

TOWN COUNCIL/BUDGET WORKSHOP MEETING
October 29, 2007

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2 The Town Council/Budget meeting was held in the Moose Hill Council Chambers, Town Hall,
3 268B Mammoth Road, Londonderry, NH.

4
5 **PRESENT: TOWN COUNCIL; Chairman Joe Paradis; Vice Chairman, Marty Bove;**
6 **Councilors Mark Oswald; Brian Farmer, and Kathy Wagner; Town Manager Dave Caron,**
7 **Assist. Town Manager/Finance Dir. Sue Hickey, and Margo Lapietro, Executive Assistant.**

8
9 **BUDGET COMMITTEE: Mike Brown, Jay Hooley, John Robinson (7:05), Ron Campo.**
10 **Absent Tom Freda, Sean O’Keefe, Tom Dolan, Mike Toth**

11
12 **CALL TO ORDER**

13 Chairman Paradis opened the meeting at 7: 02 PM with the Pledge of Allegiance. This was
14 followed by a moment of silence for the men and women fighting for our country.

15
16 **OLD BUSINESS**

17 S. Hickey reviewed the items that she was asked to provide additional information from the last
18 TC/Budge Meeting held on 10/25/07.

19
20 **NEW BUSINESS**

21 **Cable Division** J. Robinson recused himself from this discussion because of conflict of interest.
22 Dottie Grover, Londonderry Access Center Director stated the ‘09 budget was almost identical to
23 last year with exception of equipment line. She said they did a good job of implementing their 5
24 yr. Plan. Next year they will have to develop a new plan and will be asking for an additional
25 \$20K on the equipment line; it is also the first year of the franchise renewal. The future plan is
26 bringing the Town into High Definition as well as digital world. Councilor Farmer asked her for
27 a legislation update. D. Grover responded that there was no federal legislature pending. FCC
28 decided to make a rule that might allow telephone companies an easier way to get into cable or
29 take away cable fees. There is a lot of misinformation out there. Congress has not made a
30 move, but individual congressmen are not pleased with how it is being handled, lot of law suits
31 pending, we are part of one. Public hearing being held this Wednesday in D.C. Rules have not
32 been enforced. Councilor Bove asked what will happen if not agreement is reached. D. Grover
33 responded they will mutually extend the time. Councilor Bove asked if there is an opportunity
34 for another cable company to come in. D. Grover explained the process; the current cable
35 company sits down and negotiates. She said we will negotiate with any cable company.
36 Councilor Bove then asked if more than one cable in could be in town, she responded it would be
37 unlikely. Councilor Bove asked her to explain the process. She explained that they will always
38 have public hearing, company can choose channels. Councilor Bove asked if they have any
39 negotiations to take in school side. She responded they negotiate with town not school; the town
40 gives the school their channel and also gives the school district an annual grant. She did say that

41 Sue Ballard and Nate Greenberg asked to be at the negotiation meetings. Councilor Wagner
42 asked why does she want to add onto LAC. D. Grover explained that each year they have more
43 people interested in program, need to have funding to do it. Councilor questioned if this
44 additional use was from non-Londonderry users; D. Grover explained all programs are produced
45 by Londonderry citizens. Councilor Farmer questioned if we reached the point the center could
46 not sustain school time, would we push the Londonderry public out. Town Manager Caron
47 responded those policy decisions rest with the Council. He said if that happens he would have
48 dialogue with school, how many users are displaced, would have to look to prioritizing. He
49 cautioned that this might not ever happen; D. Grover was just looking ahead. Town Manager
50 Caron said that Nate consults with him before each school year on this issue. Councilor Farmer
51 said this should be put on as an agenda topic for the joint meeting. Councilor Bove stated that D.
52 Grover is presenting this as a contingency plan; need to plan for additional needs. No need to
53 talk to school, nothing specific yet. Councilor Farmer stated this should come from CIP,
54 Councilor Bove said she gets funding from access fees not from taxpayers. D. Grover said the
55 special revenue fund is to be prepared if we need to add on to facility. Also it could be built-up
56 to anticipate losing funding. Council Oswald agrees to a joint hearing with school; suggested D
57 Grover work with schools to devise a needs. D. Grover replied that we are way ahead of this; we
58 need to know if we are going to lose user fees before we have this meeting.

