

**TOWN COUNCIL MEETING
November 15, 2010**

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

PRESENT: Town Council: Chairman Paul DiMarco: Vice Chairman Sean O’Keefe; Councilors: Mike Brown; John Farrell; Town Manager, Dave Caron; ATM/Finance Director Sue Hickey; Executive Assistant, Margo Lapietro. Absent: Tom Dolan

CALL TO ORDER

Chairman DiMarco opened the meeting at 7:00 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

Proclamation – National Diabetes Awareness Day - Sunday, November 14, 2010 is declared as World Diabetes Awareness Day in Londonderry, NH. The Proclamation was read by Councilor O’Keefe.

PUBLIC HEARING

None

OLD BUSINESS

Resolution #2010-21A – Relative to the Renaming of Private Roads in Whispering Pines Mobile Home Park - Councilor Brown made a motion to adopt, second by Councilor O’Keefe. Council’s vote was 4-0-0.

NEW BUSINESS

FY2012 Budget Presentation – Chairman DiMarco said the Town Manager is presenting the budget package for FY12 that meets the Town Council’s goal of a level tax rate, which is \$4.74. This is not a public hearing tonight. The schedule for budget issues includes a presentation by department heads scheduled for 11/20; workshops on 11/22 and 11/19; public hearings are scheduled for January and February. Town Manager Caron said the initial direction from Council to staff was to insure that the town’s portion of the municipal tax rate remain constant from calendar year 2010 – 2011. He said they estimated what an FY12 default budget would be which included some increases in gasoline and solid waste disposal. This process resulted in a FY12 draft budget of approximately \$26.99M. He directed all departments to use the FY12 default budget as a baseline and reduce their requests by 5%, which would have totaled \$25.888K. Subsequent increases in health insurance and declining revenues resulted in a budget of \$25,667,875M to achieve the Council’s directive of a level tax rate. The original projection which required reductions from FY12 default of \$1.045M increased to \$1.323M. The net result is the FY12 budget as presented this evening is about \$315K below the current approved FY11

47 budget. This budget will result in significant impacts to services and how we do business in the
48 community. Out of every tax dollar contributed to the operating budget about 66 cents is used
49 for personnel, wages and benefits; 7 cents for solid waste, 11 cents for debt service, 3 cents for
50 utilities, 4 cents for highway materials, 1.5 cents for hydrants and 1.5 cents to support IT
51 functions. Those categories total approximately 94 cents.

52
53 In summary the budget projects the elimination of 8 full time positions; elimination of 2
54 additional full time positions and re-classifying them to part time, eliminating 17+ part-time
55 positions including Animal Control Officer, Fire Dept. Call Company; School Crossing Guards;
56 and several other positions. The past few years the Town has temporarily reduced its investment
57 in capital reserve, overlay for property taxes, and the Expendable Maintenance Trust. It was
58 planned to return those three spending areas to normal levels by FY12 but now have had to
59 extend the recovery plan out until FY15. He proceeded to state that this budget plan contains
60 some significant variances from how the Town currently does business. The major
61 adjustments/deviations from current operations are described below:

62
63 Town Manager: The position of Administrative Support Coordinator was reduced to part-time
64 during FY11 and will remain in that capacity. 1/3 of the cost of the position will be paid from
65 the Expendable Maintenance Trust account, which reflects the time dedicated and cost savings to
66 facility maintenance resulting from the position's responsibilities.

67
68 Budget Committee: Reduced to \$1.00; training and operating funds may be accessed through the
69 Town Manager.

70
71 Town Clerk-Tax Collector: A full-time clerk position will be reduced to part-time, which may
72 result in longer wait times in the Clerk-Collector's Office during some periods through the year.

73
74 Finance & Administration: The Payroll Clerk position was reduced to part-time during FY11,
75 and will remain in that capacity.

76
77 Assessing: The department secretary will be reduced from full-time to halftime, which will
78 require the Assessor to re-assign work responsibilities between the Secretary, Appraiser,
79 Assistant Assessor and Assessor. Customer service and responsiveness to taxpayers will be
80 impacted.

81
82 General Government: Custodial services in Town Hall will be reduced to three days per week;
83 funding for the Exchange Committee has been eliminated, and reductions were made in
84 appropriations for other committees and community activities such as Old Home Day, Morrison
85 House, Heritage Commission and Cultural Affairs. Gasoline expense has been increased
86 \$25,000 to realistically budget this line item.

