

TOWN COUNCIL MEETING
November 21, 2009

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

PRESENT: Town Council: Chairman Mike Brown; Vice Chairperson, Kathy Wagner; Councilors: Sean O’Keefe; Paul DiMarco; Town Manager Dave Caron; Assistant Town Manager, Finance Director, Sue Hickey; Executive Assistant, Margo Lapietro. Absent: Councilor Brian Farmer.

Budget Committee Members: Chairman Mark Oswald; Vice Chair Tom Dolan; Secretary Todd Joncas; Richard Dillon; Jay Hooley; Don Jorgensen; and Deborah Shimkonis Nowicki.

CALL TO ORDER – PUBLIC SESSION

Chairman Brown opened the meeting at 8:10AM with the Pledge of Allegiance. This was followed by a moment of silence for the men and women fighting for our country.

Budget Presentation - Town Manager Dave Caron presented a general overview of the proposed budget and estimated revenues. He reviewed the CAFR Audit that showed the Town ended the year with \$135,601 in unexpended appropriations due to savings in solid waste disposal resulting from a weak economy. A number of line items were not totally expended due to a Town Manager directive to not spend 2% of budgets to account for diminished revenues. The Council directive for FY 11 is no greater than 2% increase in the Town portion of the tax rate. He stated he wants to return to normal investment levels for the capital reserve and trust funds. He reviewed the FY11 Municipal budget. The General Fund budget increase is \$616,805 or 2.44%. The state budget reduced its share of retirement expenses for firefighters, police officers and teachers which resulted in an approximate \$160K tax impact. He said the CIP Committee originally recommended three bond issues: continuation of road improvements of \$1M; second is the construction of the North/West Fire Station. He stated that the Town received an AARA grant for \$1,655M for construction of the fire station. Third is Pettingill Rd. The final permits have not been issued yet, staff recommends holding back for a year to pursue alternate funding sources. Debt service has been declining minimally. Special revenue funds are supported by users fees they do not require taxpayer input. Sewer increases are due to sewer upgrades. Cable is up 34% due to equipment updates. The Sewer Division transfers \$300K every year and the Cable Division transfers \$40K to offset General Fund costs. He explained the Capital Reserve/Maintenance Trust Fund allows us to maintain our buildings and grounds and avoid the issuance of long-term bonds. \$325K is being recommended. He proceeded to review the Recovery Plan developed for the FY10 budget. This year’s special warrant articles will include the NW Fire Station, three collective bargaining units and the Pillsbury Cemetery Expansion. He explained the bid for the fire station will be completed in January; he anticipates \$650K will be required in addition to the ARRA to complete the work. The “soft costs” for the Clerk of the Works, furniture, etc will be part of the \$650K. Any savings from this will be applied to Pillsbury Cemetery, expansion which will be needed by 2013. He proceeded to speak about the three collective bargaining agreements that are outstanding. AFSCME Local 3657 goes to the voters in March. The Overlay Veteran’s Exemptions is currently at its maximum of \$500

for individual exemptions. The General Fund shows that Motor Vehicle permit fees hves been a downward trend. The Town has always used surplus funds for special projects and this fiscal year it will be used for the North West Fire Station. He said that this year we are at the lowest end of what we keep for reserve funds. He proceeded to review the budget schedule.

Chairman Brown said that Town Manager Caron recommended getting back to the prior schedule with his Recovery Program; he asked how much did we suffer. Town Manager Caron responded it is too early to tell. He said he thinks we will be OK with the one year decrease. He said we should increase appropriations over a 2-3 year period to return to normal levels. Chairman Brown asked if we establish a capital reserve fund is it done at town meeting, D. Caron responded yes.

Budget member Deborah Nowicki asked how are our investment losses. Town Manager Caron responded all our investments are in CD's, they are not invested in securities. There is little interest income, but the principal is safe. D. Nowicki verified that we have \$650K set aside for the North/West Fire Station. Town Manager Caron gave her a break down of the funding sources, including \$65K from impact fees and \$100K left over from South Fire Station. Discussion ensued about the original estimated price and the current estimated construction costs. T. Dolan questioned the annual bonding for highways. Town Manager Caron responded we were falling behind on roads; we used to raise money every year but the policy makers opted for bonding. T. Dolan asked what the Special Warrant Articles for the Pillsbury Cemetery expansion was about. Town Manager Caron explained that Phase 1 has 69 remaining plots, phase II will provide 296 additional lots with the expansion.

