

**TOWN COUNCIL
AGENDA**

January 5, 2009

The Town Council meeting will be held in the Moose Hill Council Chambers, Town Hall, 268B Mammoth Road, Londonderry. Regular meetings are cablecast live and videotaped for the convenience of our viewers at home.

7:00 PM

I. CALL TO ORDER

II. PUBLIC HEARING

Ordinance #2008-14 – Relative to the Adoption of a Fee Structure for Secondhand Dealers and Pawnbrokers Licenses

III PUBLIC COMMENT

Chuck Piper, Safe Routes to School Program
Andre Garron, Economic Development

IV. OLD BUSINESS

FY 10 Town Budget (including Bonds)

V. NEW BUSINESS

VI. APPROVAL OF MINUTES

Minutes of the Council's December 22, 2008 Public Meeting.

VII. OTHER BUSINESS

Liaison Reports
Town Manager's Report
Board/Committee Appointments/Reappointments/Resignations

VIII. ADJOURNMENT

MEETING SCHEDULE:

Town Council Meeting, January 19, 2009, Moose Hill Council Chambers, Town Hall, 7:00 PM (First public hearing on FY10 budget; Bond hearing (if necessary))

Town Council Meeting, February 2, 2009, Moose Hill Council Chambers,
Town Hall, 7:00 PM

Final Budget Hearing, February 5, 2009, Moose Hill Council Chambers,
Town Hall, 7:00 PM

Town Council Meeting, February 9, 2009, Moose Hill Council Chambers,
Town Hall, 7:00 PM

Public Hearing on Town Common Special Revenue Fund, February 23,
2009, Moose Hill Council Chambers, Town Hall, 7:00 PM

Town Council Meeting, March 2, 2009, Moose Hill Council Chambers,
Town Hall, 7:00 PM

Introduced:12/22/08
Second Read/Pub Hrg: 1/05/09
Adopted: xx/xx/xx

ORDINANCE 2008-14

***AN AMENDMENT TO THE MUNICIPAL CODE
RELATING TO THE REGULATION OF SECONDHAND
DEALERS AND PAWNBROKERS***

WHEREAS there is a need to provide for the safety and security of town residents when transacting business in the community; and

WHEREAS there is a need to regulate retail transactions of a pawn or second hand nature for the purposes of identifying stolen property unintentionally received and detection of parties intentionally transacting business in stolen property; and

WHEREAS the Londonderry Town Council addressed these concerns by enacting Ordinance 2005-11, which regulates secondhand dealers and pawnbrokers; and,

WHEREAS The Town continually reviews its fee and permit schedule to reflect the costs of managing these regulations; and

WHEREAS RSA 41:9-a requires the Town Council to conduct a public hearing on the Establishment of Fees;

NOW THEREFORE BE IT ORDAINED by the Town Council of the Town of Londonderry that the Municipal Code of the Town of Londonderry, Title IV – Public Health, Safety and Welfare, Chapter XII – Secondhand Dealers and Pawnbrokers, is hereby amended as attached, to adopt a fee structure.

Martin Bove
Chairman - Londonderry Town Council

A TRUE COPY ATTEST:

Marguerite Seymour - Town Clerk
xx/xx/xx

Town Seal

To the inhabitants of Londonderry in the County of Rockingham in said State qualified to vote in Town Affairs:

Voters are hereby notified to meet at the Londonderry High School Gymnasium in Londonderry on Tuesday the tenth (10th) day of March, 2009, at seven o'clock in the morning to choose all necessary Town Officers for the ensuing year, and to act upon bond and note articles, together with any amendments to the Town Charter, all by official ballot, the polls to be open at seven o'clock in the morning and to close not earlier than eight o'clock in the evening.

Voters are further notified to meet at the Londonderry High School Cafeteria on Saturday, March 14, 2009 at nine o'clock in the morning to discuss, amend and act upon articles, the proposed Fiscal Year 2010 budget and all other matters to come before the meeting.

ARTICLE NO. 1[ELECTION OF OFFICERS]

To choose all necessary Town Officers for the ensuing year, or until another is chosen or appointed and qualified.

ARTICLE NO. 2[BOND ISSUE FOR REPLACEMENT OF NORTH/WEST SUBSTATION]

To see if the Town will vote to raise and appropriate **ONE MILLION NINE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$1,975,000)** for the purpose of constructing a replacement fire substation in North Londonderry.