87
88 Police Department: Many ramifications from the budget impact the Police Department:
89 1) The School Crossing Guard function will be eliminated.
90 2) Two patrolmen positions will be eliminated, which in essence will result in the discontinuance
91 of the School Resource Officer Program. The Department has reviewed staffing levels and
92 requires that remaining resources be allocated to patrol/emergency response to safeguard the
93 safety of both the public and employees. The critical value of the SRO program is recognized,
94 particularly at the high school level, however community public safety must take precedence.

- 95 3) Eliminates one part-time animal control officer. In FY 10 these responsibilities were executed
96 by a full time position, and then transitioned to two, p-t positions to increase hours of coverage
97 and responsiveness to the taxpayers.
98 4) Removes resources for a number of community policing programs.
99 5) Merges police and fire/EMS dispatching responsibilities into the fire department; assign two
100 dispatch positions within the Fire Department, including \$20,000 for part-time coverage and
101 \$27,000 for overtime. Additionally, for FY12 only, allocate \$50,000 for transitional issues such
102 as equipment, training and manpower.
103 6) Eliminates the police custodial position; increases outside custodial line item to \$40,000.
104 Building systems management assumed by Administrative Support Coordinator in the Town
105 Manager's Office.

106
107 Fire Department: The Fire Department is similarly impacted:

- 108 1) Shift coverage for supervisory personnel is impacted due to constraints on Fire Admin
109 Overtime.
110 2) Fire Inspection Division is eliminated; the fire inspector position is transferred to the Building
111 Division within the Community Development Department.
112 3) Telecommunications Division is eliminated; two of the four positions will be transferred to the
113 Services Division within the Police Department.
114 4) Services downgraded due to discontinuance of paramedic school tuition, protective clothing
115 replacement program, fire prevention programs, equipment replacement.
116 5) Call Company is disbanded.
117 6) Preferred manning level per shift will be reduced from 10 to 9, resulting in challenges staffing
118 back-to-back emergency calls.

119
120 Building Division: The Building Division will assume responsibility for all inspection services.
121 The Fire Inspector will be reassigned to this Division, with cross-training among inspectors to
122 begin for further operational efficiencies.

123
124 Public Works: A number of commodities line items (salt, sand, engineering services) have been
125 reduced which will limit the Department's abilities to address substandard road conditions and
126 responsiveness to taxpayer concerns.

127
128 Solid Waste: Increased budget by \$55,000 to adequately fund disposal costs incurred by
129 community.

130
131 General Assistance: Outside agencies funding reduced by 5%, results in reduction to outside
132 agencies by 17% after BudCom interview with agencies and recommendations.

133
134 Family Mediation Program: This program will be discontinued in FY12, which directly impacts
135 community members who benefit from professional intervention and assistance.

136
137 Recreation: Summer programs will be consolidated into one location, and the Director will
138 continue to not fill vacant summer counselor positions.

139
140 Library: The Library reduced its request to meet the original 95% directive; location and impact
141 of reductions were not specified. An additional \$25,000 reduction was taken from the bottom
142 line.

143
144 Senior Affairs: Recognizing the limited budget in which to provide services to our seniors,
145 programming funding was restored to this Division.

146
147 Community Development: Management services and other funds were reduced which will
148 impact the organization's ability to meet Council encourage economic development goals. The
149 planning internship program was eliminated. Lastly, a full-time secretary position was
150 eliminated, which will result in one staff position supporting Planning Board, Zoning Board and
151 Conservation Commission activities, as well as providing staff support.

152
153 Cable Division: Although self-funded, the Council's directive requires that we take a hard look
154 at the services offered by the Town, and which services should survive stringent budget
155 mandates. The Training Coordinator position has been eliminated, the Cable Director needs to
156 review services and priorities and distribute them between the two remaining positions. The
157 funds saved from the personnel reduction shall be transferred to the General Fund to pay for
158 town operational expenses.

159
160 Bond Issues: The Capital Improvement Committee recommended two bonds, Pettengill Road
161 and the Highway Road Reconstruction Bond.

162
163 The Highway Road Construction bond is part of a multi-year plan to continue investments in our
164 roads.

165
166 At this point in time the Town Manager is not recommending Pettengill Road as a bond, as staff
167 is still investigating all our resources to seek outside partnerships and other sources of grants and
168 aids.

