

**TOWN COUNCIL/BUDGET MEETING WORKSHOP**  
**October 30, 2006**

The Council Meeting/Budget Meeting Workshop of October 30, 2006 was called to order at 7:08 PM in the Moose Hill Conference Room, 268B Mammoth Road, Londonderry, NH.

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

**BUDGET COMMITTEE: V. Chairwomen, Adriana Komst, Secretary, Sean O’Keefe, Mike Brown, Tom Freda (8:35PM), Frank Hegarty. Absent: Michael Toth and John Silvestro.**

**CALL TO ORDER**

Chairman Farmer opened the meeting at 7:08 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.

**NEW BUSINESS**

**FY 08 Municipal Budget** - Community Services

**Cable** – Dottie Grover reviewed salaries, benefits for three full-timers, operating expenses, equipment and special revenue funds, budget is \$293,001. Increases due to part-timers (GAMOS, camera operators), electricity, and water. Decreases in custodial service, heat, printing, general supplies, maintenance, books and equipment. Emphasis is to upgrade to digital and HD formats; recycle old equipment, plus adding to props and creating more storage for props, replacement of two studio cameras. The increased use of the facilities by the high school students might require the future addition of a control room and a classroom. She reviewed the 16 locations that can support live cablecasts and the Town’s 4 locations. She reviewed the zero-based budget format requested by Town Council which came in at \$293,451. Councilor Dolan congratulated D. Grover on reducing her budget this year. Chairman Farmer thanked her for her work. Chairman Bove reviewed the accomplishments D. Grover has done the past year.

**Recreation** – Art Psaledas, Rec. Director and Bill Manning, Rec. Chairman. A. Psaledas said major change is grass cutting, grass cutting company used to do it, not happy with they way it was done; now school is doing it. Also asked for a small tractor to use to handle maintenance services. Councilor Dolan asked Town Manager Caron if there is any fund we could tap into like impact fees? Town Manager Caron responded impact fees not a source. Councilor Bove told A. Psaledas there was no maintenance or fuel costs in budget. Councilor Bove asked where mowing would be, A. Psaledas named 7 fields. M. Brown asked whether they were purchasing new or used, suggested he look for a deal. Councilor Oswald directed S. Hickey to make sure there was a line item for fuel and maintenance. Councilor Oswald asked if the front loader at drop-off center was there every day J. Czyzowski said it was brought in every Sat. Chairman Farmer stated our Recreation Dept. is doing what other towns wish they could.

45 **Social Service** – Susan Hickey said budget increase is \$1,846 or .78%. She listed all the social  
46 service agencies which applied and received funding. Total amount to social service agencies is  
47 \$81K, total increase of \$4,600. CART is included in this list. Reviewed 393 applications,  
48 granted 173 applications, denied 60 applications, provided referrals to outside agencies for 160.  
49 Increases due to contractual and federal mandated fringe benefits for employee in that  
50 department. All remaining lines level funded. Councilor Oswald questioned what the reason  
51 was for denials, S. Hickey explained if income is greater than expenses, they are eliminated. He  
52 asked about the trend, S. Hickey said relatively level, goes up and down depending on economy.  
53 Kathy Wagner and Sara Landry talked about Warm Homes. K. Wagner spoke about the  
54 increases to elderly due to new assessments. Chairman Bove said there are agencies that help  
55 people; it is up to the people to take advantage of those agencies. Councilor Dolan suggested  
56 going to a two year budget process next year. Town Manager Caron indicated it might require a  
57 Charter adjustment. Chairman Farmer suggested moving town meeting to May. Councilor  
58 Oswald stated “Warm Homes” is one area to keep focused on for next years budget. Kathy W.  
59 asked if the \$10K could be put in a Town budget in the event that volunteers are not available to  
60 continue the program. M. Brown explained that when the Budget Com. reviewed the social  
61 service agencies they gravitated toward Londonderry-based charitable organizations.  
62

63 **Family Mediation** – Joanne McKay, Director. Level funded only difference is phone, switched  
64 to Town line. Councilor Dolan complimented on her great work, budget lower this year.  
65 Councilor Oswald told her if she would like to enhance something, let Town Manager Caron  
66 know. J. McKay said she just finished a training seminar, have 5 new volunteers.  
67