Said sum to be raised by the issuance of serial bonds or notes not to exceed **ONE MILLION NINE HUNDRED THOUSAND DOLLARS (\$1,900,000)** under and in compliance with the provisions of the Municipal Finance Act (NH Revised Statutes Annotated Chapter 33) and to authorize the Town Council to issue and negotiate such bonds or notes, to determine the rate(s) of interest thereon and to take such other actions as may be necessary to effect the issuance, negotiation, sale and delivery of such bonds or notes as shall be in the best interest of the Town of Londonderry, and to authorize the Town Council to accept any funds from the State of New Hampshire, the Federal Government, and private sources, as may become available, and pass any vote relating thereto; and further, to raise and appropriate **SEVENTY FIVE THOUSAND FIVE HUNDRED DOLLARS (\$75,500)** for the first year's interest payment and bond issuance cost on said bond, and to authorize the transfer of the June 30 fund balance in that amount for this purpose. (Ballot Vote – 60% approval required)

(If passed, this article will require the Town to raise \$0 in property taxes, resulting in a tax rate impact of \$0.00 in FY 10; \$xxx,xxx in property taxes, resulting in a tax rate impact of \$0.0x in FY 11; and \$xxx,xxx in property taxes, resulting in a tax rate impact of \$0.0x in FY12, based upon projected assessed values.)

This article is supported by:

Town Council - (Yes: x-x-x) Budget Committee - (Yes: x-x-x)

ARTICLE NO. 3[BOND ISSUE FOR HIGHWAY RECONSTRUCTION]

To see if the Town will vote to raise and appropriate **ONE MILLION FIVE HUNDRED FIFTY-EIGHT THOUSAND DOLLARS (\$ 1,558,000)** for the reconstruction of roads.

Said sum to be raised by the issuance of serial bonds or notes not to exceed **ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000)** under and in compliance with the provisions of the Municipal Finance Act (NH Revised Statutes Annotated Chapter 33) and to authorize the Town Council to issue and negotiate such bonds or notes, to determine the rate(s) of interest thereon and to take such other actions as may be necessary to effect the issuance, negotiation, sale and delivery of such bonds or notes as shall be in the best interest of the Town of Londonderry, and to authorize the Town Council to accept any funds from the State of New Hampshire, the Federal Government, and private sources, as may become available, and pass any vote relating thereto and further, to raise and appropriate **FIFTY EIGHT THOUSAND DOLLARS (\$58,000)** for the first year's interest payment and bond issuance costs on said bond and to authorize the transfer of the June 30 fund balance in that amount for this purpose. (Ballot Vote – 60% approval required)

(If passed, this article will require the Town to raise \$0 in property taxes, resulting in a tax rate impact of \$0.00 in FY 10; \$xxx,xxx in property taxes, resulting in a tax rate impact of \$0.0x in FY 11; and \$xxx,xxx in property taxes, resulting in a tax rate impact of \$0.0x in FY12, based upon projected assessed values.)

This article is supported by:

Town Council - (Yes: x-x-x) Budget Committee - (Yes: x-x-x)

ARTICLE NO. 4[BOND ISSUE FOR OPEN SPACE/CONSERVATION PROGRAM]

To see if the Town will vote to raise and appropriate **TWO MILLION SEVENTY EIGHT THOUSAND DOLLARS (\$ 2,078,000)** for the preservation of open space and/or agricultural land. Said sum is to be placed in the Conservation Fund to be expended under the provisions of RSA 36-A:5.

Said sum to be raised by the issuance of serial bonds or notes not to exceed **TWO MILLION DOLLARS (\$2,000,000)** under and in compliance with the provisions of the Municipal Finance Act (NH Revised Statutes Annotated Chapter 33) and to authorize the Town Council to issue and negotiate such bonds or notes, to determine the rate(s) of interest thereon and to take such other actions as may be necessary to effect the issuance, negotiation, sale and delivery of such bonds or notes as shall be in the best interest of the Town of Londonderry, and to authorize the Town Council to accept any funds from the State of New Hampshire, the Federal Government, and private sources, as may become available, and pass any vote relating thereto and further,

to raise and appropriate **SEVENTY-EIGHT THOUSAND DOLLARS (\$78,000)** for the first year's interest payment and bond issuance costs on said bond and to authorize the transfer of the June 30 fund balance in that amount for this purpose. (Ballot Vote – 60% approval required)

(If passed, this article will require the Town to raise \$0 in property taxes, resulting in a tax rate impact of \$0.00 in FY 10; \$ xx,xxx in property taxes, resulting in a tax rate impact of \$0.0x in FY 11; and \$xx,xxx in property taxes, resulting in a tax rate impact of \$0.0x in FY12, based upon projected assessed values.)