169
170 Special Revenue Funds: On par with last year except for the Cable Division reducing staff from
171 three employees to two. The offsetting revenues that were used to pay the salary of the third
172 employee which is about \$64K for salary and benefits will be transferred to the General Fund. In
173 total the budget proposes that \$104K be transferred from the Cable Special Revenue to the
174 General Fund on an annual basis.

175
176 Maintenance Trust Funds/Capital Reserve Funds: We will not be investing as many dollars as
177 necessary to avoid the costly practice of issuing bonds for the purchase of rolling stock. The
178 Town Manager recommends that if the Town has any excess from the Undesignated Fund
179 Balance that it be allocated to the Capital Reserve Funds.

180
181 Special Warrant Articles: The Town Manager recommends the use of Undesignated Fund
182 Balance to complete additional funding of \$50K to update the Master Plan. The community has
183 an excellent implementation rate for its Master plan, and needs to refresh the document.

184
185 Overlay/Veteran's Exemption: The exemption costs \$488K annually and has remained consistent
186 throughout the years. The Town plans to maintain an overlay account of \$245K to fund
187 abatements and errors to the tax commitment list.

188
189 Undesignated Fund Balance: The Town Manager recommends using \$453K for projects such as
190 interest and cost in the first year of the highway bond, \$50K for the Master Plan Update; \$125K

191 funded for the Expendable Maintenance Trust; \$105K for the Capital Reserve Fund Balance;
192 \$125 for the Overlay account. This will leave us with an unallocated surplus of the
193 Undesignated Fund Balance of about \$100K at the end of the year.
194

195 The Town ended the year with \$555,689 with unexpended appropriations. Department
196 Managers were required to return 1.25% because of anticipated revenue shortfalls. That shortfall
197 was a little over \$251,019. Revenues are down on new registrations, rental companies are not
198 turning over their fleets as fast, building permit fees are down, the interest on our investments are
199 down. The department heads will be here on Saturday, 11/20/10 at 8:00 AM to talk about the
200 immediate impact of these budgets upon town services and how does it position the Town going
201 forward into future years. The departments will try again to meet the Council directive.
202

203 Councilor Farrell stated that the town manager had meetings with the unions to discuss a pay
204 freeze and no one was willing to do that at this time. Town Manager Caron responded that was
205 correct, everyone understood the challenges we were facing and they responded that at this time
206 they did not feel it was appropriate to move forward with a wage freeze so the implementation of
207 those agreements that were approved at previous Town Meetings are included in the budget. The
208 total amount to be raised for salaries and benefits for those increased salaries was \$575K. We
209 currently have two outstanding contracts, with the fire fighters and department heads. Councilor
210 Farrell asked if we can re-negotiate the current health benefits. Town Manager Caron responded
211 right now the Town is in a pool arrangement with the Local Government Center. There are two
212 other competing pools. Most of the collective bargaining units do include provisions that the
213 base program offered is Blue Choice. If the unions want to look at other options there is an
214 opportunity to do so. Our current package includes pricing discounts for all of our insurance
215 coverages. Councilor Farrell said we do not want to lay anybody off and we should look at other
216 opportunities to save money for insurance. Councilor O'Keefe said at this point everything is an
217 option to look at. Chairman DiMarco said the purpose of this meeting was a chance to give the
218 Town Manager his proposals. We will look at these in detail in the upcoming meetings.
219 Councilor Brown questioned the Solid Waste Contractual obligations that increased by \$55K and
220 asked for an explanation. Town Manager Caron explained it is a multi-year contract with our
221 providers and most of that is the increase in tonnage. Public Works Dir. Janusz Czyzowski is
222 clarifying that. Councilor Brown questioned custodial services being reduced to three days, he
223 asked how many days they are working now, the Town Manager responded five days. Councilor
224 Brown verified that the Budget Committee offered a reduction in General Assistance after their
225 interviews of 17% and an additional 5% totaling 22%. He asked what the remaining amount is;
226 S. Hickey responded \$64K. The Budget Committee allowed \$67,379. Councilor Brown asked
227 how many locations the Recreation Dept. had, Town Manager Caron responded they had two
228 locations which are now being consolidated into one for the summer program. Councilor Brown
229 said in the Overlay Veterans it is \$733K between the two with \$608K coming from the
230 taxpayers, the delta is \$125K and he is proposing to use the Undesignated Fund for that, Town
231 Manager Caron responded that is correct. Councilor O'Keefe asked what the budget is for the
232 Call Company under the Fire Department; S. Hickey responded it is \$20K. At this point
233 Chairman DiMarco asked the Budget Committee if they had any questions and there were none.
234 He encouraged the public to participate in the budget process and said that the meeting scheduled
235 for 11/20/10 will be first of several workshops.
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237

