

LONDONDERRY BUDGET COMMITTEE

Minutes

October 22, 2009

The Budget Committee meeting was held in the Moose Hill Conference Room, 268B Mammoth Road, Londonderry NH 03053.

Committee Members Present: Richard Dillon, Tom Dolan, Jay Hooley, Todd Joncas, Don Jorgensen, Deb Nowicki, Mark Oswald.

7:00 PM I. CALL TO ORDER

The meeting was called to order by Mr. Oswald at 7:05 pm.

II. PUBLIC COMMENT

A. None

III. COMMITTEE BUSINESS

A. A motion was made by Todd Joncas 2nd by Deb Nowicki to approve the minutes of Sept 24, 2009.

Member	For	Against	Abstain	Absent
Richard Dillon	X			
Tom Dolan	X			
Jay Hooley	X			
Todd Joncas	X			
Don Jorgensen	X			
Deb Nowicki	X			
Mark Oswald	X			
Totals	7	0	0	0

B. Liaison Reports.

CIP – Don Jorgensen reporting on the CIP meeting held on August 22, 2009 and reported that the CIP was established for the year.

SAU – Jay Hooley reported for recent School Board meetings that there is a Charter amendment in process that could change the number of voters required at Deliberation session to meet the quorum. Hearing will be held on this subject with the School Board. The actual change to be discussed is: “Shall the School District amend Section IV (C) of the Londonderry School District Charter by deleting ‘4% of registered voters, or’ and ‘whichever is less’ so that the section reads, ‘quorum of a meeting’ shall mean **350** registered voters at the first session of an annual or special meeting.”

Regarding the School District “Tech Initiative”, there is to be a demonstration to be held on Tuesday, October 27th at LHS.

C. Next Meeting for the Budget Committee is the Budget Workshop scheduled for November 21, 2009 starting at 8:30am.

IV. NEW BUSINESS

A. SAU Bus Contract and Fleet Presentation: Peter Curro and Chuck Zapalla

Vehicle/Equipment Fleet of the Londonderry School District:

Chuck Zapalla & Peter Curro – Presented / reviewed the following fleet/equipment:

<u>Year</u>	<u>Make / model</u>	<u>Cost</u>	<u>Use</u>
2010	Ford Rager Pick-up	\$ 19,100.00	DW Electrician
2009	Ford F250 Pick-up	\$ 27,800.00	OW Grounds (plowing, fields, move OW equipment)
2008	Ford F350 Pick-up	\$ 38,000.00	OW Grounds (rack body wi sander & 9' plow)
2006	Chevrolet 3500 pick-up	\$ 41,000.00	OW Grounds (wi sander & 9' plow)
2006	Ford F250 Pick-up	\$ 31,000.00	OW Building maintenance (plumbing, carpentry, hvac)
2002	GMC Savana Van	\$ 17,000.00	OW HVAC
1999	Ford Econoline Van	<u>\$ 16,000.00</u>	OW Building maintenance (plumbing, painting, repairs)
		\$ 189,900.00	
2010	Bobcat Skid Steer	\$ 21,000.00	OW Grounds (snow removal, field repairs, forklift)
2010	Club Car	\$ 6,400.00	OW Grounds utility vehicle
2009	Exmark mower	\$ 8,900.00	School & Town fields
2007	Exmark mower	\$ 8,100.00	School & Town fields
2003	Toro Twister	\$ 8,000.00	Athletics & Grounds
1999	Club Car	\$ 5,500.00	OW Grounds utility vehicle
1997	Case Tractor	\$ 40,000.00	OW Grounds (trenches, drainage, irrigation)
20XX?	Athletic Trainers Vehicle	<u>\$ 9,000.00</u>	For SAU Athletic Trainer purposes
		\$ 106,900.00	
Passenger Vehicles			
2006	Chevy E3500 Bus	\$ 25,294.00	Athletics; field trips; clubs
2006	Chevy E3500 Bus	\$ 25,294.00	Athletics; field trips; clubs
1997	Chevy Express Van	<u>\$ 8,000.00</u>	Athletics; field trips; clubs
		\$ 58,588.00	
	TOTAL	<u><u>\$ 355,388.00</u></u>	

Peter Curro noted that two new “mini-buses” (Chevy E3500) have been added to the vehicle fleet recently. The School District realized the need for a larger passenger vehicle than the 12 passenger van but did not want to require a CDL to drive the vehicle. The purpose of these “mini-buses” is for the use of smaller athletic teams to reduce the need

to hire off-hour bus support of the full size/large school bus when not really needed. They also help with flexibility... e.g., so that varsity and JV do not necessarily have to go together on one big bus. They could take a varsity on one mini bus and JV on another to travel to and from for their individual competition/events/games rather than making one team wait around for the other. Coaches of athletic teams/squads can now drive their teams to/from events themselves since a CDL is not needed.