This article is supported by:

Town Council - (Yes: x-x-x) Budget Committee - (Yes: x-x-x)

ARTICLE NO. 5 [FUND SPECIAL REVENUE ACCOUNTS]

To see if the Town will vote to raise and appropriate the sums set forth below from the special revenue funds already established. Such appropriations shall be used for the purpose of covering Police Outside Details, Cable and Sewer Expenses, and shall be funded from various vendors and users of Police, Cable and Sewer Services. Any surplus in said funds shall not be deemed part of the General Fund accumulated surplus and shall be expended only after a vote by the legislative body to appropriate a specific amount from said funds for a specific purpose related to the purpose of the funds or source of revenue.

Sewer Division Fund	\$ 2,142,053
Cable Franchise Fee Fund	276,193
Police Outside Detail Fund	<u>435,339</u>
	\$2,853,585

(These services are funded through user fees and require no property tax support)

This article is supported by:

Town Council - (Yes: x-x-x) Budget Committee - (Yes: x-x-x)

ARTICLE NO. 6[EXPENDABLE MAINTENANCE TRUST FUND]

To see if the Town will vote to raise and appropriate the sum of **TWO HUNDRED FIVE THOUSAND DOLLARS (\$205,000)** to be placed in the Town's Maintenance Trust Fund created by the voters at the 2003 Town Meeting for the purpose of repairing and maintaining town facilities and to authorize the use of the June 30 Fund Balance in the amount of \$100,000 towards this appropriation.

(If passed, this article will require the Town to raise \$105,000 in property taxes, resulting in a tax rate impact of \$0.03 in FY 10 based upon projected assessed values.)

This article is supported by:

Town Council - (Yes x-x-x) Budget Committee - (Yes x-x-x)

ARTICLE NO. 7 [CREATION OF SPECIAL REVENUE FUND TO SUPPORT TOWN COMMON/FOREST ACTIVITIES]

To see if the Town will vote to adopt the provisions of RSA 31:95-c to restrict 100% of revenues from the Nelson Road Cell Tower Lease to expenditures for the purpose of supporting and maintaining the Town Common/Forest and related activities, including Old Home Day, Morrison House, Heritage Commission, Conservation Commission stewardship responsibilities and Arts Council? Such revenues and expenditures shall be accounted for in a special revenue fund to be known as the Town Common Special Revenue Fund, separate from the general fund. Any surplus in said fund shall not be deemed part of the general fund accumulated surplus and shall be expended only after a vote by the legislative body to appropriate a specific amount from said fund for a specific purpose related to the purpose of the fund or source of the revenue." (Ballot vote required)

(This article, if passed will have no tax impact.)

This article is supported by:

Town Council - (Yes: x-x-x) Budget Committee - (Yes x-x-x)

ARTICLE NO. 8 [FISCAL YEAR 2010 TOWN OPERATING BUDGET]

To raise such sums of money and make appropriations of the same as may be necessary to defray Town charges, exclusive of warrant articles and increases resulting from collective bargaining agreements, for the ensuing fiscal year, July 1, 2009 through June 30, 2010.

(If passed, this article will require the Town to raise \$xx,xxx,xxx in property taxes, resulting in a tax rate impact of \$x.xx in FY 10 based upon projected assessed values.)

This article is supported by:

Town Council - (\$25,814,652 - Vote: x-x-x) Budget Committee - (\$xx,xxx,xxx - Vote: x-x-x)

ARTICLE NO. 9 [APPROPRIATE FUNDS TO CAPITAL RESERVE FUNDS TO REPLACE AMBULANCES, HIGHWAY HEAVY EQUIPMENT, FIRE TRUCKS AND HIGHWAY TRUCKS]

To see if the Town will vote to raise and appropriate the sums set forth below to be placed in capital reserve funds already established:

Ambulances	\$ 45,000
Highway Trucks	\$ 80,000
Highway Heavy Equipment	\$ 40,000
Fire Trucks	<u>\$ 160,000</u>
	\$ 325,000

(If passed, this article will require the Town to raise \$325,000.00 in property taxes, resulting in a tax rate impact of \$0.xx in FY 10 based upon projected assessed values.)

