

TOWN OF DERRY

Town Council Meeting
Derry Municipal Center

April 24, 2007
Tuesday 7:00 pm

Member Present:

Chairman Bulkley
Councilor Fairbanks
Councilor Carney
Councilor Metts
Councilor Chirichiello
Councilor Ferrante
Councilor Coyle – Absent

Staff Present:

Frank Childs
Captain Feole
Captain Thomas
Chief Garone
Larry Budreau
George Sioras
Bob Mackey
George Klauber
Kerran Vigroux
Cheryl Lynch
Jill McLaughlin
Mark Fleischer
Tom Carrier
Rita Correa
Mike Fowler
Janice Mobsby
Barbara Ellingwood

Acting Town Administrator Moody
Town Clerk Recording, Denise Neale

Called to Order at 7:08 p.m.

Salute to Flag led by Chief Garone. Notice of Fire Exits & Handicap Access

Roll Call-Present: Bulkley, Fairbanks, Carney, Metts, Chirichiello, Ferrante

ATA Announcements:

Council Meeting May 1, 2007
Non - Public @ 6:55 p.m. Collective Bargaining
Council Meeting @ 7:30 p.m. Town Highway Garage
Budget Workshop @ 8:00 p.m. (approx.)

BUDGET PUBLIC HEARING

Chairman Bulkley gave an overview in regards to the budget and the process that will be followed during the Public Hearing.

John opened the meeting. The directions which the departments received from Russ Marcoux (former TA) and John followed through with the same directive, was to have the departments operating budgets, which is everything but personnel cost, come in the same as their FY07 budget. Salaries, benefits, etc. once rolled in increased the budget. There are seven bargaining units that still have to come to agreement. There have not been any personnel increases. There still are some outstanding flagged items to resolve.

Frank Childs, CFO addressed the CIP. Gave a department rundown of the CIP and

explained what the large numbers were earmarked for.

Chairman Bulkley explained the CIP as strategic planning. Looking out to 20 years. It is a long term Capital Improvement Plan. It keeps the tax rate from going up and down it keeps it steady.

Councilor Ferrante wanted the public to know that the Public Works CIP is a large number because this department has several departments within it. (i.e. Recreation, Transfer Station, Highway, Vehicle Maintenance, Cemetery)

Chairman Bulkley explained that 58% of the budget is made up of the personnel salaries and related benefits. We have 230 + employees.

Frank Childs went through the non-personnel cost of the budget and a reviewed of the handout given to the public. The budget recommended by the ATA was a tax increase of \$.24 over 2006. Town Council's preliminary budget for FY08 increases it to \$.17 over 2006, although not completed at this time. The Summary shows FY 05, 06, 07 budgets, FY 08 Department Recommended, TA Recommended, and FY 08 Town Council Preliminary. The Comparison shows Net increase/(decrease) and % of Variance from Prior year. The breakdown is as follows: Personnel 58%, Operations 23%, Debt Service 8%, Capital Items 4% and Transfers 7%. ATA Moody noted that the 58% is the average of personnel and is not equally distributed through the budget some department depend 80% or more in personnel costs whereas Public Works is more equipment driven.

Motion to Open Public Hearing, Councilor Chirichiello, seconded by Councilor Ferrante. Vote 7-0-0

Maureen Rose, Windham Rd – doesn't feel there is enough information in the handout.

Bruce Kling, Village Brook Lane – questioned if this complete preliminary budget was on the Web site. (Yes, it is). Secondly, would like to see key goals and what the departments did pertaining these goals. Would like the council not to tap into the Unrestricted Fund balance. In regards to the Ambulance contracts they are more than fair. Has reviewed these numbers with Chief Klauber. Would like to see a roll-up in the budget next year.

Councilor Chirichiello suggested that the complete budget book be put in the Assessors research room for the public for next years budget.

ATA Moody explained that the Ambulance Contracts have historically been signed by the TA who is duly authorized to sign the agreement for the Council. There has been no change since 1990. Chairman Bulkley added that the TA weekly Report would apprise the Council of these types of Contracts coming up so that they may review them.

