

**TOWN OF DERRY
FY 2011 Budget Session**

Town Council Budget Review
Derry Municipal Center

April 22, 2010
Tuesday 6:30 p.m.

Staff Present: Chief Garone, Sean Fichera, Chief Klauber, Chuck Hemeon, Tom Carrier, Mike Willinsky, Jon Goldman FDIT, Ray Brown and Mike Doyle
Finance -Frank Childs, Janice Mobsby and Mark Fleischer
Town Administrator Stenhouse and Town Clerk Denise Neale-recording

Roll Call: Chairman Benson, Councilors Wetherbee, Milz, Olbricht, Chirichiello, and Fairbanks.
(Absent Councilor Coyle)

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

BUDGET REVIEW

Frank Childs, CFO, gave an overview of the present calculation of the Projected Town Tax Rate. They have reviewed the assessed valuation; unfortunately the adjustment has gone in the wrong direction. At the present time the approximate valuation brings us over the tax cap by \$38,000. The cycled inspection values could increase. This number does not reflect the fuel price increase. The \$125,000 revenue decrease in Code Enforcement and reduction in Personnel in the Highway Department are reflected in this projected tax rate.

Fire Prevention & EMS

Chief George Klauber presented the budget, which includes the replacement of one Class A Fire Engine. The operating budget was reduced a total of 1.8% from the FY2010 budget. All increases were related to Collective Bargaining Agreements that were approved in FY2009. OT has been reduced by 4%.

Councilor Milz, questioned about the staffing since the consolidation of the Fire Departments. George Klauber gave an explanation which stated that staffing is below what staffing was prior to consolidation.

Mike Willinsky, Local #4392 Firefighters/Fire Officers Union President, gave a review of the Fire Departments' Union. The Fire Union local #4392 would like to work on an agreement that would forego their contractual cost of living raises that had been previously negotiated for the next fiscal year period. The proposal would defer the increase to the following year, thereby extending their contract one year. They believe with the money they are foregoing that they can maintain the daily current staffing levels and keep the fire stations open. If the Town Council agrees with this, Mr. Willinsky is here to offer that first thing in the morning he will begin to work with Larry Budreau, Human Resource Director, to draft an agreement that the members and the Town Council can agree with.

Motion by: Councilor Wetherbee to move into non-public 91-A 2 for discussion on contracts, seconded by Councilor Milz. Vote: 6-0-0

Motion by: Councilor Wetherbee to reduce the personnel 110 line by \$130,000, seconded by Councilor Chirichiello. 6-0-0

Chief Klauber stated that ambulance revenues have continuously increased. He further noted that some of the IT costs are creeping up. In the CIP, there is a replacement of fire apparatus and the provision for a new cardiac monitor.

Councilors asked various questions of Chief Klauber regarding ambulance revenue, the cost of maintenance on the retiring truck, employee physicals, ambulance billing service and \$32,000 for a cardiac monitor. Discussion also took place on capital items less than \$10,000, with the Chief

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requesting that if the Council were to cut this expenditure line that he below allowed the flexibility to determine what to cut. There was agreement that would be okay.

Motion by: Councilor Wetherbee moved to reduce line item #690 by \$20,000, seconded by Councilor Chirichiello. Vote: 5-1-0 (Milz)

Chuck Hemeon stated that the American Heart Association will be updating guidelines later this year; therefore, they can forego the Cardiac Monitor in the FY2011 budget.

Motion by: Councilor Wetherbee moved to reduce \$32,000 from line item #740 for the Cardiac Monitor, seconded by Councilor Chirichiello. Vote: 6-0-0

Frank Childs explained that in the CIP for these past two years has been sprinkler systems for the for three fire stations. Previously, the Town council had approved a grant application and authorized spending for a fire protection sprinkler system grant. The town's cost share is 10%. He is proposing that the town's \$29,450 cost share be transferred to a Capital Project fund in 2011 in order to complete the project for the three fire stations.

Councilor Milz moved to reopen the Public Safety Capital Project fund for a \$294,500 project to add sprinkler systems to Central Fire Station, Hampstead Road Fire Station and Island Pond Road Fire Station. Any unexpended town share funds at the completion of the grant shall lapse to the Fire Facilities and Equipment Capital Reserve Fund. Source of town share appropriation shall come from the following:

Fire -039150	Transfer- in from Fire facilities & Equipment Capital Reserve	\$29,450
Fire- 930000	Transfer- out to Public Safety Capital Project Fund	\$29,450

Seconded by Councilor Wetherbee Vote: 6-0-0

Councilor Wetherbee moved the Fire Prevention & Emergency Services bottom line of \$10,081,378, seconded by Councilor Fairbanks. Vote: 6-0-0

Dispatch

Chief Klauber stated that there are no changes in the dispatch budget. He introduced Jon Goldman, the Fire Department's new civilian Dispatch Supervisor and IT person. This activity center is a revenue source for the Town as we dispatch for four other communities.

Chairman Benson questioned #342-data processing.

Chief Klauber explained that it is the services and software. They are not going with a virtual server at this time.

Councilor Chirichiello moved the Dispatch bottom line of \$679,633, seconded by Councilor Wetherbee. Vote: 6-0-0

Emergency Management Department

Chief Klauber stated that the investment the town has made over the past few years has paid off with the emergencies the town has faced in the last two years. The budget is down significantly from the current year.

Chief Klauber Introduced Ray Brown he is our part-time Assistant EM Director.

Chairman Benson questioned line#740 for a generator.

Chief Klauber explained that Derry needs an emergency shelter and therefore has contracted with Pinkerton Academy to use the Hackler Gymnasium as the Derry Shelter. They do have a

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generator but it does not cover all the areas that would be needed for a shelter. He is proposing to purchase a portable generator for those areas through a 50/50 grant match from the State of NH. The Town Cost share would be \$11,000 of the total cost of \$22,000.

The Town Council was pleased that Derry may now have a shelter during emergencies.

Councilor Fairbanks questioned if the determination was made by the Red Cross as to where a Regional Shelter will be.

Ray Brown stated the Red Cross does wish to operate regionally. He believes, with all due respect to the Red Cross, that we shouldn't rely up on them. He believes planning an emergency shelter in Derry. Utilizing the Town's EMS, the Medical Reserve Corps and the Community Emergency Response Team is a great way to go.

Chief Klauber stated Pinkerton Academy is willing to assist and participate. Their contribution will be some electrical work that will be needed to accommodate the additional equipment. He is in the process of forming an agreement for them.

Councilor Fairbanks moved the Emergency Management Department's bottom line of \$80,651, seconded by Councilor Milz. Vote: 6-0-0

Chairman Benson thanked the Fire Department.

Councilor Fairbanks wanted to clarify for the public that when the meeting began, the proposed budget was in a deficit over the tax cap by approximately \$38,000 due to a reduction in projected assessed valuation. After the Fire Department's offer, the proposed budget is now \$145,000 under the tax cap.

Frank Childs asked that the Council make a note on the Flagged items list regarding gasoline. Due to the increase in costs, approximately \$21,900 needs to be added between the departments that use gasoline. The cost is increasing from \$2.25 to an estimated \$2.70 per gallon.

Meeting Adjourned 8:00 p.m.

Denise E. Neale, Town Clerk -Recording