This article is supported by:

Town Council - (Yes: x-x-x) Budget Committee - (Yes: x-x-x)

ARTICLE NO.10 [PAGE ROAD/RTE 28 INTERSECTION]

To see if the Town will vote to raise and appropriate **ONE MILLION SEVEN HUNDRED FIFTY EIGHT THOUSAND DOLLARS (\$1,750,000)** for reconstruction of the Page Road/Rte 28 intersection and the installation of traffic signals at that location; to be financed in the following manner:

Use of the June 30 Fund Balance	\$ 400,000.00
Rte. 28 West Impact Fees	\$ 183,000.00
State of New Hampshire Aid Reconstruction Fund	<u>\$1,167,000.00</u>
	\$1,750,000.00

(If passed, this article will require the Town to raise \$0.00 in property taxes, resulting in a tax rate impact of \$0.00 in FY 10 based upon projected assessed values.)

This article is supported by:

Town Council - (Yes: x-x-x) Budget Committee - (Yes: x-x-x)

ARTICLE NO. 11 [FIRE FACILITIES RELOCATION/INSPECTION/EQUIPMENT & FURNISHING COSTS]

To see if the Town will vote to raise and appropriate **ONE HUNDRED TWENTY THOUSAND DOLLARS (\$120,000)** for the purpose of funding the acquisition of communications, furnishings and other equipment for the North/West Fire Substation, construction inspection testing, clerk expenses and other associated costs; and to authorize the use of the June 30 Fund Balance for these purposes.

(If passed, this article will require the Town to raise \$0.00 in property taxes, resulting in a tax rate impact of \$0.00 in FY 10 based upon projected assessed values.)

This article is supported by:

Town Council - (Yes: x-x-x) Budget Committee - (Yes: x-x-x)

ARTICLE NO. 12 [RATIFY FACTFINDER REPORT FOR COLLECTIVE BARGAINING AGREEMENT BETWEEN LONDONDERRY ADMINISTRATIVE EMPLOYEES ASSOCIATION and THE TOWN OF LONDONDERRY]

To see if the Town will vote to accept the Fact Finder’s report for the Collective Bargaining Agreement between the Town of Londonderry and the Londonderry Administrative Employees Association, and in doing so, to approve the cost items within said Agreement, which calls for the following appropriations for salaries and benefits over what was raised under any current agreements and policies for the employees of the Union:

<u>Incr.</u> <u>Year</u>	Average		<u>Annual Cost</u>	<u>Rate</u>
	<u>Cost Increase</u> <u>From Prev. FY</u>	<u>Tax Increase</u> <u>From Prev. FY¹</u>		
FY xx	\$ xx,xxx.00	\$ 0.0x	\$ xx,xxx.00	x.0%
FY xx	\$ xx,xxx.00	\$ 0.0x	xxx,xxx.00	x.0%
FY xx	\$ xx,xxx.00	\$ 0.0x	xxx,xxx.00	

and further, to raise and appropriate the sum of **\$ xxx,xxx.00** (\$0.0x on the tax rate) for the FY xx and FY xx expenses, such sum representing the additional cost attributable to the increase in salaries and benefits over those of the appropriation at the current staffing levels paid under any existing agreements. (LAEA represents 26 full time and 1 part time management and professional positions in eight Departments.)

(If passed, this article will require the Town to raise \$xxx,xxx.00 in property taxes, resulting in a tax rate increase of \$0.0x in FY 10 based upon projected assessed values.)

This article is supported by:

Town Council - (No: x-x-x) Budget Committee - (No: x-x-x)

¹ Projections are based upon projected assessed values

ARTICLE NO. 13 [RATIFY COLLECTIVE BARGAINING AGREEMENT BETWEEN AFSCME Local 1801 and THE TOWN OF LONDONDERRY]

To see if the Town will vote to approve the cost items included in the collective bargaining agreement reached between the Town of Londonderry and the American Federation of State, County and Municipal Employees (AFSCME), Local 1801, which calls for the following appropriations for salaries and benefits over what was raised under any current agreements and policies for the employees of the Union:

<u>Year</u>	Average		<u>Annual Cost</u>	<u>Rate Incr.</u>
	<u>Cost Increase</u> <u>From Prev. FY</u>	<u>Tax Increase</u> <u>From Prev. FY¹</u>		
FY 10	\$ 47,608.00	\$ 0.01	\$ 47,608.00	3.0%
FY 11	\$ 49,104.00	\$ 0.01	96,712.00	3.0%

FY 12 \$ 43,026.00 \$ 0.01 139,738.00
3.0%

and further, to raise and appropriate the sum of \$ **47,608.00** (\$0.01 on the tax rate) for the FY 10 expenses, such sum representing the additional cost attributable to the increase in salaries and benefits over those of the appropriation at the current staffing levels paid under any existing agreements. (AFSCME Local 1801 represents 19 full time and 2 part time employees, consisting of Public Works employees and Town Office staff support positions.)

