

JOINT MEETING OF TOWN COUNCIL/BUDGET & SCHOOL DISTRICT
June 12, 2007

The joint meeting of Town Council/Budget & School District held on June 12, 2007 was called to order at 7:05 PM in the Londonderry High School Band Room, 295 Mammoth Road, Londonderry, NH.

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

BUDGET COMMITTEE: Chairman Tom Freda; Mike Brown; Sean O'Keefe; Tom Dolan; Jay Hooley and Mike Toth.

SCHOOL BOARD: Chairman Steve Young; Vice Chairman, George Herrmann; Dan Bever; Ron Campo.

CALL TO ORDER

Chairman Paradis opened the meeting at 7:05 PM with the Pledge of Allegiance. This was followed by a moment of silence for the men and women fighting for our country.

PUBLIC COMMENT

- A. Award/Proclamation of the Boston Post Cane – Marilyn Ham, Town Historian and Chairman of Town Council, Joe Paradis presenting.** Barbara M. (Walton) Eaton was presented the Boston Post Cane as the oldest applicant in Londonderry. Mrs. Eaton has been and is still involved in various activities in Town. She is a 60 year resident of Londonderry. Mrs. Walton was surrounded by her family of children, 14 grandchildren, 12 great-grandchildren
- B. Change of Venue for Town Meeting & Deliberative Session – Reed Paige Clark, III** R. Clark made an appeal to Council to move the Saturday portion of the Town Meeting back to the Londonderry High School Gym. His reasons for the change are that the building can accommodate more people and perhaps more people will show up for the Town Meeting if they know it has larger accommodations. He also urged more advertising and a longer lead time for the advertisement.

Legislative Update – State Representatives

- A. Pension Funding – Tax Effect on Town/School** – Town Manager Caron said that HB 653 was passed both by the House and Senate, will improve the gain sharing mechanisms. They will keep the assumption rate of 8.5%, provided local government with one seat on Board of Trustees, changed the funding system to make sure that they put enough money in the system to cover that employees working life. Current bill requires a one time 2.5% of COLA to retirees, no funds going to special account. Right now the balance in the special account will fund between 3-5 years of COLA's at 2.5%. After that will cost more, will be an issue to resolve. Health subsidy was awarded to retirees as long as funds were available, still an issue. HB653 if it stays in its present form will result in significant employer contribution for FY10; will stay at that level for a long time. He said there are three sources of funding for the retirement system: employees, interest earnings, employers. Budget Committee Member Mike Brown stated the contribution of Town and School to the FY08 budget is \$880K. Asked what the contribution will be for the FY10 budget. Town Manager Caron stated it would be up to the actuaries, has not seen the number. Nate Brown, Supt. of Schools responded it would go up significantly. Discussion ensued.
- B. School Funding – Adequate Education** Representatives Sharon Carson and Sherm Packard addressed the myriad issues involved in the school funding issue. Rep. Carson stated that to date they have never received an exact amount of what it will cost to educate a student in the Town or in any other Town. HB 927 is very vague and difficult to cost out. Nate Greenberg, Supt. of Schools distributed a copy of HB 927-FN as Amended by the Senate. He proceeded to read excerpts from the document and pointed out stipulating a full day kindergarten. He also questioned the meaning of an enhanced needs school was as referenced in the amendment. Rep. Carson stated that a committee will be named the next day. She also indicated that the taxpayers will have to pick up the costs which could result in a sales or income tax. A great deal of discussion ensued. Rep. Frank Emiro stated it could result in a broadbased tax. He also brought up the issue of flag protocol. Rep. Packard also discussed the NH Transit Authority Bill part of which allows an agent/employee or person affiliated with the organization authority to enter onto private property and do drilling, sounding, etc. without the consent of the property owner. Ron Campo asked Rep. Carson what happened to Senate Bill 88 which deals with the ability of three people to form a collective bargaining unit. She responded it is on the table right now.

Gerard Adams approached the microphone to make a statement, Chairman Paradis asked if he was going to talk about something related to the topics just discussed and he replied no. Chairman Paradis said we had a lengthy agenda and were not taking public comment. Mr. Adams stated that he thought the Council was in error by not taking public comment. He said he would like that fixed at the next meeting. Chairman Paradis explained this is a joint meeting and the topics were listed on the agenda and if he had comments he could present them at the 6/14/07 meeting.

