

Town of Derry Budget Review FY2011

Town Council Budget Review
Derry Municipal Center

April 15, 2010
Thursday 6:30 p.m.

Staff Present: Cheryl Lynch, Elizabeth Ives, Linda Merrill, Ed Ciano, Candy Andrews, Jill McLaughlin, David Gomez, Barbara Chapman, Nancy Watson, Ruth Robinson

Frank Childs, Janice Mobsby and Mark Fleischer, Town Administrator Stenhouse and Town Clerk Denise Neale-recording

Roll Call: Chairman Benson, Councilors Wetherbee, Fairbanks, Milz, Coyle,
(Councilor Olbricht 6:50 pm and Councilor Chirichiello 7:00 pm)

Notice of Fire Exits & Handicap Access, turn off cell phones and pagers

Recording Clerk Correction amend the vote of 4/13/10 Animal Control – Councilor Coyle increased line #980 in the amount of \$3158 for a 3-yr lease on the vehicle vs. a 5-yr lease, seconded by Councilor Wetherbee. Vote 4-1-0 (Benson) (Chirichiello-absent)

Frank Childs - reviewed the list of Historic Undesignated Fund Balance with the Town Council as they had requested this information.

TOWN OF DERRY, NH

Listing of Historic Undesignated Fund Balance

Fiscal Year Ended	Components			
	Undesignated/ Unreserved	Annual Change	Total Unreserved	Designated for Property Tax Reduction
June 30, 1999	4,788,862		5,988,862	1,200,000
June 30, 2000	5,580,509	791,647	7,069,962	1,489,453
June 30, 2001	5,261,084	(319,425)	5,961,084	700,000
June 30, 2002	8,053,827	2,792,743	8,064,459	10,632
June 30, 2003	8,415,534	361,707	8,980,534	565,000
June 30, 2004	8,871,634	456,100	9,771,634	900,000
June 30, 2005	9,892,509	1,020,875	10,642,509	750,000
June 30, 2006	9,276,045	(616,464)	9,836,045	560,000
June 30, 2007	10,130,098	854,053	10,130,098	-
June 30, 2008	11,398,713	1,268,615	11,398,713	-
June 30, 2009	11,163,715	(234,998)	11,935,831	772,116

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BUDGET REVIEW

Derry Public Library

Cheryl Lynch gave an update of the programs and new venues at the Library. There are three parts to their budget; materials, salvage, building maintenance and repair. The budget is level funded. The budget has an increase in the benefits line as there are no salary increases for the full-time positions and the part-time positions are receiving a 1.5% increase.

Frank Childs – The libraries budget shows only the portion funded by the town. The remainder comes from the libraries self sustaining budget.

Councilor Coyle moved the DPL bottom line of \$1,116,934, seconded by Councilor Wetherbee. Vote: 5-0-0 (Councilors Olbricht & Chirichiello – absent)

Taylor Library

Linda Merrill stated that the budget is level funded from the prior year and they did not fill a part-time position. The Library is in the process of forming their summer programs. They are working on getting quotes for their energy efficiency plan.

Councilor Wetherbee moved the Taylor Library bottom line of \$157,509, seconded by Councilor Milz. Vote: 6-0-0 (Councilor Chirichiello-absent)

Human Services – Jill McLaughlin gave the overview of the office services. The office provides emergency assistance to individuals and families in Derry who lack adequate resources to meet their basic necessities. Increase in personnel is due to the healthcare and retirement benefits for the secretary position. The largest part of the Human Services budget is for the two components of Human Services payments: direct general assistance payments to vendors on behalf of welfare clients and payments to agencies that provide services. Direct service payments over the prior year yet still remain below budget. FY11, this budget line decreased slightly from the current year budget. Agency payments are \$169,115. There are many unknowns at this time due to the State of NH's actions and cuts in benefits.

Councilor Coyle asked about payments to CART.
Janice Mobsby stated that CART did receive a \$4000.00 cut in funding.

Councilor Coyle asked about payments to the Upper Room.
Janice Mobsby stated that both the Upper Room and the Greater Derry Community Health Services received budget cuts in FY10, so those agencies were level funded in the FY11 budget.

Councilor Coyle moved the Human Service bottom line of \$488,508, seconded by Councilor Wetherbee. Vote: 6-0-0 (Councilor Chirichiello-absent)

Assessing – David Gomez explained that the department is preparing for the DRA review. Personnel lines are level funded. An area in the operating budget that has been reduced is the Assessing Services line. Appraisals for Utility Properties will be done this year. There is a revenue increase in the Timber Tax.