(If passed, this article will require the Town to raise an additional \$47,608.00 in property taxes, resulting in a tax rate increase of \$0.01 in FY 10 based upon projected assessed values.)

This article is supported by:

Town Council - (Yes: x-x-x) Budget Committee - (Yes: x-x-x)

¹ Projections are based upon projected assessed values.

ARTICLE NO. 14 [AUTHORIZATION FOR SPECIAL MEETING ON COST ITEMS]

To see if the Town will vote, if Article 13 is defeated, to authorize the Town Council to call one special meeting, at its option, to address Article 13 cost items only.

(This article, if passed will have no tax impact.)

This article is supported by:

Town Council - (Yes: x-x-x) Budget Committee - (Yes x-x-x)

ARTICLE NO. 15 [TRANSACTION OF OTHER BUSINESS]

To transact any other business that may legally come before this meeting. No business enacted under this article shall have any binding effect upon the Town.

Given under our hands and seal, this 11th of February, in the year of our Lord, Two Thousand and Nine.

TOWN COUNCIL
LONDONDERRY, NEW HAMPSHIRE

Martin Bove - Chairman

Brian Farmer - V. Chairman

Kathy Wagner - Councilor

Paul DiMarco - Councilor

Michael Brown - Councilor

I hereby certify that notice was given to the inhabitants of the Town of Londonderry to meet for the 2009 Town Meeting at the time and place indicated in this Warrant, by posting an attested copy of this document on February 10, 2009 at the Londonderry High School Gymnasium and Cafeteria, the place of meeting, and at the Town Hall, School District Office and Leach Public Library.

David R. Caron
Town Manager

TOWN COUNCIL MEETING
December 22, 2008

The Town Council/Budget Workshop meeting was held in the Moose Hill Council Chambers, Town Hall, 268B Mammoth Road, Londonderry.

PRESENT: Town Council: Chairman Marty Bove; Vice-Chairman Brian Farmer; Kathy Wagner, Paul DiMarco, Mike Brown; Town Manager, Dave Caron; ATM/Finance Dir., Sue Hickey and Cathy Dirsra, Planning Division Secretary.

Budget Members – Tom Dolan; Jay Hooley; Mark Oswald; Tom Freda and Joe Green

CALL TO ORDER – PUBLIC SESSION

Chairman Bove opened the meeting at 7:10 PM with the Pledge of Allegiance. This was followed by a moment of silence for the men and women fighting for our country.

Chairman Bove said Old Business (item B) Town School District Consolidation Update is being postponed to January 19.

PUBLIC COMMENT

Chairman Bove announced that the Red Cross would be giving an update on the power restoration. There will be a meeting on January 10 to discuss response time, etc. in regards to the ice storm. Chief MacCaffrie spoke on behalf of Mike Fawcett (American Red Cross). Chief MacCaffrie said the shelter will be closed December 23. He said anyone seeking shelter after that date should contact the Red Cross or the Fire Department. Chief MacCaffrie gave an estimate that there is about 250 customers without power.

Interviews of Re-Appointments and New Applicants for Land Boards –

Chairman Bove explained that some of the volunteers on land use boards were not appointed by the sitting board and these scheduled interviews gave the Councilors the opportunity to know them. Councilor DiMarco proceeded to thank all the interviewed volunteers listed below:

Paul Nickerson – Re-Appointment as a Full Member on the Conservation Commission, term to end 12/31/11.

Mike Considine – Re-Appointment as a Full Member on the Conservation Commission, term to end 12/31/09.

Greg Warner – Re-Appointment as an Alternate Member to the Planning Board, term to end 12/31/11.

Art Rugg – Re-Appointment as a Full Member to the Planning Board, term to end 12/31/09.

Sue Joudrey – Re-Appointment as a Full Member to the Heritage Commission, term to end 12/31/09.

John Dahlfred – Re-Appointment as Full Member to the Heritage Commission, term to end 12/31/10.

Laura McIntyre – New Appointment as Alternate Member to the Heritage Commission, term to end 12/31/10.

Ben Labrecque – New Appointment as a Full Member to the Conservation Commission, term to end 12/10, or New Appointment as an Alternate Member to the ZBA, term to end 12/09 or New Appointment to the Planning Board that has no openings.

Chairman Bove said that appointments will be announced at the January 5 meeting.

