

**JOINT MEETING
TOWN COUNCIL/SCHOOL BOARD
June 5, 2008**

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

PRESENT: TOWN COUNCIL; Chairman Marty Bove; Vice Chairman, Brian Farmer; Councilors Kathy Wagner, Paul DiMarco and Mike Brown; Town Manager, Dave Caron; and Margo Lapietro, Executive Assistant.

SCHOOL BOARD: School Board members Steve Young, John Robinson & Ben Parker; Peter Curro, Supt. Nate Greenberg.

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 recent deaths of prominent citizens in the town as well as for the men and women fighting for our country.

COLLABORATIVE EFFORTS

Review Ongoing Collaborative Efforts Between the Town and the School District and Identification of Service Areas to Study for Possible Future Collaboration - Town Manager Caron distributed a 10 item list of collaborative efforts already in place with the Town and School. Chairman Bove reviewed those items. Goal of Town Council is to find other areas. Steve Young asked N. Greenberg for the list comprised by the School Board recently. He responded the areas considered for consolidation were IT, Access Center, Facilities, HR, consolidation of School Office/Town office use.

Councilor Farmer suggested looking at parameters, realize some efficiencies then it is worthwhile to discuss change. Just moving from one ledger to another not worth it. Want the cost savings associated with the change discussed. Chairman Bove said that nothing tonight will affect budget, just asking School and Town to look at ideas, no reductions tonight. He stated that if no significant savings to be realized, there is no reason to make a change. The reason for tonight's meeting is to give direction to Dave and Nate to go forward and study potential consolidation areas. Councilor Wagner asked Town Manager Caron what his thought was for the Town side. He responded that when Nate and school/town staff met they talked about looking at IT, Access Center, Facilities Management, ensuring that the town and school have the right for first refusal on surplus equipment, collaborating for purchases mostly like paper, bid out annually for roads, salt and gravel and making sure the school can purchase at our price; joint implementation of GASB 45. Councilor Wagner said due to fact that Nate and Dave have been talking, work with what they have talked about.

Councilor Brown stated he is looking tonight to have consensus on what areas we want Dave and Nate to look at, wants a number for those goals. John Robinson said we need to begin a process

to determine overlapping areas. Not prepared yet to make a decision, need Nate & Dave to talk. He said it is too early to determine the areas & functions and amount. Councilor Farmer said he looks at the dollar figure and areas where there are joint possibilities. We have HR on the Town side and on the school side, what is total of both of those depts. How many people would be needed to handle both sides? That is the kind of focused objection that he would like to assign to both Dave and Nate. Finance in general with a joint financial services office could they be combined to handle both town and school and what would the staffing level be. That is the kind of things he is looking for in a combined \$90M budget. Councilor DiMarco wants to identify at least three areas like that to send Nate and Dave off to research further. IT and Facilities are areas that he thinks could potentially be combined. HR is another one. Steve Young said don't look at small amounts, it is a waste of time. Look at a percentage of the budget like \$1M. It could lead to an increase in services due to cooperation. He used the Cable Station as an example by offering classes there instead of sending the students to Manchester. Energy Conservation is area he would like to see a shared interest; shows cut in budget and focuses on services. Councilor Brown said he was unable to attend the School Board meeting and wanted to know what the outcome of it was. Ben Parker said the standing order from the School Board to the Supt. is that in any point in time if he identifies any inefficiency in the budget, or duplications it should be brought to the attention of the School Board and they will act accordingly. Consolidation of services becomes more problematic because we are an independent school district, you are a town, the service rendered by each function is different. We are still interested in looking at that possibility. He explained that the three directives given to Nate as a result of that meeting are inefficiency immediately brought to our attention; ways to use combined purchasing efforts for commodity items; operational efficiencies in personnel. Chairman Bove said if we come up with a figure how much comes out of whose pocket. If decreases by Town results in increases in School would they be willing to accept that. We can't make that decision for the School. We should be setting the ground work for Dave and Nate to be instructed to look at where they can save. Ben Parker said they go through a budget process; it is a 60 day process does not want to do it twice. Can't make cuts in budget unless we cut services which is done in the budget process. Councilor Farmer agrees, Town Council does same thing in budget process on town side. He wants to identify areas that we can begin the study process of looking at certain functions in a joint area. Identify a service level increase a service level without increasing cost. Councilor Wagner said there is a possible financing share and all the energy software was being offered to the Town by the school. She stated that in the CIP plan the new SAU Office is a high priority for FY10. Mention was made that instead of building a new building to overhaul the existing building connecting to Town Hall. If we cut the costs of the SAU it would cut cost of bond. She wants to see them work on large savings. Town Manager Caron clarified that Steve Young talked about consolidating the office space. He said the conference rooms in Town Hall are always used by the school district during the day time, another example of collaborative efforts on how we share space and services. Councilor Farmer said the SAU is in the CIP for \$1.5M he said it is a worthwhile study area to see if existing SAU bldg could be re-vamped. John Robinson agreed with looking at "non core areas". School athletic departments and many youth sports programs have savings. Chairman Bove said Dave and Nate should be looking for joint areas where they can save us money. Councilor Farmer said we should tell Nate and Dave an amount, set a financial goal, address it in the budget season. Councilor Brown agreed with Councilor Farmer and said they can come back and tell if that number will work. John Robinson said that one thing that George Herrmann, Chairman of the School Board, mentioned in the past is the idea of a "stretch goal" and agreed with Councilor Farmer. Ben Parker said he thought the process for tonight was to identify new process to save the town/school money. He used the Special Education program as an example of doing

