

LONDONDERRY BUDGET COMMITTEE

Minutes for June 22, 2023

The Budget Committee meeting is at 7:00 PM on June 22, 2023, in the Moose Hill Council Chambers, 268B Mammoth Road, Londonderry, NH 03053.

Present: Patrick Cassidy –Chair, Joseph Gagnon- Vice Chair – Maureen Hardy, Secretary-Member at Large, Ryan Cronin – Member at Large, Sarah Meier-Member at Large, Ron Dunn-Town Council Liaison, Justin Campo, Town Finance Director NOTE: Tim Siekmann- Member at large arrived at 7:37 PM

1. CALL TO ORDER

The meeting was called to order at 7:03 PM by P. Cassidy, after the Budget Committee was welcomed on a tour of the Londonderry Police Department by Chief Kim Bernard.

2. PLEDGE OF ALLEGIANCE / MOMENT OF SILENCE

P. Cassidy led the Pledge of Allegiance and Moment of Silence.

3. PUBLIC COMMENT

None

4. ACCEPTANCE OF MINUTES

May 25, 2023 Minutes were presented. Motion to accept minutes by J. Gagnon, Second by R. Cronin. The minutes passed with a 5/0 vote.

5. COMMITTEE BUSINESS

- a. Town Budget Process Presentation by Town Finance Director, Justin Campo

L. J. Campo provided great details around the Town Budget Process. He went through an overview of the process timing, answered questions from the Budget Committee members and presented the BC with a FY2023 YTD Revenue report and a FY 2023 YTD Expenses report. These two reports are attachments to these minutes.

The budget cycle:

- The Town Employees are working now on the Budget.
- The First Saturday in November, from 9 am to roughly 1 pm, the Town Manager and department heads present the FY25 budget to the public.
- The Budget Committee members will receive the Budget Binder or PDF.

- The Budget Committee Members craft questions and suggestions.
- In November and December, one Town Council meeting a month (Mondays) is a Budget Workshop with the BC
- The second Tuesday in January is the deadline for citizen petitions
- Budget Public Hearing on the Third Monday in January
- The Deliberative Session is in early February
- NOTE: The default budget is the previous years' budget increased or decreased by obligations such as contracts, debt payments and services. For example, for FY24, the Health insurance premiums for employees increased and had to be added in. The Town is instructed to operate within the default budget or under default.

Questions raised:

1. From J. Campos Point of view, what is the BC's role
 - a. We can ask questions or ask to move money.
2. Does the Undesignated fund balance impact our bond rating? Is it good to have bonds already, or good to not have bonds?
 - a. Yes, the undesignated fund balance is important for our bond rating. Please see Town hall liaison report from April 2023 for details. It is good to have some bonds but not too many.
3. Please tell us what bonds are coming off in the near future. With last payment amount, total bond amount and interest rate:
 - a. FY24 (Multipurpose bond), - \$694,000.00, \$11,000,000.00, 3.82%
 - b. FY26-\$120000.00, \$1,158,000.00, 3.49%
 - c. FY27-\$200,000.00, \$2,200,000.00, 2%
 - d. FY29-\$127,000.00, \$1,250,000.00,
 - e. FY39 (central fire, exit 4A) -\$434,000.00, \$8,490,000.00, interest rate not provided.
4. Does the Town Finance Director coordinate with the School District Finance Director to possibly combine bonds for better rates?
 - a. J. Campo is certainly up to it and has a good working relationship with the Finance Director at the School district. That being said, any decision like this must be taken on a case by case basis. Many factors should be reviewed, for example term and interest rate.

b. Liaison Reports:

School Liaison Reports:

Ryan Cronin-Presented a synopsis of the latest School Board meeting:

1. A Private consulting group will be hired for \$54,000.00 to advise on improvements to SPED from July '23 through January '24.