59 Budget Member J. Robinson explained he recused himself from the discussion because he works
60 as a volunteer with the school and his wife is involved with the school.

61
62 **Recreation** - Art Psaledas, Recreation Director explained his budget request of \$127,621.00.
63 Increase in PT salaries to \$63,164. Councilor Farmer asked him why he cut out office supplies
64 and postage completely from his budget. He responded they never spent it. J. Robinson asked if
65 impact fees are in the Recreation budget, he responded they are a separate item. Budget Member
66 J. Hooley asked if workmen's compensation was part of payroll, S. Hickey responded yes; 9%
67 increase in FY09 based on estimate from our insurance carrier. Budget Member M. Brown
68 commended the Recreation Department for doing so much with less resources and notified the
69 taxpayers that they are paying an average on their taxes of \$8.00 per year for this great program.
70 Councilor Bove asked A. Psaledas for a report of how many recreational programs you have,
71 how many fields, and how many people are involved. A. Psaledas said he would provide that
72 information, but most of it is on website.

73
74 **Welfare** S. Hickey said they have provided \$81K in funding to 16 area agencies/groups. The
75 budget for FY09 is the same. The next year the budget committee will have to review the groups
76 we support for the next two years. Community Health Services (CHS) in Derry is contracted for
77 \$32,932 by the Town to provide general assistance. Balance of appropriation, \$89,500 is
78 expended on direct assistance to needy residents. Only increase is \$2,320 for rental assistance.
79 Clients like the CHS feedback very positive they offer more services than we did as a Town.
80 Thanksgiving baskets are being done; contributors are Stoneyfield Yogurt, Lions Club, Scouting
81 for Food and AES. Last year 147 baskets were distributed, this year more. Chairman Paradis
82 asked how a person goes about receiving the application for a basket. S. Hickey responded
83 anyone who qualifies for a school free lunch program gets an application. Other people will
84 come and contact her. Councilor Bove said in the past received one time rent assistance, and fuel
85 assistance. He said there is a fuel assistance program in Rockingham County. Town Manager
86 said instead of having a Town employee in this building CHS essentially has representative in
87 their building; all program rules and requirements are same, referral abilities have been

88 enhanced. Councilor Oswald questioned if there was a telephone number at Town Hall for
89 Warm Homes. S. Hickey responded there is and when someone dials the General Assistance
90 office extension for Town Hall they are automatically connected to CHS who answer the phone
91 as Town of Londonderry. They offer same services at different location.

92 **Family Mediation** – Joanne McKay said her budget was the same as last year; only change is
93 her anticipated salary. Councilor Farmer asked if there was any need for growth. She
94 responded her department runs with volunteers, she handles workshops and administrative
95 services. She does large training sessions every other year, working well. Councilor Paradis
96 asked how many volunteers has she added, she responded since last Fall got 5 more if need be
97 can borrow other volunteers from another programs..

98

99 **Senior Affairs** – Sara Landry said her budget remained just about the same. Her biggest request
100 is for a 20 hour Administrative. Assist. Position. She explained her present staffing levels. Have
101 van driver and kitchen assistant positions that are funded through Rockingham Nutrition.
102 Kitchen assistant has a 10 hour week. The receptionist administrative assistant position is
103 funded through National Able. Would like to take 5 hours from admin. assistant and give to van
104 driver so they can have coverage on Fridays and he can assist with special programs. This will
105 have no budget impact. Wants to keep admin assist she is funded by National Able which allows
106 them to be on site for just 2 yrs. This would result in her re-training a new person. Current
107 person is well trained; has excellent computer skills. S. Landry stated it is important to maintain
108 our level of service; can't have an entry level person in the position. Councilor Farmer asked if
109 it is in the budget, Town Manager Caron directed him to Appendix A. She is currently working
110 20 hours would like to keep those hours. Councilor Farmer clarified that the total impact
111 including workers comp would be @ \$9.00/hr. and asked for exact figure. Budget Member M.
112 Brown asked if this position would have any union implications, Town Manager Caron
113 responded no.

