



Town of Londonderry
Office of Human Resources
Tara Koza

**INFORMATIONAL MEMO IN RESPONSE TO QUESTIONS AND COMMENTS RAISED BY
COUNCILOR PAUL AT THE FEBRUARY 7, 2026 TOWN DELIBERATIVE SESSION**

TO: Town Council, Budget Committee, Shaun Mulholland – Town Manager and Kellie Caron – Deputy Town Manager and Director of Economic Development

February 9, 2026

I am writing to provide context and factual information in response to statements and questions raised by Councilor Paul during the Deliberative Session.

During the Deliberative Session, several questions were directed to me, including questions regarding the legal basis for reclassifying election workers from independent contractors to employees, and the number of new hires onboarded during calendar year 2025. This memorandum addresses those questions directly.

In addition, I am responding to several public statements made by Councilor Paul that are inaccurate and mischaracterize both my actions and the work of the Human Resources Department. These statements include assertions that I “created” the requirement to reclassify election workers in order to “add more work,” as well as claims that I communicated an intention to “escalate” the two requested part-time Human Resources positions into full-time positions within a short period of time, thereby increasing costs to taxpayers. I did not make these statements, nor did I convey such intentions regarding Warrant Articles 18 and 19. Publicly attributing statements to me that were not made, and suggesting resulting fiscal impacts based on those statements, provides voters with inaccurate information.

As the staff resource designated to present and explain the rationale for these Warrant Articles, it is my responsibility to ensure that the Town Council, the Budget Committee, and the residents of Londonderry have accurate, complete information upon which to base their decisions. I provided all information requested of me during the Town Council meetings and the Deliberative Session, and I answered individual inquiries throughout the budget season. I also observed Councilors Combes and Bouchard speak in support of the articles, and Councilors Faber and Dunn articulate their reasons for not supporting

them. Those responses were expressed professionally and were grounded in the information presented. Similarly, members of the Budget Committee engaged thoughtfully throughout this process and explained their respective votes. I respect both the process and the deliberations of these bodies, regardless of the outcome. Publicly stating that I conveyed information that I did not and then attributing potential taxpayer cost increases to those purported statements, has the potential to influence voter perception based on inaccurate premises.

This memorandum also addresses Councilor Paul's question regarding why the need for additional staff resources in the Human Resources department was not raised earlier. I believe that providing appropriate context regarding timing, organizational conditions, and leadership transitions will help clarify this issue.

Finally, I will address Councilor Paul's statement regarding her difficulty 'wrapping [her] brain around what is wrong with this department'. I find this characterization to be inaccurate and harmful to the professional reputation of the Human Resources staff. Given that our department's effectiveness relies on a foundation of trust and professional credibility, it is necessary to document the cumulative impact of such public disparagement and provide a factual record of the department's actual performance and integrity.

Below are the comments and questions that will be addressed in this memo:

- 1. I think it's funny that this is out of how many years I've been covering the Town and paying attention, this is the first time I'm hearing that there is a problem there. I don't understand what has changed. I don't understand why it's changed. I don't understand how much growth we've had in the last year in employees that would warrant this to escalate to the urgency we're seeing now....If these things were going on, why didn't you come forward and tell the Council this? Why did you let it sit for so long? That's a huge question for me. I do not understand this.*
- 2. I don't think that the busyness of the HR department is 24/7... I don't think or it's five days a week...whatever 40 hours a week... I don't believe in my heart that it is that intense.*
- 3. The way we onboard election people has changed...we always 1099'd them and we've decided since you were "busy" you wanted to add more work, and we're not doing that anymore, so you created that yourself.*
- 4. You said you need two part-time assistants. What I'm hearing from you is that's not enough they need to be full-time, so within a year or two, probably a year, maybe not even a year, maybe a half a year, this will escalate into two full-time employees costing the taxpayers even more money.*

5. *I really have a hard time wrapping my brain around what is wrong with this department.*

QUESTIONS, COMMENTS AND RESPONSES:

1. *I think it's funny that this is out of how many years...I've been covering the Town and paying attention this is the first time I'm hearing that there is a problem there. I don't understand what has changed. I don't understand why it's changed. I don't understand how much growth we've had in the last year in employees that would warrant this to escalate....If these things were going on, why didn't you come forward and tell the Council this? Why did you let it sit for so long?*

This response will be broken down into the two questions raised. First, how much growth we've had, and the timing of why this request was brought at this time.

