

TOWN COUNCIL/BUDGET MEETING WORKSHOP
October 23, 2006

The Council Meeting/Budget Meeting Workshop of October 23, 2006 was called to order at 7:05 PM in the Moose Hill Conference Room, 268B Mammoth Road, Londonderry, NH.

PRESENT: TOWN COUNCIL; Chairman, Brian Farmer; Councilors Mark Oswald, Tom Dolan, Marty Bove; Town Manager David Caron; Assist. Town Manager/Finance Director Sue Hickey; and Margo Lapietro, Executive Assistant. Absent, Vice Chairman Joe Paradis.

BUDGET COMMITTEE: Chairman, John Silvestro; V. Chairwomen, Adriana Komst, Secretary, Sean O'Keefe, Mike Brown, Frank Hegarty (Left at 8:20 ret'd. at 8:58), Michael Toth. Absent, Tom Freda.

CALL TO ORDER

Chairman Farmer opened the meeting at 7:05 P.M. with the Pledge of Allegiance. This was followed by a moment of silence for the men and women in the service and for those who have given their lives for this country.

PUBLIC HEARING

Sue Hickey introduced Town Accountant Patrick Delaney to the Council and Budget Committee.

NEW BUSINESS

FY 08 Municipal Budget

Town Manager Dave reviewed the Fiscal Health of the Town with Aa-3 rating. Moody's. Investor Service had comments on:

History of Stable Levels of Undesignated Fund Balance
Conservative Revenue Estimates
Financial Flexibility from its Capital Reserve Funds
Favorable Fund Balance Policy
Vulnerabilities include General Fund support of Sewer Division Debt
Well-structured debt.

Reviewed 06 budget year-end results – 99.20% expended. Incurred more expense due to flood, anticipate reimbursement of 12 ½% from state and 75% from FEMA. The '06 Budget was developed very conservatively; Dept. Managers reprioritized expenses to meet challenges and estimated revenues were forecasted appropriately.

General Government - Reviewed Budget Guidelines. General fund increases due to;

Health Insurance
Retirement Expense
Debt Service

45 Other Employee Benefits such as Contractual & Federal Mandates
46 Utility Expenses
47 Gasoline
48 Hydrant Rental
49

50 Personnel costs do not include Manchester/Boston Regional Airport police. They are funded by
51 the Airport. Sean O’Keefe asked if we shop around for insurance. Town Manager Caron stated
52 we are in a pool with Local Government Center (LGC); our buying power is the most
53 economical source for health insurance for 175 employees. Chairman Farmer asked if debt
54 service listed is for recent bonds, not for additional bonding, Town Manager Caron responded
55 that was correct. Councilor Oswald stated \$30K is a lot for clearing sidewalks – questioned if
56 School doing some work. Town Manager Caron stated it was an estimate, would coordinate with
57 School Department. Mike Brown questioned IT figure and asked if the IT Committee is aware of
58 it. Town Manager Caron stated the project not started as yet, meeting this Wed night, IT
59 Committee will be made aware of software. It is not a joint project with the school. Chairman
60 Farmer stated the IT Committee did talk about general software issues, school district entirely
61 different. He said the focus of IT Committee is staffing and strategic planning. M. Brown
62 questioned how many employees were part-time and if Town contributed to their medical and
63 retirement funds. Sue Hickey responded the Town only contributed to full time employees. Part
64 time employees pay their own health insurance under current bargaining agreements. M. Brown
65 requested the Town Manager assess openings to see if we want them filled on a full-time basis.
66 Town Manager Caron responded that is routine when an opening occurs. Town Council
67 recommended a Municipal Budget for:

68
69 General Fund Budget
70 Revolving Fund – MHT Police Details
71 Bond Issues
72 Special Revenue Funds
73 Capital Reserve/Expendable Maintenance Trust
74 Special Warrant Articles/Capital Projects
75 Overlay/Veteran’s Exemptions
76

77 Town Manager Caron reviewed each of the above. The increase in proposed appropriations is
78 \$1,204,959 or 4.9% over last year’s General Fund Budget. Increases due to General
79 Government, Highway Equipment, Town Center Construction, Information Technology and
80 Snow Removal. He reviewed the Revolving Fund for Manchester/Boston Regional Airport;
81 Recommendations by CIP Committee, Bond Issues, Special Revenue Funds, Capital
82 Reserve/Maintenance Trust Fund; Expendable Maintenance Trust; Special Warrant Articles and
83 Overlay/Veteran’s Exemptions
84

85 Town Manager Caron reviewed the collective bargaining agreements. One union will have its
86 Fact Finder Report on the 2007 warrant, other unit is anticipated to do so as well. The Town
87 may see 2 reports and 3 agreement or 5 fact finder reports on warrant, which is dependant on
88 progress of negotiations, which need to be completed by end of Jan. Mid-level managers have
89 issues about contribution of health insurance and health insurance buy-back. Jack Bridge TIF
90 Dist might be on warrant. Chairman Farmer stated a non-public meeting will be scheduled for
91 11/6 at 7:00 P. M. and regularly scheduled meeting at 7:30PM. M. Brown questioned which fact
92 finding report is public, Town Manager Caron stated that 1801 is public on fact finding
93 agreement.

94
95 Estimated tax rate is \$4.60 = .16 cent increase of 3.5% on Town portion, prior to contracts. John
96 Silvestro asked everyone to work together to make sure taxes do not go up. Discussion ensued
97 about tax rate as determined by State vs. Town.

98
99 Town Council, Moderator, Budget Committee and Legal Expenses were all level funded.

100
101 Councilor Dolan asked if NHCAFE was successful would monies that come back to Town be on
102 revenue side; Town Manager Caron responded yes.

103
104 **Councilor Oswald made a motion to close public hearing at 9:00 PM. Second by Councilor**
105 **Bove. Councils vote 4-0-0.**

106 **ADJOURNMENT**

107
108 **Councilor Dolan made a motion to adjourn 9:00 PM. Second Councilor Oswald. Councils**
109 **vote 4-0-0.**

110
111 **Notes and Tapes by: Margo Lapietro Date: 10/23/06**

112
113 **Minutes Typed by: Margo Lapietro Date: 10/24/06**

114
115 **Approved: Town Council Date:**

116
117 **MEETING SCHEDULE:**

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119 A. Town Council, October 26, 2006 about 7:00 PM, Moose Hill
120 Council Chambers – FY08 Budget Workshop
121 B. Town Council, October 30, 2006 about 7:00 PM, Moose Hill
122 Council Chambers – FY08 Budget Workshop
123 C. Town Council, November 4, 2006 about 9:00 AM, Moose Hill
124 Council Chambers – FY08 Budget Workshop
125 D. Town Council, November 6, 2006 about 7:00 PM, Moose Hill
126 Council Chambers – Meeting & Budget Workshop
127 E. Town Council, November 9, 2006 about 7:00 PM, Moose Hill
128 Council Chambers – FY08 Budget Workshop
129 F. Town Council, November 20, 2006 about 7:00 PM, Moose Hill