BUDGET WORKSHOP –

Building/Health/Zoning/Code Enforcement Department - Community Development Director Andre Garron & Senior Building Inspector, Richard Canuel presented. A. Garron said most increases were due to contractual increases. Salary reductions were due to the elimination of the Code Enforcement position. D. Nowicki asked what happened to the duties for that position. A. Garron responded that Richard and John Gilchrest were splitting the duties up among them. R. Canuel stated that they are managing to keep it up on a priority basis. T. Dolan asked it is feasible to look at a concentration of builders who are under par, is there something from the state that forces us to make them comply. R. Canuel responded we are dictated by state codes and can only enforce them. Councilor Wagner said the Code Enforcement Officer lost was not really a building inspector; it was part-time code compliance. R. Canuel responded it takes a lot of man hours to handle violations. A. Garron proceeded to review the budget and said everything was level funded. Key changes are contractual; continuation of existing programs and the web site changes. Councilor O'Keefe asked how many employees were in the Building Department, he responded 4. Councilor O'Keefe questioned what is Management Services. A. Garron responded they are marketing plans, the Small Master Plan, impact fee program, any type of planning initiative. Councilor Wagner said the telephone charges always go up. She asked Assistant Town Manager/Finance Director S. Hickey when our present telephone contract ended; she responded in 2010.

Town Manager Caron explained that half of the salary and benefits of the Zoning Department is paid out of the General Government. Key changes are contractual.

Planning & Economic Division Development - T. Dolan said the management line is \$26,500 and questioned if a large part of it was for marketing the Pettingill Road area. If it is, it is low. A. Garron responded he is comfortable with it for next year; the following year may be a different situation. T. Dolan stated we are in competition for new industrial business, how are we spending in comparison to other towns. A. Garron responded the only comparable community is Manchester, we are operating at a reduced level compared to the City. T. Dolan said that this is an area we should be sensitive to; we are in competition with other towns. This is one of our better opportunities to put the money out there to get that benefit to our taxpayers. Councilor Wagner asked A. Garron how much per year is the Town adding to the tax base. He responded we average about 250Ksq. ft of office space per year. Councilor Wagner asked how much does the Town spend enticing business into town. He responded he spends a lot of his budget to ensure we are well positioned. She announced we have a new business coming into town. A. Garron replied that Vulcan Flex will be moving their business into town. M. Oswald questioned if the money he had budgeted was sufficient to go for new business. A. Garron responded he will maintain that level for the next year. D. Nowicki suggested actively pursuing business to come to Londonderry by being pro-active with our competitors. Can we pursue grants, do we have the manpower to get them. A. Garron responded we are exceeding what other Economic Development Departments in towns are doing other than Manchester. He proceeded to explain the other towns handling of marketing strategies; the upgrades to our website and our approach is ahead of the curve. He said that staff looks for grants all the time; we are taking big steps to achieving our economic goals. D. Nowicki asked what we are doing for social media, when is the website going to be up and running. A. Garron replied the website is planned to be in operation in December and it is geared to people we want to attract. She also asked if \$26,500.00 is enough. Chairman Brown said his proposed budget is within the guidelines of no greater than 2% increase in budget. A. Garron replied he is working with that.

Capital Improvements Plan (CIP) Andre explained the top priority is the North West Fire Station, and roadway maintenance will continue. Priority 2 are: Pettingill Road which is on hold this year, and the Highway Garage Phase II. Priority 3 are: the GIS update which is a continuation of the program with additional fly-overs. Chairman Brown asked if the GIS Program affects the Economic Development Program. A. Garron responded yes, it affects every aspect and will be weaved into our website. Councilor DiMarco asked if the hardware and software were being updated as well, A. Garron responded yes. The GIS Manager has been working closely with the census bureau to make sure we are well represented with the Master Plan update. The Dan Hill Drop Off Center is another Priority 3 project and the Council is the agent to expend for that. At some point PW Director Janusz Czyzowski will appear before the Council to request authorization to expend the funds.

Public Safety –

Fire/Rescue – Londonderry Fire Chief Kevin MacCaffrie presented. He reviewed the operational and administrative staffing levels which have not changed. The calls for service were increased in FY09 due to the December ice storm. In FY10 he is projecting 3,125 calls. Budget Chair Mark Oswald asked what are the anticipated increased calls for the I-93 construction and Workforce Housing. He responded I-93 will be a phase in so he is not sure; there will be a little uptake for I-93, but not a significant impact. Workforce housing generally has 200 units which will generate about 100 calls. He said it depends on the density and issues on hand. He stated his budget is a labor intensive operation with personnel costs that are higher. The budget totaled \$5,599,929. Budget Member Tom Dolan asked what budget will we start