Measurable Workforce Growth (January 2021 – January 2026)

To gain a meaningful understanding of the growth experience in the number of employees, I conducted a 5-year analysis. Since January 2021, the Town's workforce has grown not only in total headcount but in complexity. A larger workforce directly increases the volume of payroll actions, benefit enrollments, leaves of absence, and employee relations matters.

Employment Category	Count (1/1/2021)	Count (1/1/2026)	Numerical Change
Full-Time Employees	164	188	+24
Permanent Part-Time	22	20	-2
Per Diem/Seasonal/Temp	10	16	+6
Total Active Staff	196	224	+28 (+14.29%)

In addition to providing HR support to the **224 active employees**, the Human Resources Department also provides full health and dental benefits administration for **62 retirees**, bringing the current total direct support base to **286 individuals**. Further, the staff supports an additional **24 seasonal employees** each summer, bringing the total direct support to **310 individuals**. While the classification of each individual may be weighed differently (for example, 100% for a full-time, benefits-eligible employee, 25% for a seasonal employee and 20% for a retiree), the total individuals served is significant and far outweighs the HR standard ratio of 1 full-time HR employee:100 individuals.

Timing of the Request

I want to provide clear context around the timing of this request and why I disagree with the characterization that this issue was allowed to linger without action. I took on the Human Resources Director role in the fall of 2023. My first opportunity to participate in the budget process as Human Resources Director was for the March 2024 election. At that point, I had been in the role for a relatively short period of time and did not believe I had sufficient data or perspective to responsibly evaluate the long-term staffing needs of the department. Given the legal, financial, and operational implications of adding staff, I believed it would have been premature, and irresponsible, to bring forward a request without first having adequate time to understand the scope, volume, and trajectory of the work.

The following budget season commenced during the fall of 2024 during a period of significant organizational turmoil. From the time the budget process commenced in the fall of 2024 until the March election, the Town experienced three different Town Managers. During that time, the organization was focused on maintaining stability, continuity of operations, and employee morale. In that environment, I did not feel it was appropriate to request a significant structural change to the Human Resources Department. My priority during that period was supporting the workforce, advising interim leadership, negotiating five union contracts, and ensuring compliance and continuity during a highly unsettled time.

Shortly after the appointment of Shaun Mulholland to the position of Town Manager in June of 2025, we began discussions regarding the increasing demands on the Human Resources Department and the need for additional resources. Those conversations were measured and intentional, and they occurred once the organization had stable leadership in place and I had sufficient time in the role to methodically assess departmental needs. In alignment with the Town Manager's recommendation for additional personnel, we evaluated departmental workflows to ensure the proposed addition of two part-time roles would provide the most effective and fiscally responsible solution.

It is also important to note that the Town's budget process is entered into annually, and every department is afforded the opportunity each year to come forward with requests for staffing, resources, equipment, or capital needs. The suggestion that I "*let this sit for so long*" does not accurately reflect either the budget process or the reality of the circumstances. Rather, when I had the appropriate experience in the role, a clear understanding of the department's workload, and the support of a permanent Town Manager, it was the right and responsible time to bring this request forward.

In my professional judgment, making this request two years ago without adequate time in the position, or last year amid significant leadership instability, would not have served the Town well. Bringing it forward now reflects a deliberate, measured approach based on organizational needs, not delay or inaction.

2. *I don't think that the busyness of the HR department is 24/7... I don't think...or it's five days a week...whatever 40 hours a week... I don't believe in my heart that it is that intense.*

Overview of Operational Demands

While Councilor Paul expressed a personal belief regarding the department's intensity, the data-driven reality of our operations demonstrates that the workload regularly exceeds a standard 40-hour work week. To maintain municipal compliance and operational stability, the Human Resources Department manages a high volume of activity driven by three primary factors.

- **Measurable Workforce Growth:** Total active staff increased by **14.29%** between 2021 and 2026.
- **Support Volume:** The department currently supports a total base of **310 individuals**, including 224 active employees, 62 retirees receiving benefits, and 24 seasonal staff.
- **Strategic Leadership:** Recent leadership transitions have shifted the department's focus toward complex strategic management and organizational modernization.

Core Responsibilities and Output

The busyness of the department is documented through the following labor-intensive functions. Please note this is a partial list of responsibilities:

- **Recruitment and Retention Velocity**
 - **Onboarding:** In calendar year 2025 alone, the department processed 44 new hires (25 full-time, 1 part-time and 18 per diem/seasonal/temporary). Regardless of the classification, each hire represents several hours of administrative coordination and compliance-related set-up. For all of these positions, the HR staff runs a recruitment process, extends a conditional offer of employment, completes a background screening, secures all required onboarding paperwork (I-9, W-4, Direct Deposit Form and Payroll Change Form) conducts a new hire orientation, reviews employment policies, sets them up in the Town's HR/Payroll system and files the required report with the NH Employment

Security System. The full-time employees are also given an overview of the NH Retirement System as well as all benefits options, and the HR staff handles paperwork required for enrollment.