68 **Senior Affairs -** Sarah Landry thanked the volunteers. The budget is level funded. Talked  
69 about the staffing. At some future date they will need a part-time receptionist. Talked about the  
70 changes, educational experiences, activities, workshops and programs offered. Spoke about  
71 “The Joy of Writing Class” whereby seniors got their writings published. Councilor Bove  
72 suggested other temporary job agencies she could contact for the receptionist position.  
73 Chairman Farmer asked Town Manager Caron to use maintenance trust fund to make up  
74 difference on cost of replacement of refrigerator/freezer after fund raisers. S. O’Brien asked  
75 about using the school facilities for her large events. S. Landry said she would explore that idea.  
76

77  
78 **Library** - Barbara, Ostertag-Holtkamp, Library Director and Richard Matchie, Chairman of  
79 Trustees of Leach Library presented. Barbara H. reviewed the accomplishment of the past year.  
80 Councilor Dolan stated the fiscal year for the Town is from 7/1 – June 30. He asked B.  
81 Holtkamp if the Library adhered to that schedule, she responded her fiscal year was the same as  
82 the Town’s. Councilor Dolan stated the annual report from the library is due at the conclusion of  
83 the fiscal year according to RSA 202A:12 He asked Town Manager Caron why it was not  
84 included in the Budget Book. Town Manager Caron responded they have included everything in  
85 the Budget Book that they received from the departments. Chairman Dolan stated there was no  
86 annual submission to Town, asked if submitted to state. B. Holtkamp responded two years ago  
87 they went electronic, don’t submit fiscal year annual report to state library until sometime in  
88 January, usually due about March. Councilor Dolan stated the written report due to the Town  
89 per the RSA at the conclusion of the fiscal year and the director stated that is 6/30. We are four  
90 months past that, missing that written report. He is not sure how the Budget Committee and  
91 Council can adequately consider the budget with all the information required missing such as  
92 receipts, expenditures and so forth. B. Holtkamp responded that that report can’t be completed  
93 until they receive final information from Town’s auditor. Has a copy of the report and gave it to

94 Council. Councilor Dolan stated he would prefer to have the report at the end of the fiscal year  
95 like the state law requires so they can have time to consider it. B. Holtkamp stated she got the  
96 report on 10/20/06 got report from auditor from Town and that is when she was able to complete  
97 the report. S. Hickey responded each department head is able to print their report at the end of  
98 June, our auditors came in this year on 7/31/06 conducted their audit through 10/10/06, had  
99 delays due to FEMA with Public Works Dept. No adjustments made to Library budget. Report  
100 that was done in July had not changes to that report, B. Holtkamp had a conversation with the  
101 auditors and talked about any differences that would be done, auditors felt confident with what  
102 was stated, and therefore no adjustments were done. B. Holtkamp stated she has a copy of an e-  
103 mail sent to Sue in Finance Dept. on 7/18 asked for report, was told final report not ready until  
104 after the audit, audit will be here on 7/31. Copy will be sent when all expenses are cleared for  
105 your department. Asked again for it on 10/20/06. Councilor Dolan stated that much of the items  
106 required by the RSA like listing all the properties in the care of the Trustees, listing of all of the  
107 books they have, books added, books withdrawn from the collection, the number of borrowers  
108 and readers, any gifts given to the Library, any bequests, statement about libraries contribution to  
109 education of general population in the Town, none of those items have anything to do with the  
110 expenditures of the budget. This un-timeliness in bringing report tonight does not allow for us to  
111 have time to consider the budget tonight. Get report tonight, let Budget consider it and review  
112 until Saturday. Marty, asked B. Holtkamp how many times has this report been given at a  
113 budget meeting. She responded Town has never asked for this report. Reviewed and approved 5  
114 years of budgets without the report. Councilors Bove and Paradis stated it would not have any  
115 impact tonight. Adriana Komst agreed. last year she was not aware report required, able to make  
116 decision based on what was reported. Councilor Oswald asked Town Manager Caron that we  
117 recently had a continuance on sewer rates, asked if the continuance required a motion or vote.  
118 Town Manager Caron it was an agenda item. Chairman Farmer said this is a workshop does not  
119 require a motion or vote. Councilor Oswald wants definite date for report required by RSA.  
120 Chairman Farmer said based on what he heard from S. Hickey tonight, possible for Library  
121 Director to compile this report much earlier, give us some time to review it. Report is valuable  
122 for creating the matrix that we can look at to judge the performance of the library, we have that  
123 information from Town Depts. Part of the budget process, in future should have report sooner.  
124 Councilor Dolan said he is asking for what is minimally required by state law. The Library has  
125 not complied with state law for the past 4 months of this fiscal year. We are compromising the  
126 entire process. This report is intended to provide the Town with the complete information it  
127 needs to conduct its business. B. Holtkamp at that point in the meeting passed out copies of the  
128 report to the Councilors and Budget Committee. B. Holtkamp stated that she has never been  
129 asked for this report in prior years, every report has been completed, has not done anything to  
130 violate RSA's. Her concern is that Councilor Dolan can not make a decision on the budget  
131 without this information, when it has been going on for years. She stated she does not know what  
132 is going on, you have an issue with the library and it has gotten ridiculous. Councilor Dolan  
133 stated he did not come here tonight to be lectured by the Library Director and asked the Council  
134 Chairman to prevent that kind of discussion to continue. He is only asking for the minimum  
135 requirements per state law. He took offense at the lecturing. Chairman Farmer issued a warning  
136 no more confrontation, no lecturing allowed, set differences aside. Barbara thanked the  
137 volunteers, circulation up, program attendance up. Reviewed all the programs. Restructured  
138 staff had a lot of building projects. Need increase in this budget for \$78,308. 37% personnel,  
139 part of that is 12% increased retirement rate. 22 % increase for utilities, 18% for books and  
140 programs, and 23% for general supplies, office supplies, dues and subscriptions. M. Brown  
141 asked what impact 11 part timers have on medical and retirement? She responded they get pro-  
142 rated vacation and sick leave and personal time, not eligible for any health, life or dental