seeing an impact from the I-93 expansion and is the 2011 budget too early to see that impact. Chief MacCaffrie responded the state has not given us a guideline, their schedule is over the next 8 years for construction start. He stated there is no exact time frame his guess would be at least 2013 before we have an impact. T. Dolan said Mammoth Rd will have a lot of traffic during the construction period. He asked if the state or federal agencies can help with the manpower for the increased traffic and safety impacts. Chief MacCaffrie stated that the budget proposed keeps us in the 2% cap, the difference between the FY10 and FY11 will be a decrease of \$37,399. It includes the contractual agreements. Personnel costs went up by \$193,487 because of retirement, health insurance and contractual impacts. There will be some impact of staffing levels towards the end of the year. Town Manager Caron clarified that at town meeting last year the taxpayers approved a grant of a one time expense in FY10 of \$252K for air masks that is reflected in the FY10 expenses. Although the overall budget shows a decrease of \$37,399 when you remove that onetime expense from the budget it shows an increase. Town Manager Caron stated that in order to meet Council's directive he had directed police, fire and public works to reduce costs by \$180K. All those reductions will fall from the personnel line items. Capt. MacCaffrie said all his operating costs are basically level funded from the previous year. He proceeded to list the departments priorities; maintain existing level of service; complete building a pre-plan program; continue vehicle replacement plan, build North/West fire station; implementation of Economic Strategic Plan. Councilor DiMarco asked if that plan is the long term plan for additional firefighters. Town Manager Caron stated they will have it in the next couple of budget meetings. Councilor DiMarco asked if that report will include spikes with I-93. Chief MacCaffrie said a group meets every month to plan the project. PW Director Janusz Czynowski said he is on the committee for the I-93 incident management control meetings every month. The intersection of 28 and 128 needs improvements and he does not see any money coming to the town to help with the detours. Councilor O'Keefe asked if we are considering station sharing with Manchester particularly with the North end of town. Chief MacCaffrie responded he had several meetings, until there is a major influx in one area or another no shift is planned. He spoke about automatic aid. Councilor DiMarco asked if there were any grant application for personnel. Chief MacCaffrie responded yes they have a SAFER Grant with a 12/18/09 due date; one of the stipulations of the grant is if we receive it they cannot lay off any personnel for 5 years. We will get full funding for 4 years; the 5th year is on us. Budget Chair Mark Oswald said the Budget Committee this year is taking a pro-active roll in reviewing vehicle fleets for LFD, LPD, PW and the School District. The consensus is that they are well maintained and periodic replacements have worked out. Vice Chair Wagner asked when the strategic plan will be available, Town Manager Caron responded we will have it by 11/30/09. She stated they want to see revenue and revenue losses in mutual aid from this plan. Mutual aid comes from the ambulance aid. Chief MacCaffrie stated the call volume has gone up every year. He said it fluctuates from year to year we get more than we give because of the staff levels we have. Discussion ensued about ambulance calls from Elliott and Manchester Airport which generate the two biggest single call volumes. Budget Committee member Tom Dolan asked the Chief if he knows where the cost even point is with the ambulance calls. He responded it is hard to tell. T. Dolan asked what is the revenue generated from ambulance fees he responded it is approximately \$600K per year that we receive. It is \$804K but we do not collect it all; it also varies year to year. The Chief said that call volume has not gone down in the past 5 years on the average.

Police – Londonderry Police Chief Bill Hart and Capt. Gerry Dussault presented. Chief Hart explained that Capts. Dussault, Tatham and Fulone spent a lot of time putting the presentation together and he proceeded to thank them. He reviewed the Mission Statement. He reviewed the

organizational chart of top level employees and stated that with 69 sworn officers and 80+ employees they have had 2 internal affairs investigations this year and about 17 written employee complaints most were handled to the satisfaction of the person making the complaint. He proceeded to review the organizational charts of the Operating Division; Uniform & Investigation Bureaus; Communication & ACO Bureaus, Support Services Division, Administrative Service Bureau and the Airport Division. He said his department has seen increases in vice and applications for concealed weapons permits. They are looking at incorporating a paperless system for record retention. Capt. Dussault is working on that project to see if there are actual cost savings. The Chief also said they spend a lot of time in training. The lead time if more police are hired involves an 18 month training period but it takes 3-5 years to have a fully trained police officer. He explained the airport division is down from 25 to 23 officers over the past year. He reviewed the staffing level at the police station and over the last two years they are down 2 sworn personnel; 1 lieutenant and 1 school resource officer. They eliminated their community relations function and reduced their school presence. He reviewed the statistics; there was an increase in calls for service and reports; they think it will be up over 28K incidents this year. Arrests are up, motor vehicle accidents are static. Motor vehicle warnings are up in Londonderry, he explained that education is a fundamental part of what they do. Salary and benefits have not changed much over the years; training and ammunition costs have gone up. He said their goal is to put rifles in all cruisers. He reviewed the maintenance costs of the building and fleet. Fleet maintenance is static; they are looking at a 3 year lease in the coming years. He explained that Ford is considering stop making the 2011-12 Crown Vic for a cruiser. This will make them look at Chevrolets and Dodges. The largest cost in outfitting a cruiser is the cost of the light bar, it is well over \$1K and they have had a grant for 8 of them this year. By using the Fords they have in the past been able to share parts among the other cruisers. If they are forced to switch to the Chevrolets or Dodges that practice will not be able to continue. Councilor DiMarco said a question he gets a lot is why is there so many cruisers in the parking lot. Chief Hart explained that most of the time there are not a lot of cruisers parked in the lot but when the most are seen are during shift changes. This summer over a 40 day period we had 0 cars in the parking lot, have a minimum staffing of 3 plus one supervisor. On a normal afternoon when they are at their busiest they have 5 cruisers on the road, not counting outside and special details. They have a total of 17 leased cars, 5 are donated. Councilor O'Keefe asked where are the vehicles for the airport. Capt. Dussault explained the airport buys the cruisers, they are located at the airport, every aspect is paid for by airport. Chief Hart reviewed other operational costs. He spoke about the need to maintain the 1.9 officers per 1000 citizens' ratio, and think about the lead time to train somebody. Budget Committee member Richard Dillon asked about using more technology like the possibility of putting more cameras at lights. Chief Hart stated that in NH we are not allowed to put cameras at lights to record license plates. Budget Committee member Todd Joncas asked what the costs will be to change the cruisers to other makes. Chief Hart said it will be about \$13K per unit amortized over a 3 year period. He said they are looking at different scenarios. T. Joncas asked if the Chief had thought about skipping a year in the staggered lease program. Chief Hart said they are doing those kind of analysis now. Councilor DiMarco asked about the succession plan for the K-9 what is his service life; what is the start-up price on a new dog, Capt. Hart said they are considering it they would like to keep the K-9 program. Budget Committee member Deb Nowicki asked if there has been an analysis done about converting to the paperless system and the increase in electrical costs. Chief Hart said that starting on January they will be looking at the costs. D. Nowicki asked why don't we hire only certified officers to cut costs and if so how much would we save. Chief Hart said he does not have that figure but will get it. He said they do save with certified officers because they don't attend the academy and they have field training. Our field training program is more