Councilor Chirichiello asked what the Timber Tax revenue was based on.
Councilor Coyle questioned the Utility Properties.
Councilor Olbricht question Vision Services regarding who performs the assessing services and what services were provided by Vision.

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Councilor Wetherbee moved the Assessing bottom line of \$601,475, seconded by Councilor Milz. Vote: 7-0-0

Tax Collector/Municipal Agent – Nancy Watson explained that the reduction in revenue was due to car registration and the fact that many of the cars being registered are older models. Copy fees are up for Tax services. Banking, lockbox, and armored car services are projecting small increases. Software support has gone down. There is a decrease in postage due to using a mailing service.

Councilor Fairbanks questioned the projection of bad check fees.
Councilor Wetherbee asked if the Tax Collector was confident with the projected Motor Vehicle revenues. Ms. Watson stated that she was.

Councilor Coyle moved the Tax Collector bottom line of \$696,296, seconded by Councilor Chirichiello. Vote: 7-0-0

Finance- Frank Childs stated an increase in the revenue line due to recovery of Small Claims Court fees, with an offsetting increase in expenses. Personnel costs show a slight decrease. Presented in the budget is a part-time 25hr per week person to work on collection of ambulance fees replacing a full-time person who retired. Benefits have slightly increased. Auditing services reflect the fees of the new auditors, a slight reduction from the amount budgeted for the current year.

Councilor Wetherbee moved the Finance bottom line of \$692,743, seconded by Councilor Milz. Vote: 7-0-0

Other Municipal Obligations (OMO)

Frank Childs stated that this activity center that was established a few years ago. This account has town related debt service, insurance payments, payment to other agencies, Heritage Commission, etc. Interest income is projected at \$157,000, down significantly from both the original and revised FY10 budget. Revenue 039150 Account is down as less earned time retirement payout is being projected. Account 030512 reflects the sale of Featherbed Lane only. Mr. Childs is recommending the addition of \$360,000 to the land sales to reflect the nine lots at Emerson Heights at \$40,000. Revenue from use of fund balance includes the transfer of the restricted fund balance for earned time in the amount \$252,681 to the Capital Reserve Fund. There is \$466,000 to balance the budget proposed to be used from Fund Balance. Reduction in line #330 is due to no longer funding the Derry Housing and Redevelopment Authority, since they are now self-sustaining.

In account 390 the amount of \$8,038 needs to be removed as it is duplication.

Mr. Child's is proposing \$360,000 increase in revenue from sales of deeded properties, since those sales will not occur in FY10. The Public Works Department will have an offsetting reduction of \$125,000 in building permit revenue due to the timing of a major project. The CFO recommended adding \$360,000 to revenue and removing from #390 \$8,038.

Councilors asked various questions regarding revenue, interest rates, Featherbed Lane and the sale of this property.

Councilor Coyle does not believe that the Featherbed Lane property will sell for \$130,000.

Reduce \$30,000 from line 035012 by Councilor Coyle, seconded by Councilor Milz. Vote: 4-2-0 (Chirichiello, Olbricht)

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Flag, \$360,000 Sale of Lots
Flag, \$466,000 General Fund Use
Flag, Meals & Room tax revenue

Move to reduce line #390 in the amount of \$8,038 by Councilor Wetherbee, seconded by Councilor Milz. Vote: 7-0-0

Councilor Wetherbee moved the OMO bottom line of \$1,982,142, subject to the flagged items, seconded by Councilor Milz. Vote: 5-2-0 (Coyle, Fairbanks)

Town Clerk – Denise Neale explained the services provided by the department. The increase in revenue is due to dog fees and fines. There is an increase in the Personnel line. This increase is for the Deputy Town Clerk's hours to move from 25 to 30 hrs. Operational increases are due to increased vendor costs.

Councilor Wetherbee questioned the increase in revenue of dog licensing.

Councilor Milz questioned the increase in benefits.

Denise Neale explained it was due to the Deputy's increase in hours which result in increased benefits.

Councilor Coyle moved the Town Clerk's bottom line of \$114,538, seconded by Councilor Fairbanks. Vote: 6-1-0 (Benson)

Elections – Denise Neale expressed there could be increased revenue in the Election Budget due to the State providing Derry's checklists and collecting the fee. The fee is then sent to the Town. The Increase in personnel and operations is due to three elections in FY2011 and the added cost of printing a separate ballot for the School District.

Councilors questioned the revenue from the state and the printing for the school ballots.

Councilor Coyle moved the Election bottom line of \$52,772, seconded by Fairbanks. Vote: 7-0-0

Meeting Adjourned at 7:55 pm

Denise E. Neale, Town Clerk - Recording

Reviewed by: Frank Childs, CFO & Janice Mobsby, Controller