143 insurance. If they fall under non-union they follow exact policy of Town's personnel policy. If  
144 union they are pro-rated. M. Brown asked why increase in general and office supplies line items.  
145 B. Holtkamp explained. M. Brown said town budget went up 4.9%, why is library up 6.4 %. B.  
146 Holtkamp said can't compare library to town dept. because different. Councilor Paradis asked  
147 her to explain increases in personnel. She responded they restructured, analyzed positions,  
148 switched positions. Tom Freda said her budget this year is \$32,102 higher than last year. He  
149 asked if they are allowed to keep it in the Library Trustee account every year. She responded yes.  
150 He questioned between the budget and actual numbers for books and periodicals the library had  
151 actual expenditures of an additional \$17K. Books and other materials on expenditures are for  
152 \$20K. She explained that all book bills get paid from the book account that the Board of  
153 Trustees Treasurer pays the book bills through. Discussion ensued regarding Trustees Account.  
154 Monies from book sales, donations, and any interest go into trustees account... R. Matckie said it  
155 is separate from the Library budget. T. Freda asked why put \$5K for legal every year, don't  
156 spend every year, B. Holtkamp stated it used to be in general govt., 2 yrs ago told to put into the  
157 Library budget to be used for union negotiations. Have not had to use it. Negotiations starting in  
158 Sept. He asked if the Library has \$32K in the Trustees account as reserve why not uses that for  
159 their budget. R. Matckie explained they are donations, people do not expect them to use the  
160 money for general operating expenses. T. Freda stated they never spend the money. B.  
161 Holtkamp said tuition reimbursement is contractually required not spent every year, but part of  
162 negotiations. Chairman Farmer asked Town Manager Caron if other departments have it but  
163 don't spend unless employee asks for reimbursement. Town Manager said that was correct.  
164 Councilor Oswald asked are we pro-rating benefits for part-time town employees? Town  
165 Manager Caron stated a handful of part-time regular employees, maybe 4-5 positions, benefits  
166 are pro-rated. He asked if the library has done PSNH audit. B. Holtkamp did audits for heating  
167 and lighting, no feasible recommendations. General supplies and office supplies go up and  
168 down; does purchasing increase every other year? B. Holtkamp said yes varies. Administrative  
169 Management services are up asked why. More programs offered per Barb. Councilor Oswald  
170 asked if Trustee account is audited by town auditors. S. Hickey stated the Town audits books,  
171 they are not provided to Dave or Sue, doesn't have anything to do with their books so don't get a  
172 copy or report just told by auditors that they are done. Councilor Oswald said copy should be  
173 available to public. A. Komst verified that \$33K is current trustees balance as of June 30<sup>th</sup>. She  
174 asked how much is turned back to the Town and how is that determination made. B. Holtkamp  
175 stated it is an evolving account, does not go to town, comes from donations, also donated books  
176 from book sales, and does not come from tax dollars. Councilor Dolan asked B. Holtkamp to list  
177 the types of restricted items she spends the trustee account money on. D. Mackie stated they are  
178 not restricted in any way. Sometimes they buy museum passes, books, improvements on the  
179 building, anything that the Trustees see worthwhile. Councilor asked if they will have union  
180 contract negotiations in the near future. D. Matckie responded next September. Councilor  
181 Dolan asked about the 18,000 borrowers and how they update. B. Holtkamp replied go through  
182 database, delete inactive cards. Councilor Dolan asked for exactly what seminars and workshops  
183 the Library personnel attended. B. Holtkamp gave him the names of all workshops. The Library  
184 has plans to put catalog on web being worked on, working out with school district. Will discuss  
185 with board if upgrade could be done this year. Chairman Dolan asked for verification of dues  
186 and subscriptions – B. Holtkamp stated bulk of that line item is museum passes and she reviewed  
187 them, as well as memberships. Tom questioned fines, B. Holtkamp 10 cent late fees on books  
188 and \$1.00/day on videos described. Councilor Dolan asked if the Library is adhering to Town  
189 personnel policies across the board. R. Matckie responded for the most part, some times  
190 exceptions; try to follow Town's lead. Councilor Dolan asked if any of the exceptions impact to  
191 the budget and if so to list them. R. Matckie stated they gave some overtime to B. Holtkamp last