stringent than what is done in the academy. Councilor DiMarco said the document retention for the paperless system will not be cheap; the system will be sophisticated and secured. Capt. Dussault explained the files will be in the IMC system and explained the cost savings involved. Councilor Wagner asked if some things will still have to be hand delivered to Concord per state mandates. Chief Hart responded yes and they have hired an outside vendor to handle those deliveries resulting in a cost savings.

Public Works

Councilor DiMarco said the flag mounted on the wall was presented to Council a few weeks ago by Janusz's son who is serving in Iraq.

Solid Waste – Public Works Director Janusz Czyzowski and Admin. Assist. Donna Limoli presented. He said these numbers reflect what he was directed to do by Council and the Town Manager. He reviewed the organization chart and commented that his department still has two staff openings that are not being replaced during this budget season. He reviewed the Mission Statement. The Environmental Division budget was adjusted due to a new contract, it was over \$2M and it is now \$1,857,034. Recycling is saving the town money and he proceeded to review the costs; solid waste is slightly less this year. He is hoping that the estimate of 11K tons for solid waste will be reduced to 9K tons. He reviewed the solid waste increased items; salaries were increased by moving a highway person to the solid waste line item. T. Dolan asked if his figures on the recycling line include the lease cost of the bins – J. Czyzowski replied no it is under solid waste. T. Dolan asked what is the actual cost of leasing the bins; it is \$76K annual cost for 5 years per Donna Limoli. He said the new system is working they have issued over 2K stickers and over 2K bins.

Sewer – J. Czyzowski presented the sewer budget, it is a special revenue account taxpayers do not pay for it. The FY11 budget is \$2,686,076 which is an increase over last years. He reviewed the non-increased items, and mentioned that the sewer user services is the contract we have with Manchester Sewer whose rates are going up. Our usage has increased, our agreement was 6.08%. Our new contract will be 10.16% for the increased capacity. We could go to \$96,341 a 55% increase with full build-out on a monthly basis. The improvements to Manchester Sewer will be \$78M which will be bonded for 20 years; we will be charged \$7,925,643 in total for 10 annual 20-year bonds. Councilor O'Keefe said the bonding will be for sewer usage people, why do other people have to pay if they don't use it. J. Czyzowski said it only applies to people who have sewer, sewer users pay the entire increase. Councilor O'Keefe asked if we are going to put sewer into south Londonderry past Rt 102. J. Czyzowski said it only goes to the Nevins right now. T. Joncas asked what the increase will be per sewer users. J. Czyzowski said they are reviewing the rates now users won't be charged until July; they plan to review the rates every 2 years. T. Joncas asked if the rate is based on usage for the residential homes, J. Czyzowski replied yes right now it is \$96/quarter. T. Dolan asked if we are we hitting our limitation with Derry yet, J. Czyzowski replied we are not near capacity with Derry. R. Dillon asked if we have the flow for 3M where are we now. J. Czyzowski said we bought the capacity for 3M, right now we are at 1.5M; right now it is the only time we can have an increase. R. Dillon asked how much capacity do we have for residents and commercial in town. J. Czyzowski said he does not have the figure a lot is based on industrial/commercial acreage. Councilor DiMarco stressed that these fees are incorporated into the sewer rate, the users pay for it. Vice Chair Wagner asked if we are OK with the hydrants, he responded we are OK.

