate. Colin Beasley agrees that we should see the tax rate upfront. He would also like to make sure all the spreadsheets show changes as they go along. He feels we should be sharing with the taxpayers what the percent changes are in the annual report. Chair Lorio disagrees and stated this is not in the purview of the Budget Committee. Mr. Beasley feels we are presenting the budget to the town and should be transparent. He also stated he has no problem meeting with the Selectmen as long as they are meeting about all the matters. He provided a few examples of decisions made after the Selectmen/Budget Committee meetings were done that included merit increases and COLA increases. Kim Hallquist responded these are all public meetings and anyone can attend. It is generally the Selectmen's responsibility to set wages and decide on COLA's. Mr. Beasley noted that wages represent 80% - 85% of the budget so he doesn't understand why the budget committee wouldn't be a part of these conversations. Chair Lorio stated wages come up at every department meeting discussion presented to them.

Selectmen Helm recommended that when the Selectmen discuss the new wage study, there is a posted budget committee meeting that coincides with that discussion so they are included.

Other Business

John Wilson asked for clarification on where the CIP committee stands. Selectman Helm responded that nothing has changed and it is currently under the purview of the Planning Board. Colin Beasley stated when he spoke with the Chair of the Planning Board recently, he was told that the plan would replicate the same process as last year. The CIP committee consisted of three Planning Board members, one Building and Facilities committee member and one Budget Committee member.

Motion to adjourn

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

The meeting adjourned at 8:05PM.

Respectfully submitted,

Trina Dawson,
Recording Secretary
Town of New London