IT Committee Report – George Herrmann thanked everyone that contributed input to the committee. The Committee after much discussion decided to suggest scenario #3. Continue with the current plan i.e. the School District hires an IT Director and the Town continue using EagleVue. The Town Council and the School Board appoint a joint technology steering committee headed by the School District IT Director. Councilors Farmer and Paradis agreed this is a weaning process, building something concrete. Councilor Farmer suggested adding this item to the next available Council meeting. Chairman Paradis stated the next meeting has a full agenda will be on the July meeting. M. Brown asked for recommendations to reduce the school and Town budget for FY09 budget. Councilor Farmer said the school budget already had that position in it, no impact on the Town side, maintaining the status quo. M. Brown said the intent was to save money. G. Herrmann said hopefully the steering committee will be in place in a few months and that will bring up the possibilities of savings in the Town and the School budgets.

Additional School Training Time - Supt. of Schools Nate Greenberg said they would like to reserve this topic for consideration next year; they are find for the 07-08 school year.

Update on Emergency Plan- George Herrmann explained the committee met several times. Top priority is to determine what it will require to make the gym at Londonderry High School a stand-alone building. Need a generator to run the building, can be isolated, school hours can be adjusted. Councilor Bove stated that grant money is available goes to Dept. of Safety first than to Emergency Management. They have a mobile generator that could be used, but not adequate.

Sharing Energy Program – Town and School – Town Manager Caron said that he and Chuck Zappala met recently and shared goals and processes implemented by the School District. Beginning to build a foundation based on C. Zappala’s recommendations. Chairman Paradise asked C. Zappala how much the school has saved he responded over a seven year period saved \$1,966M as of May of this year. Councilor Farmer asked that copies of the procedures used by the school be put in the “Read File” of the Councilors. M. Brown asked if anything could be implemented for FY09 budget. Town Manager Caron said we have not gotten to that point yet, hope to do so.

Ginny Dahlfred, Historical Society, reported that they were successful in their \$3K bid on the two Londonderry samplers. She announced that they received over \$3,500K in donations, does not need funds from Council Chairman Paradis thanked her and Cathy Wagner for their work in obtaining the pieces. Councilor Oswald asked G. Dahlfred if they have comprised a list of all the items in their possessions. G. Dahlfred responded they are working on it; they have a curator who is working on Londonderry items. She reminded the public that donations are totally tax deductible. If they have an independent certified appraisal for the donation for a dollar value they can claim it on their tax return. The newly acquired samplers will be shown first privately to donors, and then they will go to library for display.

Maintenance of Walkway in Front of Schools - Ron Campo explained that we have obtained a CMAQ grant to install a sidewalk from Moose Hill to the Middle School Comcast. Town Manager Caron explained that Public Works will be responsible for maintenance of the sidewalk in front of the schools, will maintain in the winter as well. Project bid a month ago, came in well over budget estimate. Re-bid today base bid carries the project from the northerly driveway of the Middle School past the kindergarten is under budget and we have a number of different alternatives to build on to that, will ask for direction on that at Thursday nights Town Council Meeting

ESTABLISHMENT OF ETHICS COMMITTEE FOR TOWN – Sean O’Keefe from the Budget Committee said he suggested it. When the Town Charter was changed the Ethics Committee was left off. He thinks it is a good idea to have a discussion about bringing it back. Chairman Paradis said he was on the original committee and passed out a document that was drawn up. He said it basically ended up that people did not want a committee watching over them. S. O’Keefe said he researched it and found the Town of Dunbarton had a policy in place that apparently was working quite well for their Town. He did not have enough copies and said he would send copies out. Councilor Oswald asked if that Town had issues, S. O’Brien said they did have problems with elected officials and the committee method worked out well. Councilor Farmer said he thinks it is worthwhile having a discussion on establishing the code of ethics itself and then work on establishing the committee. His concern was if we want to do this how we go about it. He said it would give the citizens more confidence, not confident with the Council making these decisions, should be an outsider and should include all elected, school and volunteers and employees. Councilor Oswald said we have three broad areas we might consider; hiring practices, land-use boards and financial management. If there is a legitimate concern can contact the Attorney General’s (AG’s) office, they would be an objective third party. Councilor Bove is concerned about the power perceived by having it. RSA’s govern it now. What good is law or ordinance if it is not enforced? Councilor Wagner concerned that it would turn out to be a personal vendetta. T. Freda discussed recusing; people sometimes cross the line whether intentional or un-intentional, must have a way to report that. Councilor Bove stated that is why we have a board, anybody on the board can question whether nor not that person should be voting and the Chairman can have the committee vote if that person should be recused. Ron Campo said it is a good idea to have another layer between us and the AG but he feels we already have the mechanisms in place. Councilor Farmer suggested looking at Dumbarton’s code of ethics and see what they already have in place. He further stated that large companies have a code of ethics in place. Not convinced we need a committee is convinced we need a code of ethics. Chairman Paradis questioned the Town Manager about the enforcement. Town Manager Caron said that the appointed authority is responsible. S. O’Keefe stated that the way Dunbarton is set up is that they cannot give out penalties, they approach Town Council, explain what they found, make a recommendation, up to Town Council to decide what to do. Steve Young said on the School side, they have a policies and procedure book. Asked if the Town needed a Charter change to implement. Town Manager Caron stated we have a section in our Purchasing Policy that deals with ethics. He said he can verify with counsel. Tom Dolan said that is a good idea to document standards of conduct, probably already done, suggested taking from various policies from the Charter and putting it in one spot. Suggested using the omnibus approach, because if made public will be used as a political tool. Councilor Wagner also agreed it could be used for that purpose. She spoke about personal grudges, wrongly accusing a person,