Highway – The budget is \$3,273,204 it is a slight increase. Contractual items and rental items were reviewed; the snow overtime was decreased by the Town Manager. Hydrants are a fixed rate. He reviewed non-increased items they are level funded. Electricity for street lighting increased. Currently there is no increase in fuel prices but he cautioned that depended on the weather it might be over the line item amount. Vice Chair Wagner asked if they are combining their buying power with other towns or the state. J. Czyzowski replied we have done well on our own.

J. Czyzowski said the street cleaning and maintenance budget has a slight increase. He explained that shim and overlay should be done every 12 years, he pointed out it is very important not to fall behind. He reviewed roads that were just shimmed and overlaid. The highway reconstruction budget is \$40K; he is submitting a warrant article for \$1,048,000 for the FY11 budget. He reviewed repair strategies & estimated costs. The 09-10 constructions were Judy Dr. Willow Lane and Bartley Hill Rd. For the FY11 budget he proposed Clark Rd. (section) Litchfield Rd culvert, Litchfield Rd, Stokes Rd. and the South Road culvert.

General Government

Town Council – Town Manager Dave Caron presented and reviewed the general government budget.

The Town Council budget is \$12,825 the increase is due to elected officials' pay being reinstated.

Moderator – Budget is \$300 no changes

Budget Committee – no changes down to \$50.00

General Government includes repairs and maintenance services, and we are in partnership with the schools for maintenance on the grounds. The request is down overall 4% or \$19,514.

Town Manager's Budget – all the operating line items are level funded. The budget is \$419,711, and is up 3% due to employee benefit costs.

Legal Budget – is level funded at \$120K. It funds all legal needs for all departments. The Collective Bargaining budget is anticipating negotiating 3 contracts, we have two fact finding reports to approve at town meeting. Town Manager Caron explained that when we go through the fact finder and mediation process each party is responsible for half the costs of the fact finder and mediator fees.

Finance & Administration

Finance – Assistant Town Manager and Finance Director Susan Hickey presented. Her budget is \$34,834, which is an increase of 7%. This increase is due to salaries which went up and Health Insurance costs. Operational line items have been level funded from FY10.

Human Resources – ATM/Fin. Dir. S. Hickey said the budget is included in the Finance Division section. She proceeded to list the HR statistics. Councilor DiMarco asked if there were any plans

for software upgrades. S. Hickey responded no we implemented New World within the last two years.

Assessing – Town Assessor Karen Marchant presented her operating budget it is level funded, there are no updates for this year. There is a small increase for one out of 4 people in the department which is contractual. Councilor DiMarco asked if the phone usage is divided up between each department. S. Hickey responded there are two components; the regular phone charge and the trunk line. The previous Town Administrator had signed a 10 year for a Centrex line that is expensive. We will be out of that contract in 12/10. The cost for the trunk line is allocated to each department. It was built on an elevating scale, we can not get out until 12/10. Councilor Wagner asked how much of a savings do we anticipate. Town Manager Caron said he will get some numbers during this budget process, we expect it to go down. He said the savings are not calculated into this budget; he hopes to come back with a reduction in January. Don Joncas asked what is the cost of the Centrex system. S. Hickey said it is incorporated into our monthly invoice and varies from \$3,300 to \$5,000 per month. D. Nowicki asked K. Marchant if she had adequate staffing to get things done with the influx of record keeping needed now and mentioned her visit to the Assessing Dept. Her property record card was not up-to-date. K. Marchant responded usually the dates are entered the date the assessors were at the house. If the date was not listed it was due to an oversight. She explained they have a policy that if the tax bills just went out they give the people chances to apply for an abatement. They don't want to change their values for next year when they will be in shortly for an abatement. The data entry for 2010 is not done until after the first of the year. She explained data entry is weather driven if it is a good day the assessor is out measuring if a bad day the employee is in the office entering data. She explained that all the deeds and registry of sales are obtained from the Registry of Deeds. It takes about 15 days to have the previous month's sales in the system.

Town Clerk/Tax Collector – Town Clerk/Tax Collector Meg Seymour presented. She is requesting \$64,048.00 for the FY10-11 in non contractual obligations, an increase of \$4,588.00 in overall expenses. The increase was due to postal increases, increase in seminars and workshops, travel and mileage has decreased. She said they received an additional revenue of \$9,700 for civil forfeitures. Contractual expenses have increased due to town elections which have gone from 1 to 3 elections.

IT - ATM/Fin. Dir. Sue Hickey presented. There is an increase of 1% for contracted services. Machinery/Equipment shows a decrease of \$20,187. Councilor DiMarco confirmed that the contract is up in FY11. Town Manager Caron stated we have a yearly agreement with Eaglevue. Last year Council directed that we go out and take a look every 4-5 years and we will look at it this year.