Questions asked by the Councilors were if they are alternates would they like full member positions; do the new applicants (2) have any interest in other boards; what were their views, priorities and areas of interest; what did the volunteers bring to the board they volunteered on; how many years were served on their board; and interest of stewardship of land.

Meg Seymour announced that town elections are coming up and January 21 – 30 is the filing period for elected positions (all are 3 year terms). Open positions are: one position for Town Council, two positions for the Budget Committee, two positions for the Leach Library, one position for the Trustees of the Trust Fund.

OLD BUSINESS

Ordinance #2008-14 – Relative to the Adoption of a Fee Structure for Secondhand Dealers and Pawnbrokers Licenses. Councilor Brown read the Ordinance, with the public hearing scheduled for January 5, **made a motion to accept, seconded by Councilor DiMarco. Council's vote 4-0-1 (B. Farmer abstained).**

Resolution #2008-23 – relative to the extension of the Cable Television Franchise Agreement. Councilor Brown read the Resolution, second reading waived, **made a motion to adopt, seconded by Councilor DiMarco. Council's vote 5-0-0.**

FY10 Budget Review and Preliminary Recommendations

CART Executive Director Lee Maloney summarized the operations of CART (Cooperative Alliance for Regional Transportation), which is a shared ride system for anyone in the service region (Londonderry, Derry, Chester, Danville, Hampstead, Sandown, Windham, Salem). She said the current fare is \$2.00 per trip, one way, but they will be revising the fare structure. Some Medicaid members ride free.

Bob Ramsey, Traffic Safety Committee chairman, said that CART transported people to the shelters during the recent ice storm. Al Baldasaro, elder senior center, said they have quite a few people using CART. He is concerned about revising the fare structure. www.cart-rides.org

Councilor Brown recommended rolling the \$26,500 for CART out of the operating budget into a separate warrant article. Councilor Farmer feels this shouldn't go back to a warrant article for the town meeting. Chairman Bove and Councilor DiMarco are in agreement with Councilor Farmer and want to leave it in the operating budget.

Councilor Brown said we have received some suggestions from the Town Manager as to what options are available for the budget. He feels that we should be as conservative as possible and that we should increase the tax rate by no more than 1%. Councilor Farmer summarized the change in distribution suggested by the Town Manager regarding the land use tax funds collected when property is taken out of Current Use. This could result in \$101,000 being used to offset the budget but the change in distribution would need to be approved at Town Meeting and cannot be changed by the Council

themselves. Mike Speltz, a member of the Conservation Commission, feels that redirecting our land use change tax would be ill advised because it would be spending capital funds designed to make permanent investments, i.e. open space, and instead using them for current ongoing operating costs. It would be covering a shortfall in labor costs with money designed what he feels is the Town's most important investment account. Conservation Chair Deb Lievens voiced the same concern that the land use change tax should continue to fund the Open Space Program. She noted that when the Town voted to use those funds for conservation purposes in 1997, it was a commitment that was made after much discussion and deliberation. Chairman Bove acknowledged that even before this recent economic crisis, bonds for open space have not been passed by the voters in the last couple of years because the majority was in favor of "taking a break from open space." Redirecting the land use change monies would therefore leave the Conservation Commission with no other means of funding open space. Councilor Farmer agreed, stating that the decision to forgo open space bonds in recent years was based on advice from the CIP Committee, combined with information from the Planning Department, but that taking these funds from the Conservation Commission would leave them to rely on a small line item budget which will not see an increase. Chairman Bove asked the Town Manager if legal action could be brought against the Town for reallocating funds originally used for one purpose and then suddenly used for another. Dave Caron replied that State law mandates that that the land use change funds are put into a Town's general fund unless the voters approve restricting those funds for operating purposes. M. Speltz noted that most towns in New Hampshire use the land use change tax funds for conservation purposes, which was what the Legislature intended when they created the RSA. Councilor Farmer added that while he is not in favor of making any immediate decisions regarding such a reallocation, it is still a subject worth investigating and revisiting. Chairman Bove noted that since it is unknown whether such a change in policy would pass at this year's Town meeting or even how the warrant article would be written by the Council, it is not an idea that can be relied upon for this budget. Councilor DiMarco asked the Town Manager how he arrived at the \$101,000 figure. Dave Caron replied that the annual average of income from the land use change tax is approximately \$215,000 and that \$101,000 is the amount that is currently billable. Because the amount can fluctuate greatly from year to year and in view of the poor economy, Councilor DiMarco advised that relying on such funds would not be a prudent long term plan. He added that the amount of land available for conservation will probably run out in the next 15-20 years, so funding of the Open Space Plan is still important to the Town. Mark Oswald, 11 Verdi Lane, stated he considered the reallocation of said funds to be merely a stop gap solution and asked where the funds would come from next year. Londonderry, he said, has made great efforts to create and adhere to long range fiscal objectives along with the Master Plan and the Open Space program. Trying to simply make the budget "look good" threatens to take the Town off the track of long term fiscal planning that it has worked very hard to achieve.