something differently. Establish new processes to save money. Steve Young made a motion to the Superintendent to continue to find day-to-day synergies in the operation of SAU 12, the School District and the Town of Londonderry functions in order to save funds and increase revenues and services. Need a reporting structure on that during budget season. The Superintendent needs to clarify areas where we can save money during the budget process. He said he was more interested in sharing specific direction this evening. He asked if the school shares energy conservation program what would it cost, Nate responded he couldn't tell him off the top of his head but we would be looking at establishing baseline data, which the Town Manager is currently doing; check efficiencies. The school hired an individual who physically goes around to make sure things are done; minimal costs. Cost avoidance results in up front costs. Had up front costs to net \$2.4M in savings in three years for the energy conservation program. Ben Parker mentioned the AP programs and "Operation Running Start" as cost savings benefits. Steve Young mentioned the adult education classes as well. Chairman Bove suggested using students getting a stipend to do work at the Town Hall. Councilor Farmer said we still offer excellent services and keep the taxes low. Would like to have a financial target it is more important than lists. John Robinson agreed with Councilor Farmer. Would like to set a goal of \$3M over next 2-3 years, savings in cost savings or cost avoidance. Chairman Bove asked if the School District is interested in setting a target tonight. Councilor Wagner said no, she wants Nate & Dave to come back with what they thought the savings should be. Steve Young said we asked Nate to set a goal during the budget season; he comes back and gives it to us. Then we set a number and he comes back to us. Let Dave & Nate come up with a goal. Councilor DiMarco agrees with Councilor Wagner and Steve Young, let Nate & Dave come up with figure. Councilor Farmer asked Dave & Nate what type of direction they would like, amount of a directive or a goal. Town Manager Caron responded the goal is to look at consolidating services; we have identified 4-5 common areas. If you look on the Town side our entire budget for IT, Access Center, Facilities Personnel, HR Personnel and Finance Personnel is \$1.01M dollars. Have direction to reduce budget every year, inefficiencies have been already looked at every year, large savings are not there unless you want to adjust service levels. Supt. Greenberg said he is in agreement with Dave; we have a good idea as to what both boards are looking for. We will look at process and procedures to see if we can provide same or better level of services and be more efficient. We will also look at other areas to see if we can find cost avoidances. Leaving it open for Dave and him to find areas that we can combine or a more unique way to provide service. People are not looking for a diminishing of services. Some actions we can take can benefit some people. Can do an analysis and come back with suggestions. Councilor Brown said that he had hoped that we could come to a dollar amount, important to have collaborative effort to save taxes. The consensus was to have another joint meeting the middle of Sept. and have Nate and Dave offer their suggestions. Ben Parker said we are getting a lot for our money, and not wasting money.

Chris Oliverio, 11 Trolley Car Lane asked if this was first time the School Board and the Town Council has met. He also asked if progress was being made on the list of collaborative efforts. Councilor Farmer clarified that the items listed are in force now, they all ready exist. Councilor Wagner asked how much was the total savings on all the existing collaborative efforts. Chairman Bove said the list involves several years, savings shows in the budget season. Councilor DiMarco stated that it was hard to quantify a dollar amount because we are two different entities. Steve Young informed Mr. Oliverio that we have had joint meetings in the past. This is the first time the two boards have come together for this one issue. Nate listed all the usages that the Recreation Commission and the School use together. Councilor Farmer asked Dave and Nate to come up with an estimated figure in Sept. for items listed on the joint collaborative list. Cindi Rice Conley stated that we made a lot of progress, applauded the Town

and School District for what they are doing and what they are attempting to do. Pam McFarland, 4 Buckingham Drive said the economy is going up, can't afford taxes to live in this Town. Cut service and cut staff. Deb Nowicki, 89 Fieldstone Terrace, Budget Member, stated she thought tonight we were supposed to come here with 5 ideas that were the topics tonight. Cost avoidance good idea, look at it jointly to bring a trend savings and go forward. Plan forward to save money. Councilor Farmer said what you saw was a consensus, when Nate and Dave come back in Sept. they will talk about specific ideas that we brought up.

ADJOURNMENT

Councilor Wagner made a motion to adjourn at 9:05 PM. Second Councilor DiMarco.

Notes and Tapes by: Margo Lapietro Date: 06/05/08

Minutes Typed by: Margo Lapietro Date: 06/09/08

Approved: Town Council Date: 08/18/08