Joe Gagnon-Reporting on the Capital improvement plan for the School District: Over the next TEN YEARS:

1. Moose Hill Phase 1 is estimated to cost \$16 Million
2. Moose Hill Phase 2 is estimated to cost \$12 Million
3. The SAU office is expected to cost \$5.2 Million. This is increased from 2021 when the Warrant Article failed by roughly one million dollars.
4. The High School upgrades and renovations are estimated to cost \$107 Million dollars.

i. Town Council Liaison Reports:

- ii. Patrick Cassidy- Town Council meeting on 6/5/2023:
- iii. 1. Presentation on the Twin States Clean Energy Link: Hydropower from Quebec Canada to VT and NH. Two years out; existing infrastructure; saves money; no construction costs.
- iv. 2. Discussion of members included in the Capital Improvement Fund. Our own Sarah Meier is one of the members.
- v. 3. Lithia Springs deal approved.
4. 35 Gilcreast Road property sold to developer for 2.65 Million.

Town Hall Liaison Report:

Maureen Hardy-No liaison report as Justin was here. The reports he provided will be attached to the minutes.

Two questions from Last month's Liaison report were answered:

Questions Raised:

- a. For Justin Campo: What are the town's large obligations that are due at the beginning of July and can the timing of the payments be moved?
 - i. 1. J. Campo was working under an abundance of caution and calculating based on the absolute worst-case scenario. The town is not at risk of not being able to pay obligations at the beginning of July. We

would not want to move the timing of these obligations as it would cost us money due to our creditors if we were to do so. J. Campo is working with the banks to ensure that we take advantage of current high interest rates to grow our funds value.

- b. For Justin Campo: What is the Town's working Capital? As of June 27, 2023, there is \$37 million in working Capital prior to end of June, early July expenses.

Department of Public Works Liaison Report:

i.

ii. Joseph Gagnon:

1. Spring and Summer Repairs have begun. Joe will observe as the repairs progress.
2. Some discrepancies in the expenditures of the Highway Operations fund were noted by members of the BC.
 - a. Only 49.46% of monies expended so far- Why?
 - b. The Original budget was \$1,831,121.00 but the adjusted budget is \$2,7592,23.00-Why?
 - c. J Gagnon to ask Dave Wholly.

iii.

iv.

Police Department Liaison Report:

v.

vi. Patrick Cassidy-Conversation with Chief Kim Bernard on 6/19/23.

1. Anticipate under budget by about \$150,000.00 to \$200,000.00.
2. Maintenance projects in the works of about \$33,000.00, painting and flooring repair.
3. 58 officers in the building, 4 in training and two more hires in the works.

Fire Department Liaison Report:

Ryan Cronin-

FD will be slightly over-budget due to overtime. Overtime due to delays in hiring.

vii.

Capital Improvement- S. Meier

The CIP met and determined the new Chair and Vice Chair, and established a Quorum. Next meeting is in July.

5. NEW BUSINESS

- a. Discussion and planning of department tours.
Fire Department is tentatively set for Thursday September 21 with tours of all three facilities planned. Trying for a 5 pm start and the start of the BC meeting will be moved back to 8 pm. and DPW is tentatively set for October 26. Also aiming for 5 pm.
- b. Lisa McKenny has sent the chair the tentative schedule for School district budget meetings. Patrick to populate spreadsheet with information.
- c. For the Community Service Grant process, the Chair will ask Kirby Brown to send in applications as she receives them. Please do not send them all at once.
- d. BC opening. There was a posting by K. Brown. One or maybe two applicants. Anticipate interviews at the July 10th TC meeting.

6. PUBLIC COMMENT

None

7. ADJOURNMENT

Motion to adjourn by R. Cronin, second by J. Gagnon, all in favor, Meeting was adjourned at 8:40 PM.

Member	For	Against	Abstained	Absent
Patrick Cassidy	X			
Joseph Gagnon	X			
Maureen Hardy	X			
Ryan Cronin	X			
Tim Siekmann	X			
Sarah Meier	X			
Pending Appointment				X

8. MEETING SCHEDULE-Fourth Thursday of every month

- a. Thursday, July 27, 2023, Meeting Cancelled
- b. School Tours** Wednesday and Thursday, August 23-24, 2023
at 6:00 PM. There will be no regular meeting in August.
- c. Thursday, September 21, 2023, **Tentative Fire Department
Tour, 5 pm, all three facilities. BC meeting moved to 8 PM**
- d. Thursday October 26, 2023, **Tentative DPW tour.**