Human Services – ATM/Fin. Dir. Sue Hickey presented. The budget decrease from FY10 is \$4K. She explained the adjustments. This division is outsourced to CHS in Derry, no staff in the office. Welfare was outsourced to CHS in Derry we no longer have staff. M. Oswald asked if the people know where to go. S. Hickey responded people know. The van at the Senior Center provides transportation. She said she has not had any negative feedback. M. Oswald asked what are the savings to the Town; she said she will get back to him with that information. Town Manager Caron said CHS manages other programs so they enhance our statutory responsibilities. D. Nowicki asked if the organizations we contribute to are legitimate. S. Hickey said the organizations make a presentation every other year to the Budget Committee and the Budget Committee makes the recommendation to Town Council.

Debt Service - ATM/Fin. Dir. Sue Hickey presented – it is level funded. Councilor Wagner asked if anything is dropping off soon. Town Manager Caron showed a slide that represents principal only, he said each year we pay a level principal payment, interest costs are dropping off every year. S. Hickey said the bonds that are dropping off in FY10 are water, sewer and public improvements. Councilor Wagner said based on the information provided we could see in 5 years 4 bonds dropping off. Town Manager said most of the larger debt issues will be with the Town for awhile. T. Dolan asked if we are still collecting impact fees for the library. Town Manager responded yes, and for fire facility, police facility and we have about \$80K in revenue that is being applied to the library and the police department debt schedule.

Municipal Insurance – Town Manager Caron said this is our general insurance coverage which funds all causality-liability, property, and vehicle insurance. We are currently with the Local Government Center (LGC). We are seeing increases in the past few years of 6-8% primarily because of the past 4-5 years there have been no increases by drawing down fund balance.

Supervisors of the Checklist – Deborah Currier and Ann Warner were in attendance. They reviewed their duties. They said this year’s budget will be \$17,154K, an increase of \$8,462K in overall expenses. The increase was due to 2 extra elections this year resulting in an increase in their time. D. Currier gave a brief overview of the purge process which involves taking a list of people who have not voted in town meeting who by law have to be taken off the voter list. If by June 1st the person has not re-registered they are notified by mail and dropped from the list. A suggestion was made to put a notification on the website. Town Clerk/Tax Collector (TC/TC) M. Seymour notified Council that this happens every 10 years. She said the voters can come into the TC/TC’s office any day during business hours to register. Budget member Richard Dillon asked how do they accommodate this burden. A. Currier said the computerized system helps but they have to scan everything. R. Dillon stated there is a \$5K difference in the budget how will it be done without the \$5K. A. Currier responded they were over budget last year and may be over again. They anticipate an increase of 4 hours per week. M. Seymour said the new system was implemented within the last 2 years; it is too hard for D. Currier to tell you how many hours will be needed. She said her staff is available to help them. Budget member D. Nowicki questioned the salary for the part-time poll workers; she asked if the volunteers get paid. D. Currier responded they get minimum wage. M. Seymour stated that poll workers are under the TC/TC budget.

General Government

Cemeteries – Carolyn O’Connor presented. She reviewed the budget for the 8 cemeteries in town that are all level funded. The budget for \$34,945 is for maintenance costs and we are currently only selling plots in the Pillsbury cemetery. She anticipates it will cost \$210K for completion of Pillsbury Cemetery Phase II. Phase I has 69 plots remaining, 8 are only for cremation. She said that they anticipate by the end of FY13 all plots will be sold. Phase II will have 296 lots which have a life of 15 years before we run out of spaces. Budget member T. Dolan said some cemeteries are allowing burials one on top of another. Is that an option for us? C. O’Connor said she will review that with the Town Sexton, Kent Allen but we run into a ledge problem at that cemetery. She said they can look into it for Phase II. D. Nowicki said the maintenance costs are \$35K per year, when someone buys a plot is that considered revenue that is incorporated into the maintenance of the plots. C. O’Connor stated that the funds that are paid

for the purchase of a plot are paid to the Cemetery Trustees that goes into trust funds. The income of the trust fund of \$17,500 offset operating costs; you can only spend the income. T. Joncas asked where does \$210K show. S. Hickey said it is listed under capital outlay on pg 118. R. Dillon asked how many acres are there in the Phase II. C. O'Connor said she will provide the information on 11/23. T. Dolan clarified the \$210K item is not in the general budget, it is Article 9 as a separate warrant article so the voters will be able to vote on it.

Historic District Commission/Morrison House – Town Manager said the budget for the Heritage Commission was level funded at \$870.00. The Morrison house is level funded at \$8,500. It pays for maintenance and upkeep of the bldg. The construction that you see recently was funded by the remainder of a warrant article passed 4 years ago. The money was originally raised to dismantle the original building to store it and at town meeting the intent was amended to start reconstruction; he noted material donations for the project from Continental Paving, Inc.