Chuck Zapalla noted that all plowing for the Londonderry School District is done by the School District through a combination of its own vehicles and labor as well as a contractor which is contracted for \$15K for the season for a 150 hours and an additional \$25/hr beyond the 150 hours. (It was noted that last year only consumed ~122+/- hours). This is a 3-year contract.

Questions/Answers:

Q: Todd Joncas – Was it more cost effect to contract this activity out versus leasing a front-end loader like in years past?

A: Chuck Zapalla - Yes, it was cheaper to contract for \$15K versus leasing a front end loader, plus labor which ended up costing more ~\$18K plus the labor cost of the SAU employee. Not to mention that front-end loaders are not always available to lease.

Q: Mark Oswald – Is there scheduled replacement for the vehicles in the SAU fleet?

A: Peter Curro - No, Vehicles are replaced as needed.

Q: Todd Joncas – Are vehicles leased or purchased? If leased what is the annual total leasing cost?

A: Peter Curro – The vehicles are leased to purchase arrangements with annualized cost ranging between \$130K - \$150K depending on the year.

Q: Rich Dillon – Is maintenance on the fleet contracted out or done in-house?

A: Chuck Zapalla – For the most part, vehicles are brought somewhere, dropped off for oil changes etc...

Q: Deb Nowicki – Will the sidewalks be cleared by the SAU?

A: Chuck Zapalla / Peter Curro – Yes, sidewalks at the schools and between LMS and LHS will be cleared by the School District.

Q: Don Jorgensen – How may SAU employees drive SAU vehicles?

A: Chuck Zapalla – For the most part, grounds personnel drive their respective vehicles, maintenance drive theirs, etc... But anyone who drives a SAU vehicle must have their background check and a copy of their license would need to be on file.

Q: Don Jorgensen – Are the costs list in the vehicle list initial costs?

A: Chuck Zapalla – Yes, plus any “fit-up” costs such as racks on a van or plows on a truck, etc... when new vehicles are purchased, these racks can be changed over for a nominal one-time cost... ~\$1500.

Q: Don Jorgensen – Do we list the current values anywhere?

A: Peter Curro – Yes, that would be in the depreciation schedules for the vehicles in their respected accounts in the budget.

Q: Don Jorgensen – Is maintenance based on vehicle mileage?

A: Chuck Zapalla – Yes, except for certain equipment which is based on hours instead of mileage.

SAU Bus Contract:

Peter Curro – Presented / reviewed the SAU Bus Contract:

The bus contract is with Goffstown Truck and is a 5-year / 2 – year renewal arrangement. There are 35 regular buses for LHS / LMS / Elementary.

For Moose Hill, it is a 6/12/6 arrangement with 6 buses in the morning used for that session, 12 buses mid-day with 6 bring home the morning session students and 6 other buses picking up for the afternoon session, and 6 buses at the end of the day. It is a fixed-cost contract for the buses and rates for afterschool/extra-curricular activities.

Questions/Answers:

Q: Todd Joncas – What are the annual costs for this contract?

A: Peter Curro – For this year, it is \$39.79K per bus, next year it goes to \$41K per bus plus and additional \$11K per bus for the mid day Moose Hill runs.

Q: Todd Joncas – What are the rates in the contract for extra curricular activities?

A: Peter Curro – For FY2009 & FY2010 the rates are; \$2.10 per mile / \$22 per hour / with a \$112 minimum cost. For FY2011, the costs would be \$2.15 per mile / \$22.75 per hour / with a \$116 minimum.

Q: Deb Nowicki – Do we have the right in the contract to look at drivers background?

A: Peter Curro – Yes, we can also accept or deny a driver as well as take disciplinary action.

Q: Deb Nowicki – Drivers often have their children on the bus with them, is this common practice?

A: Peter Curro – Yes, this is common in order to open up this labor market to have enough drivers, it is thought that without allowing for this there may not be enough drivers.

Q: Deb Nowicki – Do the buses have video and audio capability?

A: Peter Curro – Video only.

Q: Deb Nowicki – Will seat belts ever be implemented?

A: Peter Curro – Unknown, but the thought process to date has been, in general, that if a bus is in an accident and students are all strapped in, they may not be able to get out doing more harm than good.

Q: Rich Dillon – Who plans the bus routes and are drivers overtaxed... in other words is there any reason that any bus driver should be driving excessively fast / any quality control?

A: Peter Curro – The terminal / bus company plans the routes but are always reviewed and adjusted if necessary by the School District which has the final say. Some routes are short, others long, on purpose. This way it allows for flexibility for when a bus driver calls in sick or is out that day... the route can be covered by another. As far as speed goes, bus drivers understand that as long as they are driving the school bus, whether students are in it or not, they must drive safely. Regular meetings with the bus company reviews driver safety.

Q: Rich Dillon – Are there any penalties in the contract?