- **Offboarding:** Contrary to the assertion that "most people stay," the department processed **51 employee separations** in 2025 (26 full-time, 1 part-time, and 24 temporary/seasonal).
- **Labor Relations and Compliance**
 - **Labor Relations:** The Human Resources Director serves as a member of the negotiating team, ensuring all contract terms maintain strategic alignment with Town-wide goals and legal mandates. Other responsibilities include managing the 'human' element by balancing firm fiscal positioning with the long-term morale and stability of the municipal workforce and developing and maintaining the draft proposal document.
 - **Risk Mitigation:** Responsibilities include managing mandatory drug testing for CDL drivers, policy development, interpretation and enforcement, ADA accommodation processes, and conducting internal workplace investigations.
- **Comprehensive Leave & Disability Administration:** The Human Resources Administrator handles management of complex, concurrent leaves of absence including FMLA, NH Paid Family Medical Leave (NH PFML), Short-Term and Long-Term Disability (STD/LTD), Americans with Disabilities Act, Workers' Compensation, and Military Leave. This requires constant tracking of eligibility, medical certifications, and coordination with payroll to ensure legal compliance and employee support.
- **Risk Mitigation & Internal Investigations:** Conducting and documenting sensitive workplace investigations.
- **Total Compensation & Benefits Oversight:** Independent administration of all Town and retiree benefit programs, ensuring adherence to diverse requirements across seven distinct union contracts.
- **Training** - The department coordinates important training, including anti-harassment, for over 210 participants.
- **Large-Scale Modernization Projects** - The team is concurrently executing three Town-wide initiatives that require significant technical and administrative oversight.
 - **Wage Classification Study:** A town-wide analysis of all positions.
 - **Job Description Overhaul:** Rewriting every job description for legal accuracy.
 - **HRIS Implementation:** Transitioning to a modern HR Information System
- **Guardian Tracking** - As the system administrators, the HR staff is responsible for maintaining the integrity of the platform, which includes managing users and ensuring all documentation meets legal and regulatory standards.

- **Why Demands Exceed a 40-Hour Schedule** - The intensity of the department is not a matter of "perception," but a result of the following structural factors:
 - **24/7 Public Service Support:** HR must support emergency services (Police/Fire) and Public Works crews operating around the clock. Injuries on duty and labor grievances do not adhere to a 9-to-5 schedule.
 - **Regulatory Complexity:** Since 2020, new federal and state laws (e.g., PUMP Act, Pregnant Workers Fairness Act, and updated NH parental leave) have mandated increased policy development and training.
 - **Legal Protections:** Changes in Department of Labor standards (such as the "totality of the circumstances" test for contractors) require constant oversight to protect the Town from legal and financial risk.

Conclusion

The Human Resources Department has evolved into a high-stakes compliance and labor relations hub. Managing a significantly larger workforce and multiple organizational modernizations with only two employees requires constant attention to protect the Town from legal, financial, and operational liability.

3. ***The way we onboard election people has changed...we always 1099'd them and we've decided since you were "busy" you wanted to add more work, and we're not doing that anymore, so you created that yourself.***

My recommendation to make this change was not made due to a desire to add more work, but due to my commitment to protect the Town from violating federal and state laws. It is the fundamental responsibility of the Human Resources Director to ensure the Town of Londonderry remains compliant with all federal and state wage and hour laws. Upon reviewing existing practices, it was discovered that the Town was treating election workers as independent contractors (issuing 1099s) rather than employees. This practice created significant legal and financial risk for the Town.

This undertaking was not "created" but rather was flagged as a potential violation of wage and hour law and confirmed by Legal Counsel. Rather than acting unilaterally, I engaged the Town's legal counsel to conduct a formal review of the matter. That review confirmed the following:

Employee Status: Legal counsel concluded that because the Town exercises "direction and control" over how election workers perform their tasks, they do not meet the legal criteria for independent contractors.

Applicable Laws:

- **NH RSA 275:42, II:** New Hampshire's strict "ABC Test" for worker classification. To be a contractor, a worker must be free from control, work outside the usual course of business, and be independently established in that trade. Election workers fail this test because they are supervised by Town officials and do not run independent "election businesses."
- **IRS Common Law Rules:** The IRS classifies election workers as "common-law employees" because the government entity has the right to direct and control their work.
- **Fair Labor Standards Act (FLSA):** Workers who are paid for their service must be treated as employees under the FLSA.