Conservation Commission – Town Manager Caron said this commission is level funded; their budget request is \$3,500K. Councilor O'Keefe asked for a break down of that. S. Hickey responded \$900.00 for NHACC dues, \$150. is for miscellaneous office supplies, \$150. is for secretarial expenses and legal notices, \$125. is for reimbursement for different classes and reference materials, \$2K for base-line monitoring and management, survey work and grant applications. Budget member M. Oswald explained that the \$2K for baseline studies expenses would be a lot more expensive if we did not have the fortune to get interns from UNH to perform the duties, it would cost a lot more to have staff do it.

Community Services

Cable – Cable Access Center Director Dottie Grover presented. She pointed out that her budget is funded through revenues not tax dollars. She reviewed the increases of \$11,305, she explained all increases on the slide and how she is addressing them. A decrease of \$7,700 was explained. The difference between increases and decreases is about \$4K. Machinery and equipment went up to \$116,550. She wants to use special revenue funds along with annual revenues to replace three studio cameras; 2 camcorders; a G-5 edit system. She would like to purchase a multicamera; cyclorama; wireless portacoms and wireless mics. T. Joncas said the electric went up, listed on page 127 why is there a difference between the \$3,100 listed on the slide presented tonight and what was listed on page 127 of the budget book. D. Grover said they were looking at a 2 yr increase rather than the 1 year increase listed on the slide. Councilor O'Keefe asked if there was a reason why she uses 3 cameras at the same time. D. Grover responded there is a difference. They need three the same age purchased at the same time because the models change. Councilor O'Keefe asked when was the last time the cameras were purchased she responded the existing ones are 10 yrs old. Councilor DiMarco asked if the cameras and other equipment had any resale value, D. Grover responded she will look at that. Councilor Wagner confirmed that the facilities will stay the same everyone will have use of the new equipment, D. Grover confirmed that is the way it will stay. D. Nowicki suggested instead of re-selling them have some of the students use the old equipment. D. Grover said the students will be using the new equipment until noon every day. It is not convenient to keep the older ones and use them for remote shoots because they are very heavy. She said she has a part-time volunteer coordinator who is paid for by the ABLE program for 20 hrs/week. Her position has ended. D. Grover said she would like to hire this person because she has invested time and money into her training. The salary would be \$10,400 per year with no benefits. She said in the past few years there has been a targeted transfer of \$40K from the Special Reserve Fund to the General Fund. and she would like to see

that money not be transferred this fiscal year. Comcast is watching that and it is a reason for them to take that money back. Councilor O'Keefe said he does not see that about the reserve fund, he would like to wait and see. He said he is not so sure we could go another year with adding another position. Other departments have not been able to have new hires, look at it next year. D. Grover said it is highly possible that person will not be there next year. Councilor DiMarco asked Town Manager Caron if he has proposed moving the \$40K special reserve for this year, he responded it has already been moved this year. Councilor DiMarco asked if there is any planning in the Cable Dept. to have a mini-capital reserve for long term equipment planning. D. Grover said she has a 5 year plan to move into the digital world, any money not spent in the capital reserve fund is used. Councilor DiMarco said he agrees with Councilor O'Keefe about the part-time position, they eliminated a position in the LPD he said he cannot justify hiring a new person, wait another year. Budget member T. Dolan agrees to wait until we fill the part-time position. He suggested maybe requesting a contracted service for this person as an alternate approach. He said tapping into the special reserve fund as a one time or two year thing has risks involved if we continue; it is not good long term policy. People choose to pay this as part of their cable fee not out of a mandatory tax. In the future the entire cable cost might be on the shoulders of the taxpayers because the funds are being misused by communities. He said he is concerned that those who replace us will have to deal with this. D. Nowicki asked for an explanation of the ABLE program; D. Grover explained it is a federally funded program that is a maximum of two years; we do not pay anything other than sending that person to training. Councilor Wagner stated that everyone in the state will have to look into the franchise thing with Comcast. She agreed with Councilors O'Keefe and DiMarco, now is not the time to hire another person.

Recreation – Recreation Director Art Psaledas presented. He said his budget is \$144,788K resulting in an overall increase of \$371.00. He stated his division basically functions with volunteers and they are in collaboration with the School District and the town. He said the number of participants on the youth side is extremely high and it has remained stable. Future needs indicate we are in good shape, need some more practice space and better times for some groups. He stated that they need more game time for women's softball and more space for wrestling. He stated if they could light the high school girl's softball field at night it would allow more use. If they can do that it would be cheaper than building another field. He said he has not had to hire new part-time summer people due to the economy. Water and electricity are the highest parts of the budget, this year he still has a flat budget. Councilor DiMarco said the general expenses are up 129%. A. Psaledas said they have moved things around to get it appropriated. Vice Chair Wagner asked if the Recreation Director was requesting taking impact fees to light the softball fields at night – he responded yes that was the plan. If they do not have enough impact fees they will do fundraisers.