238 **Resolution #2010-23 – Relative to Establishing a Voting Date to Act Upon the Charter**
239 **Commission** Town Manager Caron distributed a copy of the proposed wording developed by
240 legal counsel (attached). The Council does not act upon the report it votes to establish the date
241 the voters will act upon the report. The date established is March 8, 2011. **Councilor O’Keefe**
242 **read the resolution and made a motion to adopt, second Councilor Brown.** Councilor
243 O’Keefe thanked the Charter Commission for their work. **Council’s vote was 4-0-0.**

244 **APPROVAL OF MINUTES**

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246 **Minutes of Councils Public Meetings of 11/01/10.** Councilor Farrell made a motion to
247 **accept the minutes, second by Councilor O’Keefe.** Council’s vote was 4-0-0.

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249 **OTHER BUSINESS**

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251 **Liaison Reports** - Councilor Farrell attended the Planning Board meeting at which time the
252 developers of Woodmont Orchards came in with their first presentation regarding zoning and
253 phasing. There were only a few questions, the main message was to get involved with the
254 abutters, listen to them. He said they were scheduled to come back on 12/8/10. He attended the
255 School Board Meeting where they discussed the bullying issue and they were coming back at
256 their next meeting to discuss the new state laws related to this. The Elderly Affairs elected new
257 members, one was his wife, he stated he will abstain from that vote. He said last week there was
258 an accident on High Range Rd. and Mark Greenwood of the Highway Dept. was the first on the
259 scene, and provided first aid to the victim. He said he was the second on the scene and praised
260 the excellent manner that Mark worked on the victim. Councilors DiMarco, O’Keefe and
261 Brown had no reports.

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263 **Town Manager Reports** – No additional information at this time.

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266 **Board/Committee Appointments/Reappointments -**

- 267
268 A. Amend Appointment of Ken Henault from Full Member on the Conservation
269 Commission to an Alternate Member, term to expire on 12/31/13
270 B. Amend Appointment of George Herrmann from Alternate on the Conservation
271 Commission to a Full Member, term to expire on 12/31/13.
272 C. Accept the Resignation of Sandra Weston an Alternate on the Elder Affairs Committee
273 D. Appoint Susan Haussler as an Alternate Member to the Elder Affairs Committee, term to
274 expire on 12/31/11
275 E. Appoint Sherry Farrell as an Alternate Member to the Elder Affairs Committee, term to
276 expire on 12/31/13.
277 F. Appoint Bonnie Roberts as an Alternate Member to the Elder Affairs Committee, term to
278 expire 12/31/12.
279 G. Appoint Jason Allen to the Londonderry Housing & Redevelopment Authority, five year
280 term to expire 12/31/15.

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285 Councilor Brown made a motion to accept the appointments and re-appointments except
286 for Item #5, second by Councilor Farrell. Council's vote was 4-0-0. Councilor O'Keefe
287 made a motion to appoint Sherry Farrell, to the Elder Affairs Committee, second by
288 Councilor Brown. Council's vote was 3-0-1, with Councilor Farrell abstaining.
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292 **ADJOURNMENT**

293 Councilor Farrell made a motion to adjourn at 7:46 PM, second Councilor O'Keefe.
294 Council's vote was 4-0-0.
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296 Notes and Tapes by: **Margo Lapietro** Date: **11/15/10**

297
298 Minutes Typed by: **Margo Lapietro** Date: **11/17/10**

299
300 Approved; **Town Council** Date:
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302

Shall the municipality approve the charter amendments summarized below:

To adopt the official ballot budgetary town meeting, by amending various sections of the charter. A deliberative session of the budgetary town meeting, to debate, discuss and amend budgetary articles, will take place between the first and second Saturdays (inclusive) following the last Monday in January. All articles, as amended, will then be placed on the official ballot for vote on the second Tuesday in March. Bond articles will require a three-fifths majority for passage. In the event that the proposed operating budget fails, a default budget will control unless a special town meeting is held to consider a revised operating budget.