how would you protect a person. Councilor Farmer said it would be done in a non-public session. Councilor Wagner referenced the situation in Hooksett and also felt that volunteers will be lost. Chairman Paradis said that there were two issues involved; the establishment of a code of ethics and the establishment of a committee. Feels that the code is not a bad thing. The AES situation was brought up and discussed. Deb Paul questioned if there was an ethics group and there was a personality problem wouldn't the group be investigating and clarifying the facts. They would take the accusations, go through it systematically weeding out actual truth and then bring it to the attention of the Council before accusations are done. Councilor Farmer said that is the way it works but who is going to be on the committee, because some people bring bias and ongoing conflicts. Dan Bever said school has a code of ethics. There is a governing body within School Board Committee, suggested reviewing code of ethics and see where it goes. People take an oath of office; most people will adhere to that. T. Dolan said we should make the documentation more of a living documentation. We have encountered some unusual things and we should learn from that and document so we can handle the situation again if it arises. When School Board deadlocks in a decision it goes to the Town Council who then makes a ruling. Town Council if deadlock should give that situation to the School Board to break the tie. Councilor Farmer suggested having a Council meeting during which different code of ethics can be reviewed from other towns.

Overview of Labor Contracts (Town and School) – M. Brown asked what contracts we will be looking at for the FY09 budget. D. Bever said there are two for the school; support staff which is a carry over from last year and the custodian contracts. M. Brown asked for a figure for the two, Nate responded he could not supply an amount. Town Manager Caron responded the Town has three, Library, LAEA and Firefighters' are carry overs, don't have an amount. M. Brown questioned if a councilor will be involved in the negotiations, Town Manager Caron responded yes.

Overview of Tax Delinquency Rate Last Year – T. Freda questioned if there was an increase in last year due to foreclosures and bankruptcy's listed in newspapers that have doubled. Town Manager Caron passed out a copy of a page from CAFR which indicated that our collection rate over the last ten years between 96.1% and 98.9%. Percent of liens for a 10 year period ranged from 1.82% to 3.45%. Have not seen a large increase in last 7 years. Town Manager Caron stated most of taxes are escrowed; ones that are not the banks pay off. Councilor Oswald said that according to experts, foreclosures will peak in October of this year. First lien that is paid is the Town Tax Collector, state and federal, then the lender of the mortgage company.

Overview of Capital Projects Next Fiscal Year – Town Manager Caron stated that we are not prepared to discuss this subject yet. Assist. Town Manager/Finance Dir. Sue Hickey stated that the CIP Committee met three weeks ago. Dept. Heads and all Boards were notified to set priorities, just starting evaluating. Deadline for submissions is July for all projects.

ADJOURNMENT

Councilor Oswald made a motion to adjourn at 9:46 PM. Second Councilor Bove.

Notes and Tapes by: Margo Lapietro Date: 6/12/07

Minutes Typed by: Margo Lapietro Date: 6/15/07

Approved: Town Council Date: 07/12/07

MEETING SCHEDULE:

**Town Council, June 14 @ 7:00 PM, Moose Hill Council Chambers
Town Council, July 12 @ 7:00 PM, Moose Hill Chambers
Town Council, August 9 @ 7:00 PM, Moose Hill Council Chambers**