Senior Affairs – Senior Affairs Director Sara Landry presented. Her budget is \$54,198 level funded. She proceeded to explain the program highlighting their association with the YMCA for a lot of programs. D. Jorgensen asked why there is a decrease in the budget from FY10. S. Landry explained that was the year they were asked to reduce so they went up in fees for programs and charged impact fees. She said they are working on getting donations to offset expenses. Councilor DiMarco asked if the senior center repairs come out of this budget; Town Manager Caron responded 90% of the repairs come out of the maintenance trust fund. Councilor DiMarco asked if the construction goes forward for the new North Fire Station what will the empty space be used for. Town Manager Caron responded the space will be used for parking. S. Landry said she gave a space needs proposal to the Town Manager a few years ago.

One of the big problems they have is with parking and it will be a lot of money to do that. Vice Chair Wagner asked if the building (old North Fire) is coming down. Town Manager Caron responded he does not see any need in keeping it, if the senior center expands they might consider that site, but not the fire station structure.

Library – Library Director Barbara Ostertag-Holtkamp said her budget increased by \$78, 945 in personnel and benefit costs. The majority of the increase is due to \$28,661 or 36.7% due to employee status changes in health insurance. The other line items have an overall reduction of \$920. She proceeded to review statistics and said the Library had a productive year. She said they returned \$5,425.78 to the town; the overall budget was reduced by \$8, 885 from FY 07 to FY08. She asked that some of the reductions made by the Town Manager for this budget be returned. They had \$2,500 reduced from management services they are requesting that back because the overall program attendance from last year increased by 67.16%. They had more participant's costs and it costs more money to provide those services. She is also requesting \$2,230 back from seminars/workshop to fund contractual obligations. The part-time custodial has been reduced. For years the library has had their own part-time custodian that they shared with the school district for about 20 hours per week. The Town Manger informed the library that that service will stop 6/30/10. She proceeded to read part of the job description and listed the significant amount of repairs from last year. They need a part-time maintenance position it is not a custodial cleaning position at 20hrs/wk at \$17/hr, no benefits just social security and Medicare which would roughly be over \$19K. She stated that the library would like to hire a part-time employee for this position. Councilor DiMarco asked if the position is included in the budget; B. Holtkamp said it was removed by the Town Manager. Budget member M. Oswald asked what is the hourly rate being paid by the school district for this employee now? B.Holtkamp did not know, it is a full time position with benefits you would have to get the information from the SAU. Vice Chair Wagner asked S. Hickey to get that breakdown for the next meeting, she responded she would. M. Oswald said if we have experienced people at the school district that would be the way to go. B. Holtkamp stated she would like to make it an employee position but if she had to hire out on a contract basis she would do that, whatever is cheaper. T. Joncas asked for justification for the various employees, why so much staff at the library. B. Holtkamp explained they never had additional staff; they always restructure to meet their needs. She proceeded to explain the prior jobs that were eliminated and how they re-assigned the work duties. T. Joncas asked her if she has the right staff to support her needs. B. Holtkamp said she needs more staff but due to budget constraints needs the current staff cannot be reduced. D. Nowicki asked are all seminars and programs offered free of charge, she responded they are free. D. Nowicki asked if there was any possibility of charging fees to use conference rooms or charge for taking courses, for usage of computers, etc.

Family Mediation – Joanne McKay said she offers family mediation services to youths who are in conflict and she works with the seniors at the senior center. Her budget is level funded. M. Oswald asked her if she sees an increase in demand for her services. J. McKay responded it is a time thing; sometimes she just supplies additional skills. It is learning new methods of communicating. The people have to make a commitment to come to her sessions.

T. Dolan asked what was the guidance provided to the Department Heads when they brought in their budgets. Town Manager Caron responded that finance input all personnel information; operating costs were the bottom line; capital costs were carried forward with CIP recommendations, new positions brought forward for 2%. This allowed us to get the capital

going forward again. T. Dolan said it will be worthwhile at future workshops to look at those parts that do not meet that criteria. Some budgets today went away from the guidelines.

Vice Chair Wagner said for the next meeting they would like to see the breakdown for the custodial services offered by the school district. She also requested a break down of how many hours per week they were at the library. T. Dolan requested we rank order the percent increases in the budget; look at the biggest department increases that are over 2% and go down. M. Oswald said at the 12/7/09 meeting he would like to have the requested information of the impact of I-93 and workforce housing.

Vice Chair Wagner said the Budget Committee Chair requested the Budget Committee members stay for a quick meeting after this meeting

Councilor O’Keefe made a motion to adjourn at 2:45 PM, second, Councilor DiMarco Council’s vote 4-0-0.

Notes and Tapes by: Margo Lapietro Date: 11/16/09

Minutes Typed by: Margo Lapietro Date: 12/ 01/09

Approved; Town Council Date: 12/07/09