Conclusion

Based on this legal advice, I informed the Town Manager that the Town was required by law to transition these workers from independent contractors to W-2 employees. This change was recommended solely to mitigate the Town's exposure to audits, fines, and back-tax penalties from the Department of Labor and the IRS.

4. ***You said you need two part-time assistants. What I'm hearing from you is that's not enough they need to be full-time, so within a year or two, probably a year, maybe not even a year, this will escalate into two full-time employees costing the taxpayers even more money. Meaning we have 4 full-time employees.***

The response to this assertion is clear: I have never indicated, either verbally or in writing, that these proposed part-time positions would escalate to full-time status at any point in the future. My recommendation for two part-time assistants was based on a methodical assessment of current departmental needs and intended to address the existing workload efficiently in a fiscally responsible way.

As the staff resource designated to explain the rationale for these Warrant Articles, I have a professional responsibility to ensure the Town Council, the Budget Committee, and the residents of Londonderry have accurate and complete information to inform their decisions. While I respect the deliberations of our governing bodies and the professional expression of opposing views, I must address the gravity of attributing statements to me that were never made.

Publicly claiming that I conveyed an intention to escalate these roles and then using that inaccurate premise to project increased costs to taxpayers, misleads the voters. Such statements have the potential to unfairly influence voter perception by creating a fiscal narrative that is not grounded in fact. Providing voters with inaccurate information regarding resulting fiscal impacts undermines the integrity of the deliberative process.

5. *I really have a hard time wrapping my brain around what is wrong with this department.*

This final characterization is perhaps the most concerning, as it shifts from questions related to the Warrant Articles to a public disparagement of the professional integrity and fundamental health of the Human Resources Department. To suggest that something is inherently "wrong" with a department that serves as the supportive backbone to municipal operations is not only inaccurate, but also profoundly damaging to the reputation of the dedicated professionals who staff it. Therefore, I decline to adopt that characterization and instead elect to provide a review of what is right with the department.

The Human Resources Department operates on a foundation of trust, professionalism, and credibility. When an elected official publicly questions that foundation without factual basis, it risks undermining the trust necessary for the department to effectively serve employees and retirees. This is particularly concerning given the long-standing record of high-quality, consistent service provided by Human Resources Administrator Cherie Fuller, whose professionalism and institutional knowledge have earned the respect of employees, department leadership, and governing bodies alike.

The Town's most valuable assets are its people, both current and former employees, and the Human Resources Department plays a critical role in supporting them throughout the full spectrum of their employment lifecycle. Providing employees with a knowledgeable, responsive, and trusted resource for matters involving benefits, payroll, policy interpretation, and employee relations is essential not only during positive milestones, but also during periods of personal hardship or organizational stress. This function is fundamental to the effective operation of every department within the Town.

What is right with this department is evidenced by our recent record of high-stakes responsibilities, many of which were listed in this memo. Managing these critical functions with a team of only two people requires constant attention and an extraordinary work ethic.

Far from something being "wrong," the reality is that this department is operating at a velocity and level of strategic complexity that far exceeds its current staffing levels. I am deeply protective of the work we do and the people who do it, and I will continue to defend the integrity of this department against inflammatory characterizations that fail to reflect our documented commitment to this Town.

Conclusion

In a recent public meeting, Councilor Paul inaccurately accused the HR department of "dropping the ball." Now, at another public meeting, one of the department's employees (in this case, myself) has been accused of failing to provide pertinent information by "sitting on" information and not reporting it to the Council. The allegation is that this was done to create more work for myself, presumably to bolster the "busyness" of the department, when in reality I took a prudent approach to mitigate the Town's exposure to audits, fines, and back-tax penalties from the Department of Labor and the IRS. Further, Councilor Paul has now publicly questioned what is "wrong" with this department, which is certainly damaging to the department and the employees who staff it.

It should be noted that other department heads have not been targeted with similar, unfounded allegations (not once but twice publicly) in this way by Councilor Paul.

As always, I encourage all members of the Town Council, Budget Committee, staff or public to reach out to me directly with questions or concerns so that accurate and factual information can be provided.

I can be reached at: tkoza@londonderrynh.gov, 603-432-1100 x127, or in my office on the second floor of Town Hall.

Sincerely,

Tara Koza

Tara Koza
Human Resources Director