Councilor Wagner asked what the total amount needed to reach the 1% tax rate increase budget would be if this \$101,000 were not considered. Dave Caron replied that \$224,000 would need to be cut to reach the goal, however, by making the restrictions the Council has placed on what to consider for adjustments, roughly 65% of the budget cannot be considered. He also stated that February 3, 2009 is the deadline for petition warrant articles and the Council will have a final budget public hearing on Feb 5th. Since a consensus could not be reached at this meeting, Chairman Bove stated that one more workshop will take place at the January 5th meeting. The Town Manager noted that in that event, two separate public hearings for the operating budget and proposed bonds will have to take place at the January 19th meeting, therefore any and all decisions will need to be made at the January 5th workshop. Following more discussion, Chair Chairman Bove called for a consensus as to whether the change in distribution of land use change tax funds should be considered for this budget. The consensus was to remove it from the table.

Councilor Farmer asked for suggestions from the Budget Committee. Chairman Jay Hooley referenced the Town Manager's letter of proposed reductions for the budget, including his initial proposal, the default budget minus 1% and the default budget minus 2%. The Budget Committee recommends approval of the estimated \$25,000 reduction in the General Government line item for gasoline. Tom Dolan, Budget Committee, noted that even more may be saved if the Council wishes to consider the recent decrease in gas prices since this estimate is based on gas being \$3 per gallon and diesel costing \$3.50 per gallon. Jay Hooley stated that overtime fund reductions are still being considered by the Budget Committee. They do not recommend, however, eliminating the Cable Franchise fee. Tom Dolan, Budget Committee, explained that that fee is paid by cable subscribers, meaning if the fee is eliminated, all taxpayers, whether they subscribe to cable or not, will be responsible for the \$270,000 needed to fund the Cable Access Center annually. Jay Hooley continued on with regard to Capital Reserve funding which met with some approval, but overall, the Budget Committee did not feel it was wise to tap into undesignated fund balances in search of temporary tax relief. Tom Freda, Budget Committee, agreed that it would be an inappropriate use of such funds which are intended to be used for unexpended contingencies. Tom Dolan added it would be a dangerous precedent to set. With regard to the overlay account, if it can be funded at a lower level without any negative impact, the Budget Committee would be in favor of that suggestion. Looking at the elimination of the part time Town Clerk/Tax Collector position and the Police SRO, the consensus of the Budget Committee was that a reduction in either position was not appropriate. Likewise, they did not support the reduction of either two firefighters or a highway employee.

Jay Hooley asked the Library Director, Barbara Ostertag-Holtkamp, if she could answer the question previously raised as to whether fees charged for overdue books are limited by State RSA. She replied that the RSA does not limit what amount is charged for late fees but that in comparing with other towns, Londonderry seems to be very competitive and in fact charges more for certain fees such as lost library cards and non-resident cards. Increasing any of the fees would be a policy question and is therefore not under her control. Another question had been raised regarding revenue from the new cell tower on Nelson Road and whether it would be part of the general fund or designated for a specific purpose. Councilor Farmer noted that the first year's revenue will be used for the placement of the Fire Department's equipment on the tower itself. Once that is paid, the Town Council will have to draw up specific language for a warrant article at Town Meeting if they opt to direct those funds to a special revenue account for a specific purpose. Some examples include offsetting costs like the maintenance and use of Town Common (e.g. Old Home Days, Concerts on the Common) and stewardship of the Town Forest. The Budget Committee, however, recommends the Town hold off on assigning putting those funds towards anything specific.