114

115 **Library** Barbara Ostertag-Holtkamp, Library Director and Richard Mackie Chair for the
116 Trustees of the Leach Library were in attendance. Budget increased of \$24,762 due to personnel
117 costs. She reviewed all the services, personal issues and transactions. Returned \$28,240.01 to
118 Town in FY07. Budget Member J. Farrell asked how they were able to cut a position. She
119 explained she had a full time executive assistant, position was vacated, used a volunteer,
120 outsourced technical services librarian position. She has contracted it out a number of years.
121 Budget Member J. Robinson asked if she was comfortable with existing staff, she responded yes.
122 Councilor Oswald questioned gift books and lost or withdrawn books.

123

124 Pauline Caron, 369 Mammoth Road said she attends the Senior Center they have
125 approximately 370 members. Do a lot of things, beneficial for seniors. She asked what is an
126 undesignated fund balance is, how much money is in it and where does it come from. S. Hickey
127 said the balance is approximately \$4.3M at end of 6/30/07. Money that is turned back from
128 unspent budgets and excess revenues make up the fund. P. Caron then asked how it is invested.
129 S. Hickey responded we have different maturities of interest in CD's, government sweep account
130 that goes in every night, earns about 3.2% interest; limited on our investment P. Caron asked
131 how is money spent, who has authority to spend it. Town Manager Caron said it is determined at
132 budgetary Town Meeting. She then asked what is the expendable maintenance trust and how are
133 the items that are in the trust picked to be in it. Town Manager Caron said each year

134 recommendations are made to the Town Council, Budget Committee and at Town Meeting to
135 raise “x” number of dollars for the fund. A full list of improvements that will take place during
136 that year is presented and that appropriation is voted on at town meeting; any expenses from that
137 account are only done so with the approval of the council. Councilor Bove asked why maintain
138 an undesignated fund balance. S. Hickey said we need to maintain an undesignated fund balance
139 per DRA criteria who suggest 8-10% of the Town budget plus the net school and the county
140 which is between \$3.4 and \$6.9M. Government Finance Office Association suggests 8-17%
141 which is \$5.5 and \$11.8M. We are at \$4.3M. Need to maintain if any emergencies. P. Caron
142 then asked if we have excess of what DRA requires can it be used against taxes if taxpayers vote
143 on it. S. Hickey responded it could, Council has decided to use the excess if any to fund one
144 time expenses for one time projects to keep tax rate level.. Councilor Farmer said it has a
145 positive effect on bond rating, reluctant to overreach and have balance drop too low which will
146 affect our bond rating. Councilor Bove said he brought this up because he did not want people
147 thinking they could just make a motion to pay for the next fire station because impact would
148 effect operations and bonding rating.

149

OLD BUSINESS

150 S. Hickey answered prior questions with a memo she gave to the Councilors. Councilor Farmer
151 discussed terms of bond amounts, and questioned if we specify the term when it is put on the
152 ballot. Town Manager Caron said we historically list 20 years. Is there a method that we can
153 use to put the terms of the bond on the ballot on Tues or Sat. Town Manager Caron said bond
154 counsel continues to advise that the governing body is the body responsible for establishing the
155 terms and conditions of bond issues. If council makes a policy decision prior to completion of
156 the warrant we can structure the warrant article in such a fashion that will include the language in
157 the bond and the impact at that point. Not a lot of difference between 15 & 20, tax rate impact
158 not that significant however the debt service savings over last 5 years is significant. Councilor
159 Farmer suggested to Council that a statement should be on the warrant. Town Manager Caron
160 said Council dictates extent of bond. Councilor Farmer said we should make a decision before it
161 is put on the warrant. Discussion ensued. Budget Member J. Hooley asked if limits of liability
162 insurance are standard. Town Manager Caron responded is a base plan offered by LGC, with
163 \$2.0M coverage per occurrence.

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165

ADJOURNMENT

166

167 **Councilor Bove made a motion to adjourn at 8:30PM. Second Councilor Wagner.**
168 **Council’s vote 5-0-0.**

169

170

171 **Notes and Tapes by:**

Margo Lapietro

Date: 10/29/07

172

173 **Minutes Typed by:**

Margo Lapietro

Date: 10/31/07

174

175 **Approved:**

Town Council

Date: 11/05/07

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