192 year because lost the Children’s Librarian and had a choice of either B. Holtkamp working 80  
193 hours a week or have not children’s programs for the summer. Compensated her for her  
194 overtime. Councilor Dolan said Town’s policy is no more than 60 hrs in a fiscal year. B.  
195 Holtkamp said she got paid for 200. She had operation in Feb, could not walk, had Melanoma  
196 removed from her foot, worked from home to make sure library operations continued. Trustees  
197 allowed it, if this is an issue; she volunteered to give the money back. Councilor Dolan asked R.  
198 Matckie what method was used to authorize the expenditure beyond the policy limit of 60 hrs.  
199 R. Matckie responded the Board of Trustees conducted the discussion and a vote. Councilor  
200 Dolan asked if this was a matter of record, he responded it is. Councilor Dolan asked if any  
201 other employees afforded that similar benefit of being allowed to be paid beyond policy limit. B.  
202 Holtkamp asked for other employees to help out one other employee did work overtime.  
203 Councilor Dolan said the concern is that we have to be cautious that we don’t allow this to  
204 become a negotiating point in union negotiations by allowing Department Heads to take  
205 exceptions to policies. S. O’Keefe asked R. Matckie if left-over balance in trustee account can  
206 be used towards budget request. R. Matckie responded that RSA 202; A11 says monies received  
207 for trust fund are separate from budget, Use it as a reserve, when need arises then spend money.  
208

209 **ADJOURNMENT**

210  
211 **Councilor Oswald made a motion to adjourn 10:30 PM. Second Councilor Paradis.**  
212 **Councils vote 5-0-0.**

213  
214 **Notes and Tapes by: Margo Lapietro Date: 10/30/06**

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216 **Minutes Typed by: Margo Lapietro Date: 11/1/06**

217  
218 **Approved: Town Council Date:**

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223 **MEETING SCHEDULE:**

- 224  
225 A. Town Council, November 4, 2006 about 9:00 AM, Moose Hill  
226 Council Chambers – FY08 Budget Workshop  
227 B. Town Council, November 6, 2006 about 7:00 PM, Moose Hill  
228 Council Chambers – Meeting & Budget Workshop  
229 C. Town Council, November 9, 2006 about 7:00 PM, Moose Hill  
230 Council Chambers – FY08 Budget Workshop  
231 F. Town Council, November 20, 2006 about 7:00 PM, Moose  
232 Hill