A: Peter Curro – No, but if bus coverage is lacking the School District can take appropriate action to ensure coverage is in place.

V. OLD BUSINESS

A. Project Budget Status Report Development: Progress update – Todd Joncas

Todd Joncas met with the Town Manager and Finance director on October 8, 2009 to discuss the following:

- Review my proposal from the Budget Committee Meeting on September 24, 2009.
- Review sources of financial data available.
- Establish the flow of information to enable a monthly project budgetary status report/review.
 - Dates financial and other info is available.
 - Time needed to provide/prepare updated inputs.
- Next Steps
 - First pass
 - Budget Meeting Review
 - Follow up as needed

The outcome of this meeting was:

- Financial information is readily available from the town office at a level of detail sufficient to assess the budgetary status of CIP-type projects in town.
- For the purpose of the Project Budgetary Status Report, a “Project” is defined as: “a capital project or asset having a cost of at least \$100,000 and a useful life of at least five years such as new buildings or additions, land purchases, studies, substantial road improvements and purchases of major vehicles and equipment.” This general definition is straight from the CIP.
- With the exception of equipment/vehicles and minor garage improvements, there are basically only 3 “projects” that are currently underway and fall under this guidance:
 - Roadway Reconstruction Management Plan... which typically has an annual budget and the town’s DPW repairs, reconstructs, and improves as much as they can until the budget runs out adjusting scope as needed to stay within budget.
 - Open Space Protection... which like that of the DPW, typically has an annual budget to purchase land/property for open space and does what it

can each year with the funding it has adjusting scope as needed to stay within budget.

- Bartley Hill / Mammoth Road Intersection... This project is mostly funding by the State with Londonderry being responsible for 1/3 of the overall cost which is estimated to be ~\$758K. Londonderry has paid \$529K to date with the balance being due upon completion once final costs are known.

It was further noted that with in the CIP ~120-130 page slide presentation, there is a summary page of all projects currently planned (or underway) in Town. It can be accessed directly from the Town's web site.

The idea of the Project Budgetary Status Report was to focus on currently underway, substantial "projects" in order to be able to track and proactively question or provide feedback to the Town or SAU if questions or input is thought necessary by the Budget Committee. For example, if the Town had a \$10M project underway and it was only 2/3 complete but almost all the funding budgeted was consumed, it was thought that we would want to proactively address this well before we got to that point... that's the idea behind this proposal for the Budget Committee. It was not the intent to have to review smaller, lower cost activities.

It was put forth to the Budget Committee whether to continue to pursue this or not, or if the Budget Committee had alternative inputs, etc..

The balance of the Budget Committee thought that it was a good idea to track and proactively address projects in this type of manner.

Questions/Answers:

Q: Deb Nowicki – Does "readily available" mean that any tax payer of the Town can have access to this financial data and if so how?

A: Todd Joncas – I would think that anyone in Town could make arrangements with the Town Manager or Finance Director to review this data as I did. Also, anyone can go to the Town website to the CIP report, in which is a summary spreadsheet that lists all projects, with budgeted costs associated for each at the summary level... This is readily available with complete financial detail.

Q: Rich Dillon – Was there any discussion about putting this type of report on the website?

A: Todd Joncas – No, the meeting with the Town Manager and Finance Director was directed more towards things like; is the financial data available and if so, how readily available is it as well as how much time is needed to pull it together if requested.

Mark Oswald: Most residents will not go through 130 slides... Perhaps if the rest of the Committee is in consensus, Mark will request of Sue Hickey to put together some type of summary report like what Todd proposes. The Budget Committee agreed.

B. General Overview of the Budget Calendar and Process

The calendar was quickly reviewed.

Tom Dolan requested an email refresh be sent out.
Mark Oswald agreed to send an email out to the Committee.

VI. ADJOURNMENT

A motion was made by Don Jorgensen at 8:30pm to adjourn the meeting, 2nd by Jay Hooley. The vote on the motion was as follows.

Member	For	Against	Abstain	Absent
Richard Dillon	X			
Tom Dolan	X			
Jay Hooley	X			
Todd Joncas	X			
Don Jorgensen	X			
Deb Nowicki	X			
Mark Oswald	X			
Totals	7	0	0	0

RSA: 91-A:2 Meetings Open to Public. –

II. All public proceedings shall be open to the public, and all persons shall be permitted to attend any meetings of those bodies or agencies. Except for town meetings, school district meetings and elections, no vote while in open session may be taken by secret ballot. Any person shall be permitted to use recording devices, including, but not limited to, tape recorders, cameras and videotape equipment, at such meetings. Minutes of all such meetings, including names of members, persons appearing before the bodies or agencies, and a brief description of the subject matter discussed and final decisions, shall be promptly recorded and open to public inspection within 144 hours of the public meeting, except as provided in RSA 91-A:6, and shall be treated as permanent records of any body or agency, or any subordinate body thereof, without exception.