Chief Klauber responded to the questions of Mr. Kling. He will get back to him after meeting with Finance of why the % differences.

Steve Falconer, Buttonwood Dr – FY08 Department Totals Summary, questioned Other Municipal Obligations (decrease), Prevention & Emergency Service (decrease), Highway (decrease). What was removed for these to decrease? Questioned if the money for the contracts was included in this budget

Frank Childs answered the Municipal Obligations and Prevention & Emergency Services decreases.

Mike Fowler answered the Highway decrease.

Chairman Bulkley answered the Contracts inclusion.

John Burtis, Lori Rd – Would like to see a schedule of values for the Ambulance Contracts. Concerned that regular service can only be obtained through overtime in the Fire Department. Questioned False Alarm and Union Contract benefits.

Chairman Bulkley stated that the Town's Attorney reviews all contracts before they are signed. Once signed the contracts are Public information.

Rita Corriera, Jones St, Town Treasurer – Requested that the Town Council not use the "Unrestricted Fund Balance" concerned with the decrease in interest earned for the year and the Bond Rating could go down. Current interest rate is 4.96%. The budget projects 4.75%. Government Finance Officers and the Auditor recommend 8 –17%. FY05 we were at 13% and end of FY06 we were at 10% we are going down. Recommends 12 –14 %. Frank Childs recommends 12.5%, which is the mid point. His recommendation to the TA was not to use "Fund Balance" in FY08. This budget has been devised without the use of the "Fund Balance".

Bill Cooper, Central St – Presented pictures and signatures to the Council for the extension/opening of Manning St.

ATA Moody explained that the Town Clerk has the "petition", in which she has questions and as soon as she gets verification on what it is, it will be distributed.

Eddie MacGillen, Rollins St. – She is not in favor of the Manning St Extension.

Brad Benson, Benson Hardware & Lumber (President) – He and his brother are not in favor of the Manning St. Extension.

Maureen Rose, Windham Rd - Upset with handout doesn't feel she has enough information. Questioned why increases/decreases in budget would like explanation of why these changes.

Chairman Bulkley explained the information of details is available at televised workshops on CTV 17, and in the TA or Finance offices for you to view.

John Burtis, Lori Rd. – concerned that when he requests information from the Town he has to pay for copies of the information, however the newspapers do not. This upsets him.

ATA Moody explained that some of the 91A request takes an enormous amount of time to go to the archives and do the research. The employee's time is spent on the research instead of doing their required duties, which costs more.

Councilor Chirichiello stated that 91A requests are under a time limit.

Al Dimmock, High St. – Spoke on Manning St Extension, he agrees with opening it.

Steve Falconer, Buttonwood Rd – Tie in the Goals to the budget to the net increase/decrease comparison put goal to tie it to. Touched on income to Town through the recycling from 20% to 80% create an ordinance to gain revenue. Has had discussion with David Gomez, Assessor in regards to Commercial property not be appraised properly.

Chairman Bulkley wants to add goals and objectives tied into the process of the budget beginning in FY09.

**Motion to close the Public Hearing by Councilor Chirichiello, seconded by Ferrante.
Vote: 7-0-0**

Chairman Bulkley, for the benefit of the Public that the budget has been gone through once and any flagged items not previously reviewed will be revisited at the May 1st Budget Workshop.

Councilor Fairbanks asked for clarification on the budget if it has the increases from negotiations with contracts included?

ATA Moody stated that in some contracts that would increase and some would not.

Councilor Fairbanks stated that these increases had been built in.

ATA Moody replied that some of the benefits increases are in there. Some groups have costs that automatically move forward and some don't.

Councilor Metts answered some of Maureen Roses questions on increase/decrease of EMS, and Police budget.

Councilor Chirichiello answered Cemetery budget.

ATA answered Community Development budget.

Motion to Adjourn by Councilor Chirichiello, seconded by Council Metts.

Adjourned 8:50 p.m.