Councilor Brown stated he felt the Budget Committee was moving in the opposite direction than what the Council wants to move in, i.e. the Council would like to take the \$663,000 reduction proposed by the Town Manager and make further cuts beyond that, yet the Budget Committee is only advocating \$442,000 of the Town Manager's total. Tom Dolan replied that the Budget Committee is indeed moving in the same direction as the Council, just not to the same extent. Council Farmer summarized that to achieve the Council's objective of default minus 1%, the Town Manager is stating another \$224,000 would have to be cut beyond the \$101,000 discussed above regarding the land use change tax. Therefore, if the Budget Committee is \$221,000 short of the \$663,000 goal, the Council would now be looking for an additional \$440,000 to cut from the budget. Tom Dolan noted that while the Council is trying to reach the minus 1% target, they are simultaneously restricting the Town Manager as to what he can cut. He suggested that the Council simply leave their goal with the Town Manager and allow him

to coordinate with the Department Heads since they are the “paid experts” who know best about day to day operations and future needs. Councilor Farmer replied that the Council has already done so and despite several options provided, the Council is still undecided. Chairman Bove noted that the Town Manager has achieved all the objectives the Council has brought before him over the years and has been creative when restricted as to what areas he can recommend cutting. Staff reductions have already taken place in prior budgets while maintaining services for residents. He thanked the Budget Committee for their input but reiterated that the Council still does not agree with all of it. Councilor DiMarco added that he will be providing the Town Manager with his own input and ideas prior to the January 5th meeting.

NEW BUSINESS

Resolution 2008-24 – Relative to the tax assessment agreement with Tenneco, Inc. Councilor Brown read the first reading, second reading waived. He made a motion to adopt which was seconded by Councilor DiMarco. **Council’s vote 5-0-0.**

Collective bargaining agreement with ASCFME Local 1801. Town Manager Dave Caron outlined to the specifics of the agreement ratified by the membership of Local 1801, including moderated wage increases over the three year contract, a new step increase plan for new employees, a reduction of the insurance buyback for family plan members and a new sick accrual maximum of 60 days for new employees as opposed to the current 100 day maximum. The fiscal year cost for FY2010 is \$48,000 which is approximately 1.3 cents on the tax rate. He noted that these agreements were all in line with the Town Council’s directive and that the contract is subject to pending legislation at the State level that would relieve individual towns from last year’s law making towns bear the cost of retirement expenses calculated over 125% of employee’s overtime pay. If the vote does not pass at the State level to correct that law, the entire agreement will be void. Chairman Bove and P. DiMarco both thanked ASCFME for their efforts in working with the Town in view of the difficult economic times and Councilor Brown acknowledged that significant movement was made on the part of this unit to work with the Town. **Councilor Wagner made motion to support the collective bargaining agreement for Local 1801. Councilor Farmer seconded the motion, Council’s vote 5-0-0.**

Order 2008-20 – Relative to the Expenditure of Maintenance Trust Funds for Various Projects. Councilor Farmer read the first reading to expend \$28,030.10 for various repairs and improvements. He made a motion to accept, seconded by Councilor DiMarco, Council’s vote 5-0-0.

APPROVAL OF MINUTES

Minutes of the Council’s December 1, 2008 Public Meeting
Councilor Wagner made a motion to accept the minutes from the December 1, 1008 meeting, seconded by Councilor Brown, Council’s vote 5-0-0.

OTHER BUSINESS

Liaison Reports -

Councilor Wagner said she attended two meetings with the Planning Board, one being the Flexible Industrial District also attended by abutters in the airport area who voiced their concerns. The other

was a presentation on Workforce Housing. There will also be a joint meeting between the Heritage Commission and Planning Board to discuss the Historic Overlay District on January 22nd.

Councilor DiMarco stated that the Elder Affairs Committee meeting was cancelled last week due to weather and will be rescheduled.

Town Manager's Report - Town Manager Caron stated that in preparation of Town Meeting, Community Development Director Andre Garron is scheduled to speak at the January 5th Town Council meeting to start looking at different options for the TIF districts in the airport area.

Board/Committee Appointments/Reappointments-

Councilor Wagner made a motion to reappoint as full members Nancy Irwin and Dorothy Greenler, Helen Conti, Al Baldasaro, Stacey Thrall and new appointments of Peg Johnson and Ruth Silverman as full members of the Elder Affairs Committee. Councilor DiMarco seconded, Council's vote 5-0-0.

Councilor Wagner made a motion to appoint David Howard, Sandra Weston and Flo Silva as alternate members of the Elder Affairs Committee. Councilor DiMarco seconded, Council's vote 5-0-0.

ADJOURNMENT

Councilor Farmer made a motion to adjourn at 9:50 PM. Second by Councilor DiMarco, Council's vote 5-0-0.

Notes and Tapes by: Cathy Dirs Date: 12/22/08

Minutes Typed by: Cathy Dirs
Jaye Trottier Date: 12/24/08

Approved; Town Council Date: