

Exeter Board of Selectmen Meeting
Monday, October 30th, 2017, 6:45 p.m.
Nowak Room, Town Office Building
10 Front Street, Exeter NH

1. Call Meeting to Order
2. Board Interviews – Heritage Commission, Energy Committee
3. Water-Sewer Abatements
4. Public Comment
5. Minutes & Proclamations
 - a. Proclamations/Recognitions
6. Approval of Minutes
 - a. October 16th, 2017
7. Appointments – Energy Committee
8. Discussion/Action Items
 - a. Library Presentation – Library Renovation/Addition
 - b. Parks/Recreation: Activity Report and Van Replacement Request
 - c. Quarterly Financial Report/2016 Audit Management Letter
 - d. CATV Franchise Agreement Extension
 - e. NHDES SRF Application: TTHM/Surface Water Treatment Plant
9. Regular Business
 - a. Tax, Water/Sewer Abatements & Exemptions
 - b. Permits & Approvals
 - c. Town Manager’s Report
 - d. Selectboard Committee Reports
 - e. Correspondence
10. Review Board Calendar
11. Non-Public Session
12. Adjournment

Don Clement, Chairman
Exeter Selectboard

Posted: 10/27/17 Town Office, Town Website

Persons may request an accommodation for a disabling condition in order to attend this meeting. It is asked that such requests be made with 72 hours notice. If you do not make such a request, you may do so with the Town Manager prior to the start of the meeting. No requests will be considered once the meeting has begun.

AGENDA SUBJECT TO CHANGE



Town of Exeter
Town Manager's Office
10 Front Street, Exeter, NH 03833

10/30
6:50 pm

Town Manager's Office

Statement of Interest
Boards and Committee Membership

OCT 19 2017

Received

Committee Selection: Heritage Commission

New

Re-Appointment

Regular

Alternate

Name: Jay Myers Email: Jay.Myers0770@gmail.com

Address: 10 Woodlawn Circle Phone: 207-332-7928

Registered Voter: Yes No

Statement of Interest/experience/background/qualification, etc. (resume can be attached).

see attached statement and resume

If this is re-appointment to a position, please list all training sessions you have attended relative to your appointed position.

I understand that: 1. this application will be presented to the Exeter Selectboard only for the position specified above and not for subsequent vacancies on the same board; 2. The Town Manager and Selectboard may nominate someone who has not filed a similar application; 3. this application will be available for public inspection.

- After submitting this application for appointment to the Town Manager:
- The application will be reviewed and you will be scheduled for an interview with the Selectmen
 - Following the interview the Board will vote on your potential appointment at the next regular meeting
 - If appointed, you will receive a letter from the Town Manager and will be required to complete paperwork with the Town Clerk prior to the start of your service on the committee or board.

I certify that I am 18 years of age or older:

Signature: Jay L. Myers

Date: 10/18/2017

Heritage Commission – Statement of Interest/experience/background/qualifications

Along with my wife and daughter, I have been a resident of Exeter since 2011 and a home owner since 2015. We are also members of the Exeter Congregational Church.

I am interested in joining the Heritage Commission for two reasons. The first is to become more involved in local activities that benefit my community. The second is a personal interest in history and preserving these resources for future generations.

I have no experience in regards to a committee serving the purposes of the Heritage Commission. However, my past and present employment experiences qualify me to work in a collaborative environment that engages people from a variety of disciplines. In addition, I have taught college courses, given professional presentations, published manuscripts, written grant applications, and managed a budget. Finally, I enjoy goal setting, teamwork, and serving in whatever capacity achieves a collective objective.

Jay L. Myers

124 Main Street
Durham, NH 03824

jay.myers@unh.edu
603-862-0067

Education

University of New Hampshire – May 2013
Doctor of Philosophy in Animal and Nutritional Science
Cognate in College Teaching and Learning

West Virginia University – August 1994
Master of Science in Athletic Training/Physical Education

Lock Haven University of Pennsylvania – May 1992
Bachelor of Science in Health Science/Athletic Training

Employment

Postdoc Research Associate 2015 - present
Kinesiology, University of New Hampshire

Adjunct Faculty 2013 - 15
Nutrition and Kinesiology, University of New Hampshire
Biology, Manchester Community College

Teaching Assistant/Doctoral Candidate 2005 - 12
Molecular, Cellular, and Biomedical Sciences, University of New Hampshire

Clinical Instructor and Clinical Coordinator in Athletic Training 1999 - 05
Department of Exercise, Health, and Sports Sciences, University of Southern Maine

Instructor/Lecturer and Associate Athletic Trainer 1995 - 99
Department of Physical Education, West Virginia Wesleyan College

Lecturer and Assistant Athletic Trainer 1994 - 95
Department of Physical Education, Morgan State University

Volunteer Athletic Training Service

United States Olympic Committee
Team Athletic Trainer for US Women's Bobsled – World Cup Event 2004
Athletic Training Staff Rotation – Lake Placid Training Center 2001

Certifications

Athletic Trainer (#069202594) – NATA, Board of Certification
Strength & Conditioning Specialist (#999867) – NSCA
CPR/AED for the Professional Rescuers – American Red Cross

6:50
10/30



Town of Exeter
Town Manager's Office
10 Front Street, Exeter, NH 03833

Statement of Interest Boards and Committee Membership

Committee Selection: ENERGY COMMITTEE

New Re-Appointment Regular Alternate

Name: AMY FARNHAM Email: amylamphere@hotmail.com

Address: 5 ASH STREET EXETER Phone: 603-205-4252

Registered Voter: Yes No

Statement of Interest/experience/background/qualification, etc. (resume can be attached).

I grew up in Exeter and after years of living out west, in NY, Boston, and Portsmouth, I am back as a mother of 2 with my husband and dog. We are committed to Exeter and living here, but also committed to living simply without greed, excess or waste. This includes running our home in a way that's efficient and economical. We have solar panels and soon to have energy efficient heat and a/c. I would love to see Exeter adopt a more progressive stance on using clean energy and encouraging its residents to do the same through programs, campaigns, etc.

I work for ReVision Energy in Brentwood, NH - a clean energy installation company. I'd love to contribute to the town's Energy Committee in whatever way you need.

If this is re-appointment to a position, please list all training sessions you have attended relative to your appointed position.

I understand that: 1. this application will be presented to the Exeter Selectboard only for the position specified above and not for subsequent vacancies on the same board; 2. The Town Manager and Selectboard may nominate someone who has not filed a similar application; 3. this application will be available for public inspection.

After submitting this application for appointment to the Town Manager:

- The application will be reviewed and you will be scheduled for an interview with the Selectmen
- Following the interview the Board will vote on your potential appointment at the next regular meeting
- If appointed, you will receive a letter from the Town Manager and will be required to complete paperwork with the Town Clerk prior to the start of your service on the committee or board.

I certify that I am 18 years of age or older:

Signature: Date: 10/24/17

List for Selectmen's meeting October 30, 2017			
Water / Sewer Department Abatement's			
<u>Name</u>		<u>Location</u>	<u>Amount</u>
Sean & Tracy Graham		2 Hillside Ave.	372.81 (sewer only)
Robert & Christine Kizik		15 Exeter Farms Rd.	\$128.56 (sewer only)
Atlantic 50 LLC (Bob McGrath)		5 Auburn St.	\$481.43(W&S); \$203.10(Sewer only)
Joy Brunton Tobin		1 High St.	\$111.71 (sewer only)
Richard Russman		14 Center St.	\$90.35 (W&S)

Abatement Request – Water/Sewer Department

Meeting Date: 10/30/17

Applicant: Sean Graham (owner), 2 Hillside Avenue, Exeter.

Property Description: 2 Hillside Avenue is a single-family home. The property is owned by Sean Graham.

Discussion:

The Water & Sewer Department received an abatement request on October 23, 2017. The Water & Sewer Department did not go to the home to do any investigation, leak checks or data downloading, at this time because the leak was identified by the homeowner. Homeowner was unaware of faulty irrigation system. The abatement request indicated the leak was repaired once identified.

Conclusion:

Based on the documented abatement request, the Water & Sewer Department believes a leak occurred on the property. Select board policy states that in the event the source or cause of the abnormally high consumption is related to a leak due to customer negligence such as failure to maintain internal (private) plumbing fixtures in good repair, the customer shall be held responsible for the entire bill. If the Board wishes to grant the abatement for the sewer usage portion above the usage average, the calculated abatement amount is \$372.81 for a new bill total of \$887.80.

Special Notes:

The owner has requested the Board grant a sewer only abatement.

Board of Selectmen Review: _____

Accept Request: _____

Deny Request: _____

Chairperson Initials: _____

Water & Sewer Abatement Receipt

Reason for Abatement: The Board of Selectmen made a decision to grant an abatement according to Selectman Policy 08-30

Abatement Amounts: \$372.81 (sewer only)

New bills total: \$887.80

BOS Signature: _____

BOS Signature: _____

BOS Signature: _____

BOS Signature: _____

BOS Signature: _____

Town of Exeter



Water/Sewer Abatement Request Form

Please Print:

Full Name: Tracy and Sean Graham
Mailing Address: 2 Hillside Ave Exeter
Service/Property Address: 2 Hillside Ave Exeter

Today's Date: 10/23/17
Account Number: 212100099
Route Number:
Phone Number: 603-772-5138

Utility Abatement Requested for: Water Billing Period from 9/20/17 to 9/20/17 Sewer checked Amount of Bill: \$1260.61

Owner's reason for the abatement request (Please be as specific as possible): Unaware of faulty irrigation system which resulted in 4x normal water usage, understand water was used and must pay for. Looking for abatement on sewage consumption, see attached letter.

Signature of Applicant: Tracy Graham

Date: 10/23/17

Signature of Billing Office: Denise Murphy

Date: 10/23/17

Do not write below this line

Reviewed by: Date of Review:
Comments:

Total Usage= 80,220 gallons
3rd -0.3-year Average- 609160 + 25830 + 23380 / 3 = 23390 gallons
Excess above average- 56830 gallons
Half of Excess gets abated- N/A gallons

Due total used Remaining excess- 80220 gal 3-yr average- 23390 gal Billable usage- 80220 gal for water
Tier 1-- rates water 21000 gal * \$7.19/1000 gal = \$150.99 sewer 21000 gal * \$5.5/1000 gal = \$110.25
Tier 2-- rates water 59220 gal * \$8.98/1000 gal = \$532.39 sewer 2390 gal * \$6.56/1000 gal = \$15.67
Tier 3-- rates water sewer
+ 78.50 Sewer Fees
Total due= 887.80

Recommendation: Disapprove Approve Amount: \$ 372.81 (sewer only)

Approval/Disapproval Signature: Date:

If you disagree with the decision of the Department of Public Works & the Finance Department, you may appeal to the Town of Exeter Board of Selectmen. If you wish to appeal, please sign below and return this form to the Finance Department at 10 Front Street.

Signature of Applicant Date

October 14, 2017

To: Town of Exeter Water & Sewer Dept.

RE: 2 Hillside Ave Water / Sewer Bill

We received a bill from the town for water and sewer charges that was four times the typical amount we pay each quarter. After looking at the water consumption that was 4 times normal usage; we figured out that we had a faulty sprinkler system that was evidently going to test cycle several days a week in the middle of night without our knowledge. We do not have issue with the amount charged for the water since it was the error of our household that consumed most of the water through the lawn irrigation system that somehow went rouge. We have since disconnected and do not plan to use until we can get someone to look at the systems and replace or remove if needed.

We do have an issue with the sewer part of the bill since most of the water did not go to the town's sewer system. We have been resident of the Town of Exeter for 26 years and have not previously had a situation like this that brings on some financial hardship. We currently have 2 children in College and we are paying a monthly medical bill to Mass General for the next 2 years due to cost of medical emergency to one of our children last year.

For the past quarterly bill, we received a charge of \$498.73 for the sewer portion of the bill. We are looking to the town to revise this charged base on the unfortunate issue we experienced with the sprinkler system. I have looked back over a 4-year period on consumption of water and sewer charges by the Town. This information was taken from past bills from the Water and Sewer Department of Exeter.

Based on average on calculations form Town Water & Sewer bills to 2 Hillside over the past several years, we believe that the statement should be for \$113 in sewer charge plus the standard \$39 fee. We would hope the town would agree that the town is not losing any fees as most of the water did not go to the sewer and therefore, under circumstances explained, should not be billable as the town did not provide a service for the amount charged – based on your previous invoices, we have calculated the amount where the water came from the sprinkler issue – to be \$385. We respectfully request the town to work with us to credit that amount.

Thank you.

Sincerely,

Sean and Tracy Graham

2 Hillside Ave

A Sewer Consumption charges not including the standard sewer fee (\$39) for prior year – 12 months.

B Sewer Charge by Year / Avg of Quarters

C H2O Usage over 4 year period

A) Avg. Sewer Consumption by Quarter	2017 Q2	2017 Q1	2016 Q4	2016 Q3			
\$115	\$115	\$164	\$164	117			
B) Sewer Charge by Year / Avg of Quarters.				C) H2O Usage	2015	2016	2017
				2014			
2014	\$106	2014	Q1	22,250	18,280	21,200	29,270
2015	\$97	2015	Q2	26,490	25,000	43,040	21,740
2016	\$109	2016	Q3	23,380	25,380	20,960	80,220
2017	\$140	2017	Q4	23,050	18,080	26,440	

Abatement Request – Water/Sewer Department

Meeting Date: 10/30/17

Applicant: Robert Kizik (owner), 15 Exeter Farms Road, Exeter.

Property Description: 15 Exeter Farms Road is a single-family home. The property is owned by Robert Kizik.

Discussion:

The Water & Sewer Department received an abatement request on October 15, 2017. The Water & Sewer Department did not go to the home to do any investigation, leak checks or data downloading, at this time because the leak was identified by the homeowner. One day in March, the homeowner heard water flowing, and the outside spigot was running. The abatement request indicated the leak was repaired once identified.

Conclusion:

Based on the documented abatement request, the Water & Sewer Department believes a leak occurred on the property. Select board policy states that in the event the source or cause of the abnormally high consumption is related to a leak due to customer negligence such as failure to maintain internal (private) plumbing fixtures in good repair, the customer shall be held responsible for the entire bill. If the Board wishes to grant the abatement for the sewer usage portion above the usage average, the calculated abatement amount is \$128.56 for a new bill total of \$427.32.

Special Notes:

Rooterman felt ice fell from the roof and hit spigot.

Board of Selectmen Review: _____

Accept Request: _____

Deny Request: _____

Chairperson Initials: _____

Water & Sewer Abatement Receipt

Reason for Abatement: The Board of Selectmen made a decision to grant an abatement according to Selectman Policy 08-30

Abatement Amounts: \$128.56 (sewer only)

New bills total: \$427.32

BOS Signature: _____

BOS Signature: _____

BOS Signature: _____

BOS Signature: _____

BOS Signature: _____

Town of Exeter



Water/Sewer Abatement Request Form

Please Print:

Full Name: Christine Kizik
 Mailing Address: 15 Exeter Farms Road
Exeter NH 03833
 Service/Property Address: Same as above

Today's Date: 10/15/17
 Account Number: 131375908
 Route Number: _____
 Phone Number: 603-580-1000

Utility Abatement Requested for: Water _____ Sewer _____ Water & Sewer
 Date of Bill: 5/17/17 Billing Period from 2/17/17 to 5/17/17 Amount of Bill: \$ 555.88

Owner's reason for the abatement request (Please be as specific as possible): My water bill was almost twice as much as it ever has been in 8 yrs since we have lived here. We did not do anything different. One day in March I had a water running + outside spout was dripping. Turned water off but not sure how long it had been running. We had a roofer man come out and the gasket on the spout was bad. Roofer man felt the feel from roof and hit gasket + broke it. We had no idea how long water was running before I heard it + turned it off.
 Signature of Applicant: _____ Date: 10/15/17
 Signature of Billing Office: _____ Date: _____
 Do not write below this line

Thank you

Reviewed by: _____ Date of Review: _____
 Comments: _____

Total Usage 34900 gallons
^{2nd} -Q3-year Average- $(15800 + 11830 + 13950) / 3 = 13880$ gallons
 Excess above average 21020 gallons
 Half of Excess gets abated- 10,510 gallons

Due	Remaining excess <u>34900</u> gal	3 -yr average- <u>13880</u> gal	Billable usage <u>34900</u> gal
Tier 1-- rates	water <u>21000</u> gal * \$ <u>7.19</u> /1000 gal = \$ <u>150.99</u>	Tier 3-- rates	water _____ gal * \$ _____ /1000 gal = \$ _____
	sewer <u>13880</u> gal * \$ <u>5.25</u> /1000 gal = \$ <u>7237</u>		sewer _____ gal * \$ _____ /1000 gal = \$ _____
			\$ <u>223.86</u>
Tier 2-- rates	water <u>13900</u> gal * \$ <u>8.99</u> /1000 gal = \$ <u>124.96</u>		
	sewer _____ gal * \$ _____ /1000 gal = \$ _____		
			+ <u>78.50</u> service fees
			Total due= <u>427.32</u>

Recommendation: _____ Disapprove _____ Approve _____ Amount: \$ 128.56 (sewer only)
 Approval/Disapproval Signature: _____ Date: _____

If you disagree with the decision of the Department of Public Works & the Finance Department, you may appeal to the Town of Exeter Board of Selectmen. If you wish to appeal, please sign below and return this form to the Finance Department at 10 Front Street.

Signature of Applicant: _____ Date: _____



RECEIPT

151 Epping Road
Exeter, NH 03833

www.rooterman.com
service@m2servicegroup.com

1-888-777-5590

DATE
7/27/17

WORK ORDER # 15764	INVOICE # 69944	TECHNICIAN NAME AND NUMBER SR	IN	OUT
NAME Christine Kizik				
ADDRESS 15 Exeter Farms Road				
CITY Exeter, NH			ZIP 03833	
JOB NAME AND LOCATION (IF DIFFERENT THAN ABOVE)				
PHONE		EMAIL		

DESCRIPTION OF WORK:	AMOUNT	
Found all three toilets to have no issues	\$190	st
with flushing or water toilet. Placed basement	\$3	SD
toilet and adjusted fill valve. Recommend replacing	-20	st
1/2" copper to 3/8" turn valve.		
Found outside spout "BKK Muller"		
had a bad gasket. Replaced gasket.		
The turn wheel handle is broken. Part #1888-755		
needs to be replaced. Customer will buy the		
handle. No more leaks. If outdoor spout		
goes bad again, replace 5" outdoor spout to		
new. Labor - \$100.00 - Material - \$3.50 Discount - \$20		
PAYMENT METHOD		
<input type="checkbox"/> Visa <input type="checkbox"/> MasterCard <input type="checkbox"/> Discover <input type="checkbox"/> AMEX <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Check <input type="checkbox"/> To Be Billed		
PAYMENT REFERENCE #1571	TOTAL AMOUNT	\$173

The above price is for the work described. It does not include additional labor or materials which may be required should unforeseen problems or weather conditions arise. I authorize the work described above and agree to the terms and conditions stated. I agree the condition of the plumbing system cannot be readily determined and may be deteriorated, aged, abused, improperly installed or maintained. I agree to hold Rooter-Man and its affiliates harmless from any claims of property or personal damage. A service charge of \$50 will apply on all returned checks.

Customer Signature _____ Date 7/27/17

Warranty: _____

Abatement Request – Water/Sewer Department

Meeting Date: 10/30/17

Applicant: Richard Russman (owner), 14 Center Street, Exeter.

Property Description: 14 Center Street is an Office Building in a single-family home. The property is owned by Richard Russman.

Discussion:

The Water & Sewer Department received an abatement request on October 5, 2017. The Water & Sewer Department did not go to the home to do any investigation, leak checks or data downloading, at this time because the leak was identified by the homeowner. The abatement request indicated the leak was repaired once identified.

Conclusion:

Based on the documented abatement request, the Water & Sewer Department believes a leak occurred on the property. Select board policy states that in the event the source or cause of the abnormally high consumption is related to a leak due to customer negligence such as failure to maintain internal (private) plumbing fixtures in good repair, the customer shall be held responsible for the entire bill. If the Board wishes to grant the abatement for both the Water & Sewer portions, the calculated abatement amount is \$90.35 for a new bill total of \$186.69.

Special Notes:

The toilet was replaced immediately.

Board of Selectmen Review: _____

Accept Request: _____

Deny Request: _____

Chairperson Initials: _____

Water & Sewer Abatement Receipt

Reason for Abatement: The Board of Selectmen made a decision to grant an abatement according to Selectman Policy 08-30

Abatement Amounts: \$90.35

New bills total: \$186.69

BOS Signature: _____

BOS Signature: _____

BOS Signature: _____

BOS Signature: _____

BOS Signature: _____

Town of Exeter



Water/Sewer Abatement Request Form

Please Print:

Full Name: Richard L Russman
Mailing Address: 18 Beach Dr, Kingston NH 03848
Service/Property Address: 14 Center St, Exeter

Today's Date: 10/5/17
Account Number: 22241200
Route Number:
Phone Number: 603-548-7448

Utility Abatement Requested for: Water [X] Sewer:
Date of Bill: Billing Period from 6/30/17 to 9/30/17 Amount of Bill: \$ 277.04
Water & Sewer [X]

Owner's reason for the abatement request (Please be as specific as possible):
I did not know that the toilet was leaking.
I had a new installed immediately.
1.28 Gallons per flush.

Signature of Applicant: [Signature]

Date: 10/5/17

Signature of Billing Office

Date

Do not write below this line

Reviewed by: Date of Review:

Comments:

Total Usage= 15900 gallons
3-yr Average- (1160 + 1340 + 1800) / 3 = 1433 gallons
Excess above average- 14507 gallons
Half of Excess gets abated- 7264 gallons

Due Remaining excess- 7264 gal 3-yr average- 1433 gal Billable usage- 8697 gal

Tier 1-- rates water 8697 gal * \$ 7.19 / 1000 gal = \$62.53 sewer gal * \$ / 1000 gal = \$45.66
Tier 2-- rates water gal * \$ / 1000 gal = \$ sewer gal * \$ / 1000 gal = \$
Tier 3-- rates water gal * \$ / 1000 gal = \$ sewer gal * \$ / 1000 gal = \$
\$ 108.19 + \$ 78.50 = \$ 186.69 (service fees)

Total due= 186.69

Recommendation: Disapprove Approve Amount: \$ 90.35

Approval/Disapproval Signature: Date:

If you disagree with the decision of the Department of Public Works & the Finance Department, you may appeal to the Town of Exeter Board of Selectmen. If you wish to appeal, please sign below and return this form to the Finance Department at 10 Front Street.

Signature of Applicant

Date

OK to Tolt



LOWE'S HOME CENTERS, LLC
36 FRESH RIVER ROAD
EPPING, NH 03042 (603) 693-3000

- SALE -

SALES#: S2551EP1 2085405 TRANS#: 9642981 09-28-1

331823 EL CHURCH WHT WD EZYCLN S	29.40
15.48 DISCOUNT EACH	-0.78
2 @ 14.70	
98923 AQS HENSHAW EL CH WH 1.28	188.12
99.00 DISCOUNT EACH	-4.94
2 @ 94.06	
107204 LCC SYSTEM USE ONLY	0.00 N

SUBTOTAL: 217.52
TOTAL TAX: 0.00
INVOICE 09254 TOTAL: 217.52
LCC: 217.52

TOTAL DISCOUNT: 11.44

LCC:XXXXXXXXXX8496 AMOUNT:217.52 AUTHCD:001337
SWIPED REFID:399942 09/28/17 19:55:24



STORE: 2551 TERMINAL: 09 09/28/17 19:56:52

OF ITEMS PURCHASED: 1
EXCLUDES FEES, SERVICES AND SPECIAL ORDER ITEMS



THANK YOU FOR SHOPPING LOWE'S.
SEE REVERSE SIDE FOR RETURN POLICY.
STORE MANAGER: JOHN LOVELY

LOWE'S PRICE MATCH GUARANTEE
FOR MORE DETAILS, VISIT LOWES.COM/PRICEMATCH

* YOUR OPINIONS COUNT! *
* REGISTER FOR A CHANCE TO BE *
* ONE OF FIVE \$300 WINNERS DRAWN MONTHLY! *
* ¡REGÍSTRESE EN EL SORTEO MENSUAL *
* PARA SER UNO DE LOS CINCO GANADORES DE \$300! *
* *
* REGISTER BY COMPLETING A GUEST SATISFACTION SURVEY *
* WITHIN ONE WEEK AT: www.lowes.com/survey *
* YOUR ID # 09254 2551 271 *
* *
* NO PURCHASE NECESSARY TO ENTER OR WIN. *
* VOID WHERE PROHIBITED. MUST BE 18 OR OLDER TO ENTER. *
* OFFICIAL RULES & WINNERS AT: www.lowes.com/survey *

STORE: 2551 TERMINAL: 09 09/28/17 19:56:52

Abatement Request – Water/Sewer Department

Meeting Date: 10/30/17

Applicant: Atlantic 50 LLC (owner), 5 Auburn Street, Exeter.

Property Description: 5 Auburn Street is a multi-unit home. The property is owned by Atlantic 50 LLC.

Discussion:

The Water & Sewer Department received an abatement request on September 27, 2017. The Water & Sewer Department did not perform a leak check, but did data downloading on September 18, 2017. The abatement request indicated the leak was discovered under the building slab.

Conclusion:

Based on the documented abatement request, the Water & Sewer Department believes a leak occurred on the property. Select board policy states that in the event the source or cause of the abnormally high consumption is related to a leak due to customer negligence such as failure to maintain internal (private) plumbing fixtures in good repair, the customer shall be held responsible for the entire bill. If the Board wishes to grant the abatement for both the Water & Sewer portions, the calculated abatement amount is \$481.43 for a new bill total of \$719.16. If the Board wishes to grant the abatement for the sewer usage portion above the usage average, the calculated abatement amount is \$203.10 for a new bill total of \$997.49.

Special Notes:

After investigation by the owner, FW Webb suggested leak most likely caused by water pressure surge in town line.

Board of Selectmen Review: _____

Accept Request: _____

Deny Request: _____

Chairperson Initials: _____

Water & Sewer Abatement Receipt

Reason for Abatement: The Board of Selectmen made a decision to grant an abatement according to Selectman Policy 08-30

Abatement Amounts: \$481.43, or \$203.10 (sewer only)

New bills total: \$719.16, or \$997.49

BOS Signature: _____

BOS Signature: _____

BOS Signature: _____

BOS Signature: _____

BOS Signature: _____

Town of Exeter



Water/Sewer Abatement Request Form

Please Print:

Full Name: Bob McGrath
Mailing Address: P.O. Box 932
Rye, NH 03870
Service/Property Address: 5 Auburn St
Exeter NH

Today's Date: 9/27/17
Account Number: 121240300
Route Number: _____
Phone Number: 603-566-3871

Utility Abatement Requested for: Water Sewer Water & Sewer
Date of Bill: 9/30/17 Billing Period from 5/17/17 to 8/17/17 Amount of Bill: \$ _____

Owner's reason for the abatement request (Please be as specific as possible): Discovered water
leak under building slab - after investigation
KW Webb suggested most likely caused by
water pressure surge in town.

[Signature]
Signature of Applicant

9/27/17
Date

Signature of Billing Office

Date

Do not write below this line

Reviewed by: _____ Date of Review: _____
Comments: _____

Total Usage = 710360 gallons
3rd -yr Average - $(51330 + 42330 + 44000) / 3 = 46093$ gallons
Excess above average - 20,267 gallons
Half of Excess gets abated - 15,135 gallons

Due
Remaining excess - 15,135 gal 3 -yr average 46,093 gal Billable usage - 45,400 gal
Tier 1-- rates
water 21,000 gal * \$7.19/1000 gal = \$150.99 water _____ gal * \$_____/1000 gal = \$_____
sewer 21,000 gal * \$5.25/1000 gal = \$110.25 sewer _____ gal * \$_____/1000 gal = \$_____
\$261.24
Tier 2-- rates
water 24,400 gal * \$8.98/1000 gal = \$219.36
sewer 24,400 gal * \$4.50/1000 gal = \$110.00
\$329.36
+ 78.50 service fees
Total due = 719.16

Recommendation: Disapprove Approve Amount: \$ 481.43

Approval/Disapproval Signature: _____ Date: _____

If you disagree with the decision of the Department of Public Works & the Finance Department, you may appeal to the Town of Exeter Board of Selectmen. If you wish to appeal, please sign below and return this form to the Finance Department at 10 Front Street.

Signature of Applicant

Date

Repair
G.H.V.

Invoice

SOLD TO Bob McGloth		SHIP TO Doramin Plumbing	
ADDRESS		ADDRESS P.O. Box 450	
CITY, STATE, ZIP		CITY, STATE, ZIP Epping, NH 03042	
CUSTOMER ORDER NO. S. Abbott +	SOLD BY EXETER	TERMS	DATE 9-6/17
ORDERED	SHIPPED	DESCRIPTION	PRICE
		Investigation of Running of Water after investigation of Problem discovered Break in Copper under slab, redirected 3/4" copper line over stairs and thru apartment, tied into line abandoned line in Subj. Water is on, not leaking	
		Emergency service.	175.00
		Parts/material:	55.00
		Labor:	215.00
		Total	445.00

Abatement Request – Water/Sewer Department

Meeting Date: 10/30/17

Applicant: Joy Brunton (owner), 1 High Street, Exeter.

Property Description: 1 High Street is a single family home. The property is owned by Joy Brunton.

Discussion:

The Water & Sewer Department received an abatement request on September 9, 2017. The Water & Sewer Department did not go to the home to do any investigation, leak checks or data downloading, at this time because the leak was identified by the homeowner. The abatement request indicated the owner was not at home when the leak was occurring.

Conclusion:

Based on the documented abatement request, the Water & Sewer Department believes a leak occurred and went unattended to on the property. Select board policy states that in the event the source or cause of the abnormally high consumption is related to a leak due to customer negligence such as failure to maintain internal (private) plumbing fixtures in good repair, the customer shall be held responsible for the entire bill. If the Board wishes to grant the abatement for the sewer usage portion above the usage average, the calculated abatement amount is \$111.71 for a new bill total of \$368.76.

Special Notes:

The owner has requested the Board grant a sewer only abatement.

Board of Selectmen Review: _____

Accept Request: _____

Deny Request: _____

Chairperson initials: _____

Water & Sewer Abatement Receipt

Reason for Abatement: The Board of Selectmen made a decision to grant an abatement according to Selectman Policy 08-30

Abatement Amounts: \$111.71 (sewer only)

New bills total: \$368.76

BOS Signature: _____

BOS Signature: _____

BOS Signature: _____

BOS Signature: _____

BOS Signature: _____

Town of Exeter



Water/Sewer Abatement Request Form

Please Print:

Full Name: Joy Brunson Tobin
Mailing Address: 1 High St
Exeter, NH 03833
Service/Property Address: Same

Today's Date: 9/9/17
Account Number: 131397300
Route Number: _____
Phone Number: 978-853-0240(?)

Utility Abatement Requested for: Water _____ Sewer Water & Sewer _____
Date of Bill: 5/17/17 Billing Period from 3/17/17 to 5/17/17 Amount of Bill: \$ 479.26

Owner's reason for the abatement request (Please be as specific as possible): We discovered that a hose connected to the outside of our house had a defective nose & leaked water while we were out of town. I would like to have the extra sewer portion of our bill reduced.

Signature of Applicant: Joy Brunson Tobin

Date: 9/9/17

Signature of Billing Office: _____

Date: _____

Do not write below this line

Reviewed by: _____ Date of Review: _____

Comments: _____

Total Usage = 30050 gallons
2nd - 0.3-year Average - $(10040 + 9700 + 13350) / 3 = 11030$ gallons
Excess above average - 19020 gallons
Half of Excess gets abated - _____ gallons

Due: 30050 gal
Remaining excess - 30050 gal
Tier 1-- rates
water 21000 gal * \$7.19/1000 gal = \$ 150.99
sewer 11030 gal * \$5.25/1000 gal = \$ 57.91
\$ 208.90
Tier 3-- rates
water _____ gal * \$ ____ /1000 gal = \$ ____
sewer _____ gal * \$ ____ /1000 gal = \$ ____
Billable usage - 30050 gal for Water

Tier 2-- rates
water 9050 gal * \$8.97/1000 gal = \$ 81.36
sewer _____ gal * \$ ____ /1000 gal = \$ ____
\$ 78.50 Sewer fees

Total due = 368.76

Recommendation: _____ Disapprove _____ Approve _____ Amount: \$ 11.71 (sewer only)

Approval/Disapproval Signature: _____ Date: _____

If you disagree with the decision of the Department of Public Works & the Finance Department, you may appeal to the Town of Exeter Board of Selectmen. If you wish to appeal, please sign below and return this form to the Finance Department at 10 Front Street.

Signature of Applicant: _____

Date: _____

Draft Minutes
Board of Selectmen
10/16/17

1. Call to Order

Present are Anne Surman, Don Clement, Julie Gilman, Russ Dean, and Dan Chartrand. The meeting was called to order at 6:50 by Chairman Don Clement.

2. Board Interviews: Energy Committee. Renay Allen and Lew Hitzrot were interviewed for the committee.
3. Water/Sewer Abatements

Mr. Dean re-introduced this topic from the last meeting. The property is 13 Minuteman Lane, owned by LeeAnn and Ed Ouimette. The report from public works indicated that the leak occurred over a 34-day period with an average of 6,957 gallons per day. The owner was not at home while the leak was occurring. Generally, when the source of the water consumption is due to a leak on the customer's property, the customer will be held responsible and the department recommended a denial of the abatement. The department has no opinion regarding the water sediment issue. The Ouimettes are requesting a full abatement of \$634.90 for June and \$3,220.57 for the July bill.

Selectwoman Gilman said that the water consumption seemed very high for a leaking toilet. Selectwoman Surman said that there can be a one-time abatement granted, and that this particular case has been very difficult. Selectman Chartrand said that for the last year the board has generally denied abatements. He also said that he did some research and that it is entirely possible for that much water consumption when the toilet remains open for such a long amount of time. He believes that the board should be consistent in their judgements.

The Ouimettes emphasized the unpredictability of the leak and stated that had recently replaced all of the components of the toilets and the faucets. When they found the source of the leak, they immediately stopped it. It was suggested that they turn the water main off every time they leave the house. Mr. Ouimette said that the new parts were ruined by the sediment in the water. He also said that the board has the right to go over the average 50% abatement. The first amount of overage was 41,935 gallons of water. Their average usage is 2,500 gallons. Ms. Ouimette said that she feels as though the town was negligent because they were not sent a notification letter.

Mr. Dean pointed out that the water department does not do random checks, and that the department only comes out when there is a problem. The Ouimettes said that Matt Berube, from the public works department, agreed with their explanation of the situation. Chairman Clement disagreed, saying that he puts the paperwork together similarly in all cases. Selectman Chartrand also told the Ouimettes that normally people do not seek an abatement as aggressively as they are.

MOTION: Selectman Chartrand moved to deny the abatement for 13 Minuteman Lane. Chairman Clement seconded the motion. The motion tied 2-2-0, with Selectwoman Gilman and Selectwoman Surman voting nay, so the motion failed.

MOTION: Selectwoman Gilman moved to grant a 50% abatement for 13 Minuteman Lane in the amount of \$366.39 and \$1,794.59. Selectwoman Surman seconded the motion, and it passed 3-1-0 with Selectman Chartrand voting nay.

The Ouimettes asked if there was any sort of appeal process to gain the other 50% of the abatement. Chairman Clement said that he was not sure, and that it was more of a legal question. The Ouimettes also said that they thought that the bill should show their usage compared to the past usage.

4. Public Comment

There was no public comment.

5. Minutes/Proclamations

There were no proclamations.

6. Approval of Minutes

a. 9/25/17

Chairman Clement said that in page 1, they appointed Sally Ward and the motion needs to be added. In page 7, the last sentence is confusing and there is a typo.

MOTION: Selectman Chartrand moved to approve the minutes as amended. Selectwoman Surman seconded the motion, and it passed unanimously.

b. 10/2/17

Chairman Clement said that on page 7, it should be said that river channel work was done, and that Fish and Game paid for it.

MOTION: Selectman Chartrand moved to approve the minutes as amended. Selectwoman Surman seconded the motion, and it passed unanimously.

7. Appointments

There were no appointments.

8. Discussion/Action Items

a. Police Department Updates

Chief Shupe updated the board on various events within the police department. He said that the department is currently fully staffed, and a recent officer had graduated from the police academy. The department may lose three employees due to retirement, one dispatcher and two officers. Officer Petroski was named the DARE Officer of the Year for the state. He also said that warm zone training was continuing, where officers learn how to deal with an active shooter situation where the subject is barricaded in a large building. The fire department and other municipalities trained with the police department, and the training was at PEA. They will also train at other schools. He said that Captain Munck has been leading CRASE (Civilian Response to Active Shooter Events) trainings, which teaches citizens what they can do if an active shooter situation occurs. Also, Detective Nadeau is now a member of ICAC (Internet Crimes Against Children).

Chief Shupe also said that the department had received confirmation of four grants recently. One is for DWI enforcement, one for speed enforcement, one for distracted driving, and one for a handheld radar unit. There was also a bulletproof vest grant. The total amount of the grants is \$16,274. They also recently received mental health training for police responses to these issues, which was recently put to good use with a subject who appeared to be suffering from schizophrenia.

The department has made about 300 arrests this year, of which 48 were due to DWI. They also continue to stay on top of carbon monoxide detection in the police cruisers. They have not had the detectors go off since they were installed. Chief Shupe also said that people should remember that people on bicycles are subject to the same rules and regulations as motor vehicles. He suggested that bicyclists read town ordinances on the subject. A grant was given for pedestrian and bicycle enforcement.

Finally, Chief Shupe said that he is going to a chief's conference soon. He also said that APEX Mobile has offered the design of an app which will give any person who has the app downloaded the ability to make anonymous tips to the department, access public records, link to school resource officers and so on. The department had a recent lemonade stand initiative where they went to as many lemonade stands as they could, which was very successful. The department also had their first open house in September, which was a hit.

The selectboard thanked Chief Shupe for coming and for updating them. Chairman Clement asked if the department went back to Ford about the carbon monoxide issue. Chief Shupe said he is saving everything from Ford, and that they are still looking at the issue.

b. E-911 Committee

Dave Sharples said that a couple months ago the department of emergency services and communications completed the E911 mapping of Exeter, which they do to all municipalities. This mapping shows every building, address, and street name within the town. They also received a data capture acceptance letter which acknowledges receipt of the map-set and that it accurately reflects all addresses. To check the accuracy, they drove through every street to confirm the names and spot-checked several addresses. There was also the acknowledgement of non-standard addresses, which was an audit on the map-set to see what inconsistencies there are with addressing standards. It lists all the issues that are not consistent with the standards. There is also the data release agreement, which signifies that they understand the information is confidential except under emergency situations.

Kenny-Lynn Dempsey, of the state's emergency communications department, came up to answer any questions. Selectwoman Gilman asked if the data release agreement applied to mutual aid. Ms. Dempsey said that it did. Selectwoman Surman asked how the process worked. Ms. Dempsey said that now that the board has been notified, they will go through the list of issues and it is up to the town to make changes and find the ones that are the most relevant.

Mr. Sharples said that one reason why the E911 committee was created was so that they could look at the list and prioritize, which they will begin at their next meeting. Any changes will need to come to the board of selectmen. They will see if there are any duplicate names or other issues. They will also make sure that people are aware of any changes and why changes are being made.

MOTION: Selectman Chartrand moved that the board of selectmen approve the data release agreement and grant the permission to release the data to specific agencies. Selectwoman Gilman seconded the motion, and it passed unanimously.

MOTION: Selectman Chartrand moved that the board of selectmen approve and sign the acknowledgement of non-standard addressing. Selectwoman Surman seconded the motion, and it passed unanimously.

MOTION: Selectman Chartrand moved that the board of selectmen approve and sign the acceptance letter of data capture, which includes the mapping. Selectwoman Surman seconded the motion, and it passed unanimously.

Ms. Dempsey said that now that the data has been accepted, she will reach out to the liaison to get final copies of the maps.

c. Human Services Funding Policy

Selectman Chartrand said that he was at the budget recommendations committee meeting where this was discussed and that he was impressed with the unanimity of the opinion that the human services subcommittee should be continued. Selectwoman Surman asked if the policy was going to come back to the board at some point, and asked what the next action should be. Chairman Clement said that the budget recommendations committee moved that the human services subcommittee remain as an ad-hoc committee to review the human services budget.

Niko Papakonstantis, Budget Recommendations Committee Chair, said that he had asked that the decision had been postponed until the budget recommendations committee could meet, which the board of selectmen agreed to. The budget recommendations committee had a robust conversation and many concerns were considered. They came up with ways where the ad-hoc committee could be more transparent and how they could work with the board of selectmen. The consensus was that it was not a budget process but instead an application review process. He also said that the committee meetings are open to the public.

Selectwoman Surman said that one concern was the duplicative nature, where the budget recommendation committee doesn't need a subcommittee. Mr. Papakonstantis said that the committee agreed with that. Selectwoman Gilman said that they hadn't been thinking about the form of spending as grant spending, which it really is. Mr. Papakonstantis agreed and also said that he believes the process is already transparent to the voters. Chairman Clement said that he sees them as donations and not as grants. Selectman Chartrand said that the ad-hoc committee is getting the board to rethink their ideas, and that good points were made about their legal obligations to follow through and to make sure that the money given is meeting the mission of the town. He agreed that they are grants.

Mr. Papakonstantis talked about the newcomers to the committee. He also feared that the budget recommendations committee would not be able to give this issue the attention that it deserves. Chairman Clement pointed out that the human service funding policy was out of date, and wanted to come up with a more accurate policy. Selectman Chartrand suggested asking Mr. Dean to draft a policy reflecting current practices. Chairman Clement expressed his belief that the board of selectmen should have some kind of input. Selectwoman Surman asked if the current practice would be the 100,000-dollar

line item. Mr. Papakonstantis said that all of the current applications would be posted on the town website for review. Chairman Clement said that this doesn't put the applications on the ballot.

Selectman Chartrand said that he thinks that having the board of selectmen and budget recommendations committee set a budget amount that the town votes on is a good idea, because it allows the ad-hoc committee to follow through on those grants. Chairman Clement said that the organizations in the past were vetted by the budget recommendations committee. Mr. Papakonstantis said that for two years the budget recommendations committee has come back to the board asking if it is a budget matter. He also emphasized that it is a time-sensitive issue. Selectman Chartrand said that the role of the budget recommendations committee is to determine an amount. Chairman Clement said that it's what they did last year, and he felt like that was the way to do it.

MOTION: Selectman Chartrand moved to ask the ad-hoc human service committee to continue to vet organizations and to report their results to the budget recommendations committee and to the board of selectmen. Selectwoman Gilman seconded the motion, and it passed unanimously.

d. 2017 Riverwoods Tax Agreements

Mr. Dean started by saying that these are annual tax agreement from Riverwoods. He said there are no changes, except to the letter itself. Chairman Clement asked if there is a reason behind the changes to the letter. Mr. Dean suggested having a conversation with Riverwoods to better understand. Chairman Clement said that the only thing the board was going to approve are the agreements, which are standard. Selectwoman Surman asked how the letter fit into this. Mr. Dean said it was just information. Chairman Clement also said that it states that all residential units pay full tax rates, and that the nursing home facility does not pay any tax.

MOTION: Selectman Chartrand moved to approve and sign the agreement with Riverwoods regarding the Boulders, dated 10/16/17. Selectwoman Surman seconded, and it passed unanimously.

MOTION: Selectman Chartrand moved to approve and sign the agreement with Riverwoods regarding the Ridge, dated 10/16/17. Selectwoman Surman seconded, and it passed unanimously.

MOTION: Selectman Chartrand moved to approve and sign the agreement with Riverwoods regarding the Woods, dated 10/16/17. Selectwoman Surman seconded, and it passed unanimously.

e. 2017 Fund Balance Discussion

Mr. Dean said that each year the fund balance is discussed. Since 2013 they've had a fund balance policy discussing the goals of the unassigned fund balance. The town will have an unassigned fund balance of at least 5% of the total appropriations of the community. The audit just certified the tax rate setting fund balance at 3.7 million dollars. It's important to note that part of the fund balance is unavailable revenue which are taxes paid after the 1st of the year. The recommendation this year is to apply 600,000 dollars to the tax rate. That would bring the available amount to 3.016 million dollars for next year. If the board approves the recommendation, it would put the town at a tax rate of 7.09 and the tax rate would be level.

Selectwoman Surman asked if the fund balance is essentially a result of the funds that were not spent. Mr. Dean said that there is a beginning fund balance each year and then other things add or

subtract from it. The process has been to apply a certain amount of the balance each year to the tax rate. It is considered to be liquidity. Selectwoman Gilman said that the increasing revenue can make it look like the town hasn't spent money that they've asked for. She asked if, because the fiscal year is from January 1st to December 31st, and they don't vote on the budget until March, do they need to keep something in the fund balance. It was clarified that that was correct.

Chairman Clement asked how much the undesignated fund balance was. Mr. Dean said it was 3.7 million. Chairman Clement asked what was going to happen to the 344,000 in excess fund balance. Mr. Dean said that it is the amount left over after the 5% target has been met. It is essentially the new starting point going into next year. Selectman Chartrand said that the approach attempts to keep the tax rate stable. Chairman Clement asked where the revolving fund money was coming from the cable fund. Mr. Dean said that it is up in the other permits. It is a combination of the cable fund and other things from the town clerk's office other than motor vehicle permits. He said that it had been a great year for building permits. When we look at revenues, we should understand that they may not always reoccur each year.

MOTION: Selectman Chartrand moved that the board of selectmen apply 600,000 dollars of the undesignated fund balance to lower the tax rate. Selectwoman Gilman seconded the motion, and it passed unanimously.

f. 2017 School Impact Fees Release

Mr. Dean said this is a review of the schools' impact fee amounts. This year, at the K-5 level they have 166,765 dollars on hand. At the cooperative they have 106,591.72 dollars. This year they are suggesting that 100,000 dollars go to the co-op, which would go against the debt service for the high school bond which has another 6 years. And 100,000 of the 166,000 dollars would go to the local school district to offset the debt service on the kindergarten bond. The boards motion is to just release these to the schools.

MOTION: Selectman Chartrand moved to release a total of 200,000 dollars to lower Exeter's school tax rate, 100,000 would go to the cooperative school district and 100,000 would go to the local school district. Selectwoman Gilman seconded the motion, and it passed unanimously.

g. 149 Kingston Road Update

Chairman Clement introduced the subject by saying that there is a 30-acre parcel of land at this property, and the question is whether or not the board wants to split off a piece of that. Mr. Dean expressed his desire for the town to get out of the residential landlord business. He said there are some issues with carving pieces off the property and selling it and that it is more complicated than it looks. The town could offer the structure for sale and then the buyer would need to move the structure off the site, which would remove the residential use. One issue is seeing if there is any interest in today's market.

Mr. Sharples said that he could not find any information to support that because we did not own it in the mid-1990's. He suggested that maybe it was tried by the previous owner. Mr. Dean said that he did not know if there were conversations with the zoning board about proven hardship that would have allowed for the subdivision. Mr. Sharples said that generally the ZBA does not create their own arguments, and that it's the applicants burden to prove that they meet the criteria. Chairman Clement

said that the case was before the ZBA to seek relief from the minimum lot size. Mr. Sharples said that it didn't need ZBA relief when it went to the planning board. Subsequent discussions were about reducing the size of the parcel. He said that the lot has been altered significantly. The downside of that is that if there was a situation where the landfill contaminated the site, the city would have some liability.

Chairman Clement asked where the property has the most value. He said they could tear down the house, lease it out, et cetera. He was concerned with the liability to the town. Selectman Chartrand asked Mr. Dean about the liability. Mr. Dean said it was a concern. Selectman Chartrand said that that slows him down in wanting to sell the property. He suggested that the town get someone to move the house and otherwise should remove it. He thinks the structure has some value and maybe they should sell it, which would remove the obligation for upkeep.

Selectwoman Surman pointed out that they've been leasing property since 2001. She asked if the concern was liability to the current tenant or if they sell it to someone else. Mr. Dean suggested having the legal team analyze the issue. Selectwoman Surman asked why this issue is coming up now. Mr. Dean said that the real estate market as recently picked up and now the issue is coming back on the radar. Selectwoman Surman asked what kind of lease it is. Mr. Dean replied that it is an annual lease. Mr. Sharples said that there is a one-year option for renewal and that it is a rollover lease.

Chairman Clement asked if they had talked to public works about the value of the parcel of land. Mr. Dean said they had not. Mr. Sharples said they didn't talk about the residential use, but had talked about what they used the site for including a gravel pit, brush and stump recycling, composting, et cetera. It is also a staging area for contractors working on town projects.

Selectwoman Gilman said that she'd like to either sell the property or demolish it. Mr. Dean said that they could talk to the building department to get a sense of what is feasible. Mr. Sharples said that the key is an available lot in close proximity where they could put the structure. The board agreed to have the town manager and planner to research the cost of selling the structure or of moving it. Mr. Dean said that the inhabitant of the house is aware of what's happening.

Selectwoman Gilman asked about the design charrette for Franklin Street. Mr. Sharples said it is being put on by the Seacoast Workforce Housing Coalition and the Housing Advisory Committee of Exeter supports it. It is meant to start the conversation about affordable housing. They pick a site and do a presentation and hear from the community. And then they will create scenarios for affordable housing on that site. Selectwoman Gilman asked that the proponents of this be sent a link to the Franklin Street Area Survey from the heritage commission. Mr. Sharples said that they look at financial feasibility and then report back to the public.

9. Regular Business

a.

MOTION: Selectwoman Surman moved to approve the abatement for map 110, lot 2, unit 17 in the amount of \$203.66 for the year 2015. Selectwoman Gilman seconded the motion, and it passed unanimously.

MOTION: Selectwoman Surman moved to approve the abatement for map 110, lot 2, unit 17 in the amount of \$14.28 for the year 2016. Selectwoman Gilman seconded the motion, and it passed unanimously.

b. Permits and Approvals

Mr. Dean asked the board to make a motion to approve the MS-1 subject to any final utility changes.

MOTION: Selectman Chartrand moved that the board approve and sign the MS-1 for 2017, subject to any revision of the utility valuation. Selectwoman Surman seconded the motion, and it passed unanimously.

MOTION: Selectman Chartrand moved to approve the use of the town hall for an antique appraisal on 10/14/18. Selectwoman Surman seconded the motion, and it passed unanimously.

MOTION: Selectman Chartrand moved to approve the use of the town hall for a karate program, occurring on Tuesdays 10/3/17-11/14/17, from 5:30-9:00pm. Selectwoman Surman seconded the motion, and it passed unanimously.

MOTION: Selectman Chartrand moved to approve the use of the town hall for the Prescott Arts Festival on November 6th, 8th-13th, 19th, 25-27th and the main hall on the 20th-22nd. Selectwoman Surman seconded the motion, and it passed unanimously.

MOTION: Selectman Chartrand moved to approve the use of the town hall, the band stand, and the poster board on May 18th-20th, 2018 for the 2nd Annuals Arts and Music Festival. Selectwoman Gilman seconded the motion, and it passed unanimously.

MOTION: Selectman Chartrand moved to approve the use of the town hall and bandstand by Exeter Arts and Music for January 5th, February 2nd, March 2nd, April 6th, May 4th, June 1st, July 6th, August 3rd, August 31st, September 7th, and October 5th of 2018, and to have further discussion about poster board use and plywood use. Selectwoman Gilman seconded the motion, and it passed 3-1-0 with Selectwoman Surman voting nay.

Chairman Clement suggested reviewing the policy of the signage board at the next meeting.

Chairman Clement said that an application is being made to list the Raynes Barn on the NH state register. Selectwoman Gilman said that she thought it was a good idea. Chairman Clement asked if there was any downside to the decision. Selectwoman Gilman said there wasn't, and the upside was that it makes it easier to get on the national register of historic places. Chairman Clement asked if there are any maintenance requirements for the state register. Selectwoman Gilman said she didn't think so.

MOTION: Selectman Chartrand moved to authorize the town manager to sign the letter from and to the NH Division of Historical Resources approving the listing of the Wiggins-Raynes Barn on the NH Register of Historical Places. Selectwoman Gilman seconded the motion, and it passed unanimously.

c. Town Manager's Report

Mr. Dean had a reminder that the household hazardous waste day is Saturday. The budget committee starts their full committee meetings on Friday, next Wednesday they will start with night

meetings. The parks and recreation department has approached the town about the van, and have received questions about replacing it. They will present to the board on the 30th. String bridge is open to traffic and the sidewalks are complete.

The town is live in the new MUNIS system as of last Thursday. They are having a health trust meeting tomorrow to get the town's health insurance rating, the January pool is down by 8%, and the rates may drop further if the pool rating is adopted. They also received workers compensation and property liability which are both decreases from last year. Unemployment is up a little bit. They have been asked by some blind resident to relook at the Accuvote. They also ran some reports on the water sales consumption, and based on the last 4 years from 2013-2016 they averaged between 318 million and 324 million gallons per year. In 2017 it may drop to 306, and in 2018 it should be 305.8.

Selectman Chartrand said that Bob Kelly moved the rate hearing for the water and sewer advisory committee back a month, to be able to look at the changes and to look at work being done by the budget recommendations committee.

d. Selectboard Committee Reports

Selectwoman Surman said that she was unable to attend the conservation commission meeting. She will also be part of the hazardous waste day volunteers. Selectwoman Gilman said that the Winter Street Cemetery had a volunteer day which was well-attended. They found some bases to stones and more cleaning was done. There will be another volunteer day in the spring.

Chairman Clement said he attended the conservation commission meeting as a fill-in for Selectwoman Surman. They approved a new sign for Raynes Barn which is still required to be signed by LCHIP. There was some work by PEA to put in new dugouts in the softball field. And there was an approval to an exception for buffer requirements by Unitil to do powerline work to secure new guidelines to one pole. Also, a new development for a new warehouse on Continental Drive. Next Tuesday is the right to know training. He emphasized the importance of this.

e. Correspondence

Chairman Clement brought up a letter about the cable franchise renewal. He said he was disappointed by it. They are recommending that the town extend it for a year, and the town identify its wants and needs. He said last time there was more public outreach. He felt as though there should have been a public hearing. Mr. Dean said that there is an extension of the current agreement that would leave everything as-is for a year. They have had issues with getting compliance with Comcast in the past year. Selectman Chartrand said they are recommending an extension to continue to work on various issues. Chairman Clement suggested putting together a team. Selectwoman Surman said that they definitely need public input and maybe a committee. Mr. Dean said that one issue is the studio problem.

MOTION: Selectman Chartrand moved to approve and sign the extension of the cable television franchise agreement between Exeter and Comcast. Selectwoman Gilman seconded the motion. The motion failed 2-2-0, with Selectwoman Surman and Chairman Clement voting nay.

The board decided that the contract should reference the 2010 agreement.

There was a thank you letter for supporting the REP program, and said that the town is getting funds to offset the emergency management budget. There was a letter notifying them of the DARE officer of the year from Exeter. There were two letters thanking the residents of the town for social services funding. There was a letter from Unitil about their annual breakfast meeting.

10. Calendar

The first all-day budget meeting is on Saturday, and the next board of selectmen meeting is on the 30th.

11. Non-Public Session

There was no nonpublic session.

12. Adjournment

Selectwoman Gilman moved to adjourn. Selectman Chartrand seconded, and it passed unanimously. The meeting was adjourned at 10:30pm.

Respectfully submitted by recording secretary Samantha Cave.

Committee Appointments

October 30, 2017

Energy Committee

Lew Hitzrot, 185 High Street

Renay Allen, 185 High Street

There are no terms for these appointments as the committee charge is being reworked. The original in place charge is attached and included a 5 member citizen group, 1 DPW member, and 1 BOS member.

Draft Charge “Energy Committee”

A standing committee of seven members established to guide the Town of Exeter toward reduced energy consumption in order to promote public health and efficient Town services. The Committee will be composed of five volunteer citizens, one member of the Department of Public Works, one Selectmen’s representative.

The Committee will provide a report to the Board of Selectmen, in August of 2008, recommending and prioritizing changes in Town Department procedures with regard to cost savings, cost of implementing changes and the immediacy of advantages of any change. The report deadline is identified to coincide with the budgeting process of the Town such that any recommendations may be incorporated for proposed spending in the Capital Improvement Plan 2009 and proposed budget for FY’09. Any proposal for cost savings or educational outreach that may be accomplished prior to August of 2008 within any Town Department’s FY’08 budget shall be brought to the attention of the Town Manager and affected Department for consideration of its immediate implementation. Upon completion of the report, the Board of Selectmen shall recharge the Committee to aid in implementing identified recommendations and/or continued examination of the following goals:

Goals

1. Examine ways the Town can reduce energy consumption;
2. Identify and recommend to the Board of Selectmen short term and long term solutions for Town departments;
 - Cost savings;
 - Reduced Energy Consumption
 - Integration of alternative energy;
 - Energy Efficiency Education
 - Ecological impacts
3. Identify and recommend to the Board of Selectmen community education opportunities and subject matter;
4. Research and recommend funding options for education;
5. Research and recommend funding options for institution of new energy efficient solutions;
6. Research and recommend tax incentives for residents or businesses that undertake energy conservation improvements and/or ecological impact reduction.
7. Work with Planning Board to establish energy efficient and sustainable design ordinances.
8. Explore “green technologies” as part of any new municipal building project and report on same to Board of Selectmen: evaluate costs and benefits of these options;
9. Develop set of measurable criteria for workable solutions of municipal changes to evaluate costs.



Town of Exeter
 Town Manager's Office
 10 Front Street, Exeter, NH 03833

**Statement of Interest
 Boards and Committee Membership**

Committee Selection: Energy Committee

New **Re-Appointment** **Regular** **Alternate**

Name: Renay Allen **Email:** rmallenNH@gmail.com

Address: 185 High St **Phone:** 603- 778-0924

Registered Voter: Yes No

Statement of Interest/experience/background/qualification, etc. (*resume can be attached*).

Since 2013 I have been running "Exeter NH Transition Town" (an affiliate of TransitionUS.org) which seeks to reduce the carbon footprint of Exeter by informing citizens about local and global actions. I work to raise awareness on six topics: clean energy/conservation, local water, local food, recycling, transportation, and local art. (Please see Facebook page for detailed info) Last year I served the town on the Healthy Lawns | Clean Water committee, with Natural Resources Planner Kristen Murphy, on a fertilizer ordinance for wetland setbacks to lessen the nitrogen load in Great Bay.

Recently I was involved with the grassroots Energize360.org home energy program. Through that alliance and similar projects over the years, I have met and become friends with many volunteers on Dover/Durham etc energy committees and groups like SEAREI & 350, as well as other professional energy/sustainability leaders and regional planners. For three years I have been hosting NHSaves "Button Up NH" energy workshops thru PAREI at the Exeter Library.

~~I hold a Masters in Business Communications and am newly retired from ten years employment in the business office at the church across from the bandstand. I am grateful to the strong leadership this town has seen over the years, and would like to become part of that dedicated team. Thank you for your consideration.~~

If this is re-appointment to a position, please list all training sessions you have attended relative to your appointed position.

I understand that: 1. this application will be presented to the Exeter Selectboard only for the position specified above and not for subsequent vacancies on the same board; 2. The Town Manager and Selectboard may nominate someone who has not filed a similar application; 3. this application will be available for public inspection.

- After submitting this application for appointment to the Town Manager:
- The application will be reviewed and you will be scheduled for an interview with the Selectmen
 - Following the interview the Board will vote on your potential appointment at the next regular meeting
 - If appointed, you will receive a letter from the Town Manager and will be required to complete paperwork with the Town Clerk prior to the start of your service on the committee or board.

I certify that I am 18 years of age or older:

Signature: _____ Date: Sept. 15, 2017



Town of Exeter
Town Manager's Office
10 Front Street, Exeter, NH 03833

Town Manager's Office

OCT 10 2017

Received

Statement of Interest Boards and Committee Membership

Committee Selection: Energy

New

Re-Appointment

Regular

Alternate

Name: Low Hitzrot Email: lhitzrot@exeter.edu

Address: 185 High St Phone: 603-778-0924

Registered Voter: Yes No

Statement of Interest/experience/background/qualification, etc. (resume can be attached).

I have an undergraduate degree in Chemistry and MS in physical chemistry. I have taught Physics and Chemistry at PEA and am now retired. I would like to help the town transition to a more energy efficient future.

If this is re-appointment to a position, please list all training sessions you have attended relative to your appointed position.

I understand that: 1. this application will be presented to the Exeter Selectboard only for the position specified above and not for subsequent vacancies on the same board; 2. The Town Manager and Selectboard may nominate someone who has not filed a similar application; 3. this application will be available for public inspection.

After submitting this application for appointment to the Town Manager:

- The application will be reviewed and you will be scheduled for an interview with the Selectmen
- Following the interview the Board will vote on your potential appointment at the next regular meeting
- If appointed, you will receive a letter from the Town Manager and will be required to complete paperwork with the Town Clerk prior to the start of your service on the committee or board.

I certify that I am 18 years of age or older:

Signature: [Handwritten Signature]

Date: 10/9/17

**TOWN OF EXETER
MEMORANDUM**

TO: Board of Selectmen
FROM: Assistant Director of Parks and Recreation
RE: Van Purchase-Parks and Recreation
DATE: 10/27/2017

Exeter Parks and Recreation is seeking approval to purchase a 2018 Ford Transit 15 passenger XL using the revolving fund. The new van would better accommodate the departments growing Senior Trips in addition to our summer camp. Below are the specs, explanation and quotes.

	<u>2010 Van</u>	<u>2018 Ford Transit Van</u>
Capacity:	15 passenger	15 passenger
Storage	none	3'-4' in the rear
Height:	90"	107.7 "
Seating:	4 Rows, entrance to side	4 Rows, Center Isle
Access:	Installed RV step	Powder side board
Back up Camera:	After market	Sensors and larger screen
Navigation:	None	Installed

The two vans couldn't be any more different. Ford transitioned to new Transits models two to three years ago. Our current 15 passenger van model has the same design found in vans in the last 25-30 years. For years, our seniors have requested a new van for the following reasons. The current van stands higher off the ground, consequently, the department installed an aftermarket RV step to ease the transition. Even though this step helps, the seniors still find it challenging to entering and exiting the van. The 2018 transits sit lower to the ground and with the requested power sideboard, resolving the accessibility issues. The current van has the traditional 4-row alignment that requires passengers to crawl over the wheel well to gain access to the back seats. The 2018 transits have reconfigured the seats to allow a center row, thus the van manufactured come out slightly wider and taller, granting easier access to the rear seats. The current van doesn't have any storage, limiting the capacity of the van on top of locations the department can travel. The 2018 transit has additional storage space for walkers, packages or luggage, hence giving the ability to fill the majority of the seats. The backup alarm along with the navigation system will increase the safety for those riding in the van on the account the current van current only has an aftermarket backup camera with the backup buzzer. The current van presently has no backup sensors and navigation system occasionally making it difficult to maneuver in a crowded parking lot and crowded cities. The new 2018 transit includes hands-free technology to allow the driver to concentrate on driving rather worrying about directions. The new transit would create a greater impact on our programming for both the senior citizen trips in addition to our summer camp.

Quotes:

McFarland Ford: \$42,988.00

Londonderry Ford: \$39,585.00

Grappone Ford: \$37,598

This van would be financed for 5 years. 8-10 weeks to be delivered.

Department Report: Summer/Fall/Soon to be Winter

Summer Wrap Up: Summer may be a distant memory, but despite the rain and cool temperatures, the pool had a successful summer. Our attendance for the pool surpassed 10,000 visits, whereas combined with our summer lesson and summer camp, the pool attracted 23,000 total visits. Moreover, the pool remains a valuable asset to the community and the region being one of the only outdoor public pools in the area with patrons traveling from 45 minutes away to attend. The ever so popular summer adventure and teen adventure camp topped out at 280 children served with a wait list of 75. Our specialty camps such as Flag Football and British Soccer continue to be very popular and sell out each and every year. The Red Cross swim lessons filled to the capacity of 200 children ranging from level 1 to level 6 while the aqua aerobics classes continues to grow. Conversely, the pool closed on August 20th due to the lack of staff. The department continues to explore ways to lengthen the season. The summer concluded with a dog splash day over Labor Day weekend. Nevertheless, overall the summer was very successful.

Sports: Flag Football and Soccer concluded on October 21st with a total of 408 children participating, 196 all-time high for football and 208 for soccer. Generally speaking, the demographic these program services ranged from 2 years old up to 12 years old with many aging out or transitioning to EYSA. The association between EYSA and Exeter Parks and Recreation continues to be solid. On the other hand, field space still needs mindful management between the two organizations to avoid scheduling conflicts. Given these points, field enlargement would benefit both organizations. Basketball registration is currently ongoing for grades pre-k through 8th grade. The development of grades 5th-8th grade basketball has been prosperous. We anticipate entering 4 boy's teams and 2 girl's teams in the 5th & 6th-grade division and 2 each in the 7th and 8th-grade division, the fastest growing basketball program we have besides pre-k basketball. The program, in this case, is our only non-coed division that enters in the Lamprey River Basketball league in which the teams play towns along the 101/125 corridor. The deadline for this age group is Oct 31st with evaluation happening in early November. At this present time, this is the only part of our basketball program that begins in November/December even though all other grades start first of the year. With the growing basketball program, Gym space will be tight and might need to be found elsewhere if possible.

Programs/Trips/Building Use: The department's programs continue to thrive as illustrated in the variety of our offerings. Coyote Club, the wilderness program, hit max capacity despite the court st. detour. Karate expanded to multiple nights to accommodate the growing numbers, meanwhile our department did have a scheduling conflict with the schools on Tuesday night karate. Under those circumstances, they temporary relocated them to a home at the Town Hall on Tuesday nights. The karate instructors would be interested in finding a new location superior to the tuck learning center cafeteria but presently, our building doesn't have availability. The free Zumba on Wednesday afternoons (1 pm) and night (7:30 pm) continue to grow, anyone interested in joining the class can either drop in or sign up to secure a spot in the class. Yoga and Couples Yoga continue to be extremely popular, Laurel our instructor has a strong following, and often having her couples Yoga fill immediately. Music Together, the Music program orchestrated by children's entertainer Sammy Hayes fills our space 4 days out of the week while Families First playdate group occupies Thursdays. Each of these groups target the infant to preschool population, When these programs are in session, parking limitations in our lot caused challenges. Our building, as well as the senior center, are booked nights with either programs or meetings, as a result, causing difficulty meeting demand for new programming.

The recreational trips offered by our department have been a huge success the last year due to Dan Conrad, Recreation Coordinators' efforts. As a result, Dan efforts in expanding the department trip offerings to multiple day and overnight trips have increase trip revenue. For example, He recently took a group to Mystic, CT that not only was profitable for the department, but expanded opportunities to conduct further overnight and continued profits. The day trips sell out immediately, resulting in duplicating some of the most popular trips such as the New England Flower Show. With this in mind, the seniors have been asking for a new van that accommodations their needs. The current recreation van causes difficulty for seniors to enter and exit as well as limits our capacity, for example, we only take 10 to the flower show knowing they will be purchasing all items that will need to be stored. The new van would create better accessibility for the seniors on top of added storage to account for walkers, luggage or merchandise. A memo submitted with details of, the new van the department is requesting will further explain the need for the new van. The seniors love Dan and he deserved credit for the success of these trips. Anyone interested in a specific trip or would like to suggest a trip should contact our office and speak to Dan in order to continue to provide quality trips.

Powder Keg Beer and Chili festival: The Powder Keg Beer and Chili festival continue to grow as a result, we had record attendance this year close to 4,000. The true economic impact this event has on the community and the state, in general, is enormous. Given this point, we have become the largest beer festival in NH and closing in on all of New England. In this case, we enticed patrons from 26 states along with Puerto Rico and Canada. The Exeter Area Chamber of Commerce remains to be a reliable collaborator for this event. We anticipate another successful festival in 2018 at the same time, hope to set the date once we have a clearer picture of the construction project on Swasey Parkway. All considered, our only continued struggle in this event is attracting area restaurants to contribute. For this reason, we hope to gain additional restaurants partaking in next year's chili contest to meet the ever-growing demand.

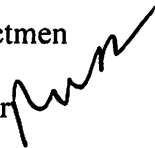
Halloween: The department just completed its Halloween events. October 18th, we held our annual Pumpkin Carving to the delight of 24 kids. This program has shrunk over the years but thanks to the generosity of Apple Crest, We do not spend very much on this program. Our Halloween event was held on Oct 27th.

National Conference: I attended the National Conference for Parks and Recreation in New Orleans this past September. This conference had zero impact on the town budget as I have served as President of the New Hampshire Park and Recreation Association and they underwrote my conference expenses so that I can represent the state of NH as well as Exeter Parks and Recreation. The NRPA conference drew 10,000 Park and Recreation professionals from around the world eager to learn and network with other authorities to enhance parks and recreation. This year, I had the privilege to speak again on the topic of "Summer Should be Fun!". This session placed 91st out of 560 submitted sessions and ranked #4 most viewed session of the conference. The session drew over 200 people and colleagues continue to contact me with questions and advice.

Recreation Park Project: The recreation department continues to have an ongoing dialogue with the different user groups of the recreation park. A group recently approached the department with funding to offset a portion of the project and continued support of the project monetarily in the foreseeable future. The department awaits word from the state to apply for the 2018 grant round for Land, Water Conservation Fund. This grant is the same grant that previously funded the recreation park project in

1970's in addition to various properties around Exeter. This year, \$880,000 were awarded to 8 different communities while the state hopes to fund the same amount in 2018. As of September 30th, 2017, we have \$193,018.57 in impact fees to contribute to this project.

**TOWN OF EXETER
MEMORANDUM**

TO: Board of Selectmen
FROM: Town Manager 
RE: Quarterly Financial Report Narrative
DATE: October 27th, 2017

The narrative accompanying the 2017 3rd quarter financial report will be distributed on Monday. The Finance Director will be present to go over the report with the Board.

Town of Exeter

General Fund Revenues (unaudited)
As of September 30, 2017 and September 30, 2016

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General Fund Revenues

Description	Current Year 2017 Budget vs Actual				Prior Year 2016 Budget vs Actual				Notes
	2017 Budget	Actual Revenue 09/30/17	\$ Variance	% Collected	2016 Budget	Actual Revenue 09/30/16	\$ Variance	% Collected	
Property Tax Revenue	\$ 12,242,483	\$ 7,389,017	\$ (4,853,466)	60.4%	\$ 12,307,072	\$ 6,067,601	\$ (6,239,471)	49.3%	Includes property tax less overlay, plus jeopardy, yield, current use and PILOT taxes, penalties and interest. 1st half of property taxes were billed in the 2nd quarter.
Motor Vehicle Permit Fees	2,630,000	2,166,505	(463,495)	82%	2,550,000	1,984,590	(565,410)	78%	Motor vehicle registration and fees
Building Permits & Fees	500,000	476,457	(23,543)	95%	310,000	285,223	(24,777)	92%	Fees charged by Building & Code Enforcement
Other Permits and Fees	205,000	138,160	(66,840)	67%	205,000	131,492	(73,508)	64%	Includes GF portion of Cable TV & Vital Statistics Fees
Meals & Rooms Tax Revenue	754,028		(754,028)	0%	754,028		(754,028)	0%	Meals & Rooms Revenue received from the State in late December each year
State Highway Block Grant	292,791	205,988	(86,803)	70%	292,791	209,222	(83,569)	71%	Federal Highway Grant Received quarterly
Other State Grants/Reimbursements	38,884	6,688	(32,196)	17%	38,884	22,370	(16,514)	58%	Railroad Tax, RERP, Other Miscellaneous State Grants
Income from Departments	850,000	617,072	(232,928)	73%	850,000	650,232	(199,769)	76%	General Revenues charged by Town Departments
Sale of Town Property	12,500	-	(12,500)	0%	12,450	12,457	7	100%	Line item reserved for sales of Town/deeded property
Interest Income	1,000	275	(725)	28%	1,000	838	(162)	84%	Interest income earned on bank accounts
Other Miscellaneous Revenues	22,180	19,600	(2,580)	88%	22,075	18,100	(3,975)	82%	Town Rental Property, Donated Property and Town Hall rental income
Revenue Transfers In/Out	588,560	50,000	(538,560)	8%	233,435	73,399	(160,036)	31%	Transfers in from Trustee of Trust Funds for Sick Trust/ Other Transfers
Total General Fund Revenues	\$ 18,137,426	\$ 11,069,762	\$ (7,067,664)	61%	\$ 17,576,735	\$ 9,455,524	\$ (8,121,212)	54%	
Total Appropriations	506,199	506,199		100	266,099	266,099			Appropriated Revenue from Taxation for Warrant Articles Voted
Gross Revenues	\$ 18,643,625	\$ 11,575,961	\$ (7,067,664)	62%	\$ 17,842,834	\$ 9,721,623	\$ (8,121,212)	54%	Total Revenue from All GF Sources

Town of Exeter
 General Fund Expenses (unaudited)
 As of September 30, 2017 and September 30, 2016

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DEPARTMENT	Current Year 2017 Budget vs Actual				Prior Year 2016 Budget vs Actual				Notes
	2017 Budgeted Expenses	Actual Expenses 09/30/17	\$ Variance	% Spent	2016 Budgeted Expenses	Actual Expenses 09/30/16	\$ Variance	% Spent	
Total General Government	\$ 917,030	\$ 669,981	\$ 247,049	73%	\$ 944,252	\$ 721,136	\$ 223,116	76%	BOS, TM,HR, IT, TC, Elections, TTF, Transportation and Legal Expenses
Total Finance	819,193	563,845	255,348	69%	774,736	544,866	229,870	70%	Finance, Treasurer, Tax Collection & Assessing
Total Planning & Building	533,902	376,988	156,914	71%	505,345	361,479	143,866	72%	Planning, Building, Conservation and other Commissions
Total Economic Development	137,072	98,840	38,232	72%	136,911	93,259	43,652	68%	Salary, benefits and general expenses
Total Police	3,835,634	2,587,405	1,248,229	67%	3,794,930	2,475,155	1,319,775	65%	Police Admin, Staff, Patrol, Communications Salaries,Benefits and General Expenses
Total Fire	3,774,065	2,625,830	1,148,235	70%	3,729,684	2,580,833	1,148,851	69%	Includes wages, taxes, benefits and general expenses of the Fire Administration, Suppression, Health and Emergency Management Departments. Ambulance OT,benefits, taxes and expenses are included in the Ambulance Revolving Fund.
Total Public Works	3,916,536	2,958,989	957,547	76%	3,670,129	2,575,975	1,094,154	70%	Includes wages, benefits and general expenses of Public Works: Administration,Highway, Solid Waste, Street Lights and Snow Removal Departments.
Total Maintenance	1,101,908	773,456	328,452	70%	1,058,218	737,483	320,735	70%	includes wages, benefits, taxes, maintenance projects and related expenses of Maintenance
Total Welfare	37,778	56,281	(18,503)	149%	64,666	51,037	13,629	79%	Wages and benefits of Executive Admin are allocated to this department.
Total Human Services	100,000	75,000	25,000	75%	-	-	-	-	BRC and BOS voted to put Human Services into the budget for 2017 instead of on a Warrant Article.
Total Parks & Recreation	495,969	359,833	136,136	73%	486,003	356,353	129,650	73%	Includes P&R wages, benefits and general expenses. Summer staff in rec revolving fund.
Total Other Culture/Recreation	45,451	32,350	13,101	71%	45,451	31,645	13,806	70%	Patriotic Purposes, Holiday Parade, Brass Band
Total Library	1,002,526	716,683	285,843	71%	927,413	685,846	241,567	74%	Library wages & benefits and library expense Budget Allocation
Total Debt Service & Capital	1,117,392	1,003,365	114,027	90%	1,157,400	1,100,675	56,725	95%	General Fund Capital Purchases, Debt Service Principle and Interest
Payroll Benefits & Taxes	302,970	347,069	(44,099)	115%	281,597	330,280	(48,683)	117%	Payroll, Health Buyouts, W/C, U/C and Insurance
Total General Fund Expenses	\$ 18,137,426	\$ 13,245,915	\$ 4,891,511	73%	\$ 17,576,735	\$ 12,646,022	\$ 4,930,713	72%	Total of all General Fund Expenses
Appropriation for Warrant Articles	\$ 506,199	\$ 59,834	\$ 446,365	12%	\$ 266,099	\$ 147,209	\$ 118,890	55%	Warrant Articles - expenses appropriated as voted.
Total Expenditures	\$ 18,643,625	\$ 13,305,749	\$ 5,337,876	71%	\$ 17,842,834	\$ 12,793,231	\$ 5,049,603	72%	Total Expenses and Warrant Articles
Net Income/ (Deficit)	\$ -	\$ (1,729,788)	\$ (1,729,788)	-9%	\$ -	\$ (3,071,609)	\$ (3,071,609)	-17%	Net Income/(Deficit)
Amounts Voted from Fund Balance	\$ 100,000	\$ 100,000	\$ 100,000	100%	\$ 125,000	\$ 125,000	\$ -	100%	Sick Leave Trust and Snow/Ice Deficits

Town of Exeter

Water Fund Revenues & Expenses (unaudited)

DRAFT

As of September 30, 2017 and September 30, 2016

Description	Current Year				Prior Year				Notes
	2017 Budget	Actual Revenue 09/30/17	\$ Variance	% Collected	2016 Budget	Actual Revenue 09/30/16	\$ Variance	% Collected	
	Water Fund Revenues								
Water Enterprise Revenues	\$ 3,308,733	\$ 2,463,399	\$ (845,334)	74%	\$ 2,975,555	\$ 2,052,072	\$ (923,483)	69%	Water Consumption Fees, Service Charges, Impact Fees and Misc. Fees
Appropriations for Warrant Articles	\$ 10,502	\$ 10,502	-	100%	\$ 9,488		(9,488)	100%	
Gross Water Revenues	\$ 3,319,235	\$ 2,473,901	\$ (845,334)	75%	\$ 2,985,043	\$ 2,052,072	\$ (932,971)	69%	Water Consumption Fees, Service Charges, Impact Fees and Misc. Fees
Water Fund Expenditures									
DEPARTMENT	2017 Budgeted Expenses	Actual Expenses 09/30/17	\$ Variance	% Spent	2016 Budgeted Expenses	Actual Expenses 09/30/16	\$ Variance	% Spent	
Water Administration	\$ 418,895	\$ 310,707	\$ 108,188	74%	\$ 386,447	\$ 284,915	\$ 101,532	74%	Staff Administration Wages & General Expenses
Water Billing	\$ 150,153	\$ 108,590	\$ 41,563	72%	\$ 142,358	\$ 110,947	\$ 31,411	78%	Billing Wages and associated expenses
Water Distribution	\$ 846,144	\$ 604,606	\$ 241,538	71%	\$ 822,081	\$ 564,218	\$ 257,863	69%	Water Distribution Wages and Expenses
Water Treatment	\$ 713,277	\$ 492,025	\$ 221,252	69%	\$ 741,065	\$ 434,350	\$ 306,715	59%	Water Treatment Wages and Expenses
Water Fund Debt Service	\$ 1,102,718	\$ 1,102,718	\$ -	100%	\$ 808,604	\$ 808,604	\$ -	100%	Debt Service for Water Fund
Water Fund Capital Outlay	\$ 77,546	\$ 27,947	\$ 49,599	36%	\$ 75,000	\$ 73,331	\$ 1,669	98%	Includes vehicles, WTP maintenance and capital
Total Water Fund Expenses	\$ 3,308,733	\$ 2,646,593	\$ 662,140	80%	\$ 2,975,555	\$ 2,297,239	\$ 678,316	77%	Total Expenses
Warrant Articles	\$ 10,502		\$ 10,502	0%	\$ 9,488	\$ 1,716	\$ 7,772	18%	Warrant Articles
Total Water Expenses	\$ 3,319,235	\$ 2,646,593	\$ 672,642	80%	\$ 2,985,043	\$ 2,298,955	\$ 686,088	77%	Grand Total Water Fund Expenses
Net Income/ (Deficit)	\$ -	\$ (172,692)	\$ (172,692)	-100%	-	\$ (246,883)	\$ (246,883)	100%	Net Increase/(Decrease) Revenue over Expenses

Town of Exeter
 Sewer Fund Revenues & Expenses (unaudited)
 As of September 30, 2017 and September 30, 2016

DRAFT

Description	Current Year				Prior Year				Notes
	2017 Budget	Actual Revenue 09/30/17	\$ Variance	% Collected	2016 Budget	Actual Revenue 09/30/16	\$ Variance	% Collected	
Sewer Fund Revenues									
State Grant Revenue	\$ 26,493	\$ 8,904	\$ (17,589)	34%	\$ 21,472	\$ 21,433	\$ (39)	100%	Wastewater Grant
Sewer Enterprise Revenues	\$ 2,383,661	\$ 2,188,262	\$ (195,399)	92%	\$ 2,379,077	\$ 1,575,069	\$ (804,047)	66%	Revenue from Sewer Usage, Service Charges, Impact and Assessment Fees and other Misc Sewer Revenues
Appropriations for Warrant Articles	10,024	10,024	-		8,941	8,941	-	-	
Sewer Fund Revenues	\$ 2,393,685	\$ 2,198,286	\$ (195,399)	92%	\$ 2,409,490	\$ 1,605,443	\$ (804,047)	67%	Total Sewer Fund Revenues
Sewer Fund Expenditures									
DEPARTMENT	2016 Budgeted Expenses	Actual Expenses 09/30/17	\$ Variance	% Spent	2015 Budgeted Expenses	Actual Expenses 09/30/16	\$ Variance	% Spent	
Sewer Administration Expense	366,832	270,505	96,327	74%	346,779	262,785	83,994	76%	Sewer Admin wages and expenses
Sewer Billing Expense	149,178	106,291	42,887	71%	142,358	102,959	39,399	72%	Sewer Billing wages and expenses
Sewer Collection Expense	657,372	623,931	33,441	95%	708,309	413,557	294,752	58%	Sewer collection wages and expenses
Sewer Treatment Expense	472,725	326,850	145,875	69%	467,636	331,560	136,076	71%	Sewer treatment wages and expenses
Sewer Fund Debt Service Expense	586,123	586,123	-	100%	630,451	630,450	1	100%	Sewer Fund Debt Service
Sewer Fund Capital Outlay Expense	123,426	96,181	27,245	78%	77,079	48,446	28,633	63%	Vehicles and Leases
Sewer Fund BAN Interest	28,005	45,242	(17,237)	162%	27,937	28,005	(68)	0%	Bond Anticipation Loan Interest for WWTP Design Costs- Paid in July 2017
Total Sewer Fund Expenses	2,383,661	2,055,123	328,538	86%	2,400,549	1,838,636	561,913	77%	Total Sewer Fund Expenditures
Sewer Fund Warrant Articles	10,024	10,024	0%		8,941	1,716	7,225	0%	Warrant Articles
Total Sewer Expenses and Warrant Ar	\$ 2,393,685	\$ 2,055,123	\$ 338,562	86%	\$ 2,409,490	\$ 1,840,352	\$ 569,138	76%	Grand Total Sewer Expenses
Net Income/(Deficit)	\$ -	\$ 143,163	\$ 143,163	100%	\$ -	\$ (234,909)	\$ (234,909)	100%	Net Income/(Deficit)

Town of Exeter

CATV Revolving Fund- Revenue & Expenses (unaudited)

As of September 30, 2017 and September 30, 2016

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CATV Fund

Description	Current Year				Prior Year				Notes
	2017 Budget	Actual 09/30/17	\$ Variance	% Variance	2016 Budget	Actual 09/30/16	\$ Variance	% Variance	
CATV Revenue	\$ 147,250	\$ 82,789	\$ (64,461)	56%	\$ 147,250	\$ 77,595	\$ (69,655)	53%	50% of Comcast Revenue to General Fund and 50% to CATV Fund
CATV Expenses									
Wages, Taxes & Benefits	\$ 80,303	\$ 59,357	\$ 20,946	74%	\$ 64,205	\$ 38,112	\$ 26,093	59%	20% of IT Director Salary, PT Wages, payroll taxes, NHRS and insurance
General Expenses	\$ 47,829	\$ 46,558	\$ 1,271	97%	\$ 70,274	\$ 34,027	\$ 36,247	48%	Includes annual E-Channel Assessment
Total Expenses	\$ 128,132	\$ 105,915	\$ 22,217	83%	\$ 134,479	\$ 72,139	\$ 62,340	54%	Total of all expenses
Net Income/(Deficit)	\$ 19,118	\$ (23,126)	\$ (42,244)	-121%	\$ 12,771	\$ 5,456	\$ (7,315)	43%	Net decrease over the prior year

Town of Exeter
 Recreation Revolving Fund Revenues & Expenses(unaudited)
 As of September 30, 2017 and September 30, 2016

DRAFT

Description	Current Year				Prior Year				Notes
	2017 Budget	Actual 09/30/17	\$ Variance	% Variance	2016 Budget	Actual 09/30/16	\$ Variance	% Variance	
Total Revenue	\$ 536,600	\$ 529,871	\$ 6,729	99%	\$ 488,812	\$ 493,250	\$ (4,438)	101%	Special Events, Sponsorship, Program, Pool and Trip Revenue
Wages, Taxes & Benefits	\$ 185,600	\$ 187,686	\$ (2,086)	101%	\$ 158,100	\$ 192,950	\$ (34,850)	122%	Camp Salaries and OT for Rec Coordinator
General Expenses	\$ 339,100	\$ 237,547	\$ 101,553	70%	\$ 296,500	\$ 256,195	\$ 40,505	86%	Expenses related to pool, camp and trips
Total Rec Revolving Expenses	\$ 524,700	\$ 425,233	\$ 99,467	81%	\$ 454,600	\$ 449,145	\$ 5,655	99%	Total Wages, Taxes, Benefits and General Expenses
Net Income/(Deficit)	\$ 11,900	\$ 104,638	\$ (92,738)	879%	\$ 34,212	\$ 44,105	\$ (10,093)	129%	Net Increase of revenues over expenses versus prior year.

Ambulance Revolving Fund - Revenues & Expenses (unaudited)
 As of September 30, 2017 and September 30, 2016

	Current Year				Prior Year				
	2017 Budget	Actual 09/30/17	\$ Variance	%Variance	2016 Budget	Actual 09/30/16	\$ Variance	%Variance	
EMS- Ambulance Transport Revenue	\$ 507,067	\$ 416,633	\$ (90,434)	82%	\$ 445,612	\$ 449,880	\$ 4,268	101%	Ambulance Transport Revenue
Wages, Taxes & Benefits	\$ 191,001	\$ 112,846	\$ 78,155	59%	\$ 186,676	\$ 127,502	\$ 59,174	68%	Includes Wages for 1 Dispatcher and Ambulance OT for Supression Dept
General Expenses	\$ 179,531	\$ 139,013	\$ 40,518	77%	\$ 160,246	\$ 151,657	\$ 8,589	95%	Total General Expenses
Total Expenses	\$ 370,532	\$ 251,859	\$ 118,673	68%	\$ 346,922	\$ 279,159	\$ 67,763	80%	Total of All Expenses
Net Income/(Deficit)	\$ 136,535	\$ 164,774	\$ 28,239	121%	\$ 98,690	\$ 170,721	\$ 72,031	173%	Net Income/(Deficit)

Town of Exeter
 Analysis of Property Tax/Liens Receivable
 As of 9/30/17 and 9/30/16

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<u>Type</u>	<u>Bill Year</u>	<u>Balance Outstanding as of 09/30/17</u>	<u>Balance Outstanding as of 09/30/16</u>	<u>\$ Change</u>	<u>% Change</u>
Lien	2007	1,212	1,212	-	0%
Lien	2008	-	-	-	0%
Lien	2009	375	375	-	0%
Lien	2010	3,523	3,523	-	0%
Lien	2011	9,729	10,261	(532)	(5)%
Lien	2012	8,738	9,930	(1,192)	(12)%
Lien	2013	51,377	89,100	(37,723)	(42)%
Lien	2014	92,052	192,801	(100,749)	(52)%
Lien	2015	194,347	307,928	(113,581)	(37)%
Lien	2016	319,241	521,245	(202,004)	(39)%
Subtotal		\$ 680,594	\$ 1,136,375	\$ (455,781)	(40)%
Tax	2017	510,486	-	510,486	100%
Subtotal		\$ 510,486	\$ -	\$ 510,486	
Grand Total		\$ 1,191,080	\$ 1,136,375	\$ 54,705	5%

Tax liens receivable decreased by 40% from Sept 2016 through Sept 2017 for tax lien years 2007-2016.

Town of Exeter
 Analysis of Accounts Receivable Aging - Water & Sewer
 Sept 30, 2017 vs Sept 30, 2016

DRAFT

	<u>Current</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>Over 90 Days</u>	<u>Total</u>
As of 09/30/17	\$ 657,530		\$ 28,800	\$ 34,379	\$ 720,709
Percent Outstanding	91%	0%	4%	5%	100%
<hr/>					
As of 09/30/16	\$ 604,484	\$ 5,326	\$ 16,137	\$ 26,019	\$ 651,966
Percent Outstanding	93%	1%	2%	4%	100%
<hr/>					
Increase/(Decrease)	\$ 53,046	\$ (5,326)	\$ 12,663	\$ 8,360	\$ 68,743
	9%	0%	78%	32%	11%

Current accounts receivable increases are mostly due to water and sewer rate increases.
 Accounts receivable over 90 days have increased by 32% or \$ 8,360 from the prior year.

Current Year

Breakdown of Water/Sewer Accounts Receivable Outstanding by Year: As of June 30, 2017

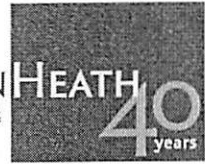
Year	Water	Sewer	Total	Percent of Total
2008		226	226	0.03%
2009	4	141	145	0.02%
2010	(270)	173	(97)	-0.01%
2011		1,239	1,239	0.17%
2012		206	206	0.03%
2013		210	210	0.03%
2014		217	217	0.03%
2015	49	300	349	0.05%
2016	434	764	1,198	0.17%
*2017	374,622	342,394	717,016	99.49%
Total	374,839	345,870	720,709	100%

* Includes current cycle billing

Town of Exeter, New Hampshire
Management Letter
For the Year Ended December 31, 2016

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To the Board of Selectmen
Town of Exeter, New Hampshire

In planning and performing our audit of the basic financial statements of the Town of Exeter, New Hampshire as of and for the year ended December 31, 2016, in accordance with auditing standards generally accepted in the United States of America, we considered the Town's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

During our audit, we became aware of other matters that we believe represent opportunities for strengthening internal controls and operating efficiency. The recommendations that accompany this letter summarize our comments and suggestions concerning those matters.

The Town's written responses to our comments and suggestions have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

The purpose of this communication, which is an integral part of our audit, is to describe for management and those charged with governance, including those overseeing the financial reporting process, the scope of our testing of internal control and the results of that testing. Accordingly, this communication is not intended to be and should not be used for any other purpose.

Melanson Heath

September 14, 2017

STATUS OF PRIOR YEAR RECOMMENDATIONS:

1. Enhance Formal Departmental Receipt Procedures

Prior Year Issue:

In the prior year, we recommended the Town formally document uniform policies and procedures for departments to follow to properly account for and remit miscellaneous receipts to the Treasurer.

Current Year Status:

The Town has not established uniform policies and procedures surrounding departmental receipts.

Further Action Needed:

We continue to recommend the Town establish more formal and complete policies and procedures over departmental receipts and perform internal audits, in order to reduce the risk of errors or irregularities occurring and going undetected.

Town's Response:

New and enhanced departmental receipt procedures will be rolled into the new software system, Munis, when the revenue cycle software implementation has been completed.

2. Fund Deficit Accounts and Investigate Inactive Accounts

Prior Year Issue:

In the prior year, we recommended the Town establish a plan to fund deficit balances in various special revenue, capital project, and capital reserve funds. In addition, we recommended the Town investigate inactive special revenue and capital project funds and take appropriate action to resolve and/or close out these accounts.

Current Year Status:

A plan to fund deficit balances has not been established.

Further Action Needed:

We continue to recommend the Town establish a plan to fund all deficit fund balances, continue to investigate inactive special revenue and capital project funds, and take appropriate action to resolve and/or close out these inactive accounts. The unexpended balances may represent a funding source for current or future purposes.

Town's Response:

The Town needs to establish a plan to fund the deficit balances and investigate inactive special revenue and capital project fund accounts. There have been many discussions surrounding this issue, but the issue has not yet been resolved.

3. Confirm Town Compliance with New Impact Fee Legislation

Prior Year Issue:

In the prior year, we recommended that the Town review its Impact Fee ordinance to ensure that it is in full compliance with current law and improve record keeping of water and sewer impact fees.

Current Year Status:

During 2016, the Town began to research the history of water and sewer impact fees; however, additional research and creation of a tracking log is still needed in order to ensure compliance with the statutory six-year limit.

Further Action Needed:

We continue to recommend the Town review its Impact Fee ordinance to ensure that it is in full compliance with current law, and improve record keeping of water and sewer impact fees.

Town's Response:

The Town began to research this issue in 2016 and has created spreadsheets that date back from 2009 forward that capture the water and sewer impact fees collected by the Town.

4. Monitor Water and Sewer Revenues

Prior Year Issue:

In the prior year, we recommended that the Town perform an analysis on water and sewer usage to more fully comprehend the reasons behind significant fluctuations in revenues having occurred over the past few years, along with understanding the consumption/usage charges of the water and sewer funds falling short of the budget.

Current Year Status:

During our current year review, the water and sewer revenues again have fallen short of the budget by approximately \$246,000 and \$301,000, respectively. However, the Town completed a water/sewer rate study in 2016 and, as a result, the Town implemented new rates in January 2017.

Further Action Needed:

We continue to recommend that the Town monitor water and sewer revenues. This will help ensure the continued fiscal stability of the water and sewer operations.

Town's Response:

The Town hired a consulting group, Municipal & Financial Services Group, in 2016 to review the Town's current water and sewer rates and make recommendations. The consultants performed a rate study for both water and sewer funds. They presented a report of the findings and recommended new water and sewer rates, with gradual increases each year to cover all water and sewer fund expenses. New rates were implemented in January 2017.

5. Prepare for New Single Audit Guidelines

Prior Year Issue:

In the prior year, we recommended that the Town prepare for the Single Audit changes by training staff and establishing the documented policies and procedures over the following:

- Financial and program management –
 - Establish written policies and procedures for the following:
 - Cash management
 - Determination of allowable costs
 - Employee travel
 - Implement internal controls that comply with COSO's "Internal Control Integrated Framework"
- Property standards – equipment –
 - Maintain property records that include description, serial/identification number, source of funding, acquisition date, cost, location, and ultimate disposition data
 - Conduct a physical inventory every two years and reconcile to property/fixed asset records
 - Implement a control system to safeguard property from loss, damage, theft
- Subrecipient monitoring and management –
 - Establish written policies and procedures for the following:
 - Communication of award requirements
 - Responsibilities for monitoring subrecipients
 - Process for monitoring
 - Methodology for resolving findings
 - Requirements for audits

Current Year Status:

The Town is aware of the new Single Audit changes and have sent staff to various trainings. However, the Town is still in the process of establishing the required policies and procedures.

Further Action Needed:

We continue to recommend that the Town prepare for the single audit changes by establishing the aforementioned documented policies and procedures. This will help the Town to minimize the risk of new Single Audit compliance findings in 2017.

Town's Response:

The Town's employees have been training on the new single audit changes and will establish policies and procedures recommended by the auditors.

CURRENT YEAR RECOMMENDATIONS:

6. Prepare for OMB's Uniform Guidance Requirements Over Procurement

As a result of OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (UG), there are new procurement rules over purchases made with federal grant funds, which differ in certain respects from existing policies. The OMB has extended the grace period for implementation of the new procurement standards with a new effective date of January 1, 2018.

Under the new requirements, Federal award recipients must:

- Establish written policies and procedures for the following:
 - Procurement in compliance with new procurement standards
 - Standards of conduct covering conflicts of interest
 - Process for conducting proposal evaluations
- Maintain certain records to detail the history of procurement
- Implement oversight procedures to ensure contractors perform in accordance with terms.

Under the new requirements, Federal procurement rules are as follows:

- Purchases under \$3,500 are considered "micro purchases" and require no quotes, but should be based on an equitable distribution among vendors.
- Purchases of \$3,000 - \$150,000 are considered small purchases and require price or rate quotes that are written, verbal, from public price lists or online searches and must be from more than one qualified source.
- Purchases over \$150,000 are required to be procured using one of two methods:

- Sealed bids (generally used for construction projects) with a firm fixed-price contract awarded to the lowest bidder, and bids need to be publicly solicited; or
- Competitive proposals based on fixed-price or cost reimbursement with qualitative evaluation methods applied to bids received from more than one qualified source.
- There are no exemptions allowed under the new procurement standards.
- Sole source/no competition/emergency purchases are only allowed in certain situations.

We recommend the Town review the new requirements and modify their own procurement policy to ensure compliance with Uniform Guidance.

Town's Response:

The Town will review the requirements and current procurement policy.

7. Prepare to Implement GASB 75 for OPEB

Beginning in fiscal year 2018, the Town will be required to implement the Governmental Accounting Standards Board (GASB) Statement 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. GASB has taken the position that OPEB is a form of compensation and the liability/expense should be recognized while the employee provides service to the government. GASB Statements 75 replaces Statements 45, and requires the full net OPEB liability and related expenses to be presented on the government's accrual basis financial statements. Previously, the liability was recorded incrementally, generally increasing based on the degree to which a government funded the annual required contribution. It is expected that the implementation of these accounting standards will have a material impact on the Town's financial statements, including the recording of a larger net OPEB liability and substantial new disclosures.

We recommend the Town begin planning for the implementation of GASB 75, which includes gaining an understanding of the new requirements, educating applicable financial statement users, and ensuring that actuarial valuations are performed in a timely manner and in compliance with the new requirements. The actuarial valuation should reflect a measurement date earlier than the Town's year-end to help ensure a timely closing process. It will also be important for the Town to maintain an adequate system of documentation to support the employee census data information provided to the actuary, since this information will now be subject to annual audit testing.

Town's Response:

The Town has contracted with USI to implement GASB 75 for OPEB.

TOWN OF EXETER, NEW HAMPSHIRE

Annual Financial Statements

For the Year Ended December 31, 2016

TOWN OF EXETER, NEW HAMPSHIRE

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INDEPENDENT AUDITORS' REPORT

To the Board of Selectmen
Town of Exeter, New Hampshire

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Exeter, New Hampshire, as of December 31, 2016, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Town's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Town's preparation and

fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Exeter, New Hampshire, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Schedule of OPEB Funding Progress, the Schedule of Proportionate Share of Net Pension Liability, and the Schedule of Pension Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board*, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2017 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

Melanson Heath

September 14, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town, we offer readers this narrative overview and analysis of the financial activities of the Town for the year ended December 31, 2016.

A. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The Statement of Activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government, public safety, public works, health and human services, culture and recreation, sanitation, conservation and debt service interest. The business-type activities include water and sewer activities.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

An annual appropriated budget is adopted for the general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary funds. Proprietary funds are maintained as follows:

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Specifically, enterprise funds are used to account for water and sewer operations.

Proprietary funds provide the same type of information as the business-type activities reported in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer operations, both of which are considered to be major funds.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by accounting principles generally accepted in the United States of America.

B. FINANCIAL HIGHLIGHTS

- As of the close of the current fiscal year, the total of assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$16,830,198 (i.e., net position), a change of \$1,741,061 in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$4,844,059, a change of \$(607,427) in comparison to the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$2,208,915, a change of \$202,410.
- Total long-term debt (i.e., bonds payable) at the close of the current fiscal year was \$17,635,577, a change of \$3,367,845 in comparison to the prior year.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of condensed government-wide financial data for the current and prior fiscal years (in thousands):

	<u>NET POSITION</u>					
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Current and other assets	\$ 21,634	\$ 20,172	\$ 3,543	\$ 7,481	\$ 25,177	\$ 27,653
Capital assets	20,563	17,922	27,670	24,854	48,233	42,776
Total assets	42,197	38,094	31,213	32,335	73,410	70,429
Deferred outflows of resources	4,456	1,637	441	162	4,897	1,799
Other liabilities	15,522	13,648	3,946	9,222	19,468	22,870
Long term liabilities	24,571	19,451	17,174	12,788	41,745	32,239
Total liabilities	40,093	33,099	21,120	22,010	61,213	55,109
Deferred inflows of resources	240	1,850	24	180	264	2,030
Net position:						
Net investments in capital assets	17,333	15,359	9,655	8,366	26,988	23,725
Restricted	1,560	1,127	-	-	1,560	1,127
Unrestricted	(12,573)	(11,704)	855	1,941	(11,718)	(9,763)
Total net position	\$ 6,320	\$ 4,782	\$ 10,510	\$ 10,307	\$ 16,830	\$ 15,089

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net position was \$16,830,198, a change of \$1,741,061 from the prior year.

The largest portion of net position, \$26,987,617, reflects our investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position, \$1,560,894, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is a deficit of \$(11,718,313) which primarily results from the Town's net pension liability and net OPEB obligation.

CHANGE IN NET POSITION

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Revenues:						
Program revenues:						
Charges for services	\$ 3,295	\$ 2,607	\$ 4,862	\$ 4,764	\$ 8,157	\$ 7,371
Operating grants and contributions	280	275	-	-	280	275
Capital grants and contributions	1,404	10	89	16	1,493	26
General revenues:						
Property taxes	11,667	11,819	-	-	11,667	11,819
Motor vehicle registrations	2,631	2,499	-	-	2,631	2,499
Penalties, interest and other taxes	293	300	-	-	293	300
Grants and contributions not restricted to specific programs	1,048	965	-	-	1,048	965
Investment income	41	(13)	-	-	41	(13)
Miscellaneous	314	439	-	-	314	439
Total revenues	<u>20,973</u>	<u>18,901</u>	<u>4,951</u>	<u>4,780</u>	<u>25,924</u>	<u>23,681</u>

(continued)

(continued)

CHANGE IN NET POSITION

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Expenses:						
General government	2,793	3,209	-	-	2,793	3,209
Public safety	8,590	8,783	-	-	8,590	8,783
Public works	4,174	4,209	-	-	4,174	4,209
Health and human services	354	460	-	-	354	460
Culture and recreation	2,178	2,072	-	-	2,178	2,072
Sanitation	877	848	-	-	877	848
Conservation	163	151	-	-	163	151
Interest	130	124	-	-	130	124
Water services	-	-	2,843	3,012	2,843	3,012
Sewer services	-	-	2,081	1,431	2,081	1,431
Total expenses	<u>19,259</u>	<u>19,856</u>	<u>4,924</u>	<u>4,443</u>	<u>24,183</u>	<u>24,299</u>
Change in net position before transfers	1,714	(955)	27	337	1,741	(618)
Transfers in (out)	<u>(176)</u>	<u>287</u>	<u>176</u>	<u>(287)</u>	<u>-</u>	<u>-</u>
Change in net position	1,538	(668)	203	50	1,741	(618)
Net position - beginning of year	<u>4,782</u>	<u>5,450</u>	<u>10,307</u>	<u>10,257</u>	<u>15,089</u>	<u>15,707</u>
Net position - end of year	<u>\$ 6,320</u>	<u>\$ 4,782</u>	<u>\$ 10,510</u>	<u>\$ 10,307</u>	<u>\$ 16,830</u>	<u>\$ 15,089</u>

Governmental activities. Governmental activities for the year resulted in a change in net position of \$1,537,756. Key elements of this change are as follows:

Increase in net pension liability, net of deferred outflows/inflows	\$ (864,256)
Capital assets acquired with current year revenues	2,690,791
Principal debt service expense in excess of depreciation expense	(156,347)
Other	<u>(132,432)</u>
Total	<u>\$ 1,537,756</u>

Business-type activities. Business-type activities for the year resulted in a change in net position of \$203,305. Key elements of this change are as follows:

Water operations	\$ 100,405
Sewer operations	<u>102,900</u>
Total	<u>\$ 203,305</u>

D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$4,844,059, a change of \$(607,427) in comparison to the prior year. Key elements of this change are as follows:

General fund operations	\$ 221,639
Capital project fund operations	(1,280,045)
Nonmajor fund activities	<u>450,979</u>
Total	<u>\$ (607,427)</u>

The general fund is the chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$2,208,915, while total fund balance was \$2,996,141. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Refer to the table below.

<u>General Fund</u>	<u>12/31/16</u>	<u>12/31/15</u>	<u>Change</u>	<u>% of Total General Fund Expenditures</u>
Unassigned fund balance	\$ 2,208,915	\$ 2,006,505	\$ 202,410	12.5%
Total fund balance	\$ 2,996,141	\$ 2,774,502	\$ 221,639	16.9%

The total fund balance of the general fund changed by \$221,639 during the current fiscal year. Key factors in this change are as follows:

Use of fund balance as a funding source	\$ (725,000)
Revenues greater than budget	593,337
Expenditures less than budget	414,824
Change in capital reserves	(85,537)
Other	<u>24,015</u>
Total	<u>\$ 221,639</u>

Included in the total general fund balance are the capital reserve accounts with the following balances:

	<u>12/31/16</u>	<u>12/31/15</u>	<u>Change</u>
Capital reserves	\$ <u>137,794</u>	\$ <u>223,331</u>	\$ <u>(85,537)</u>
Total	\$ <u><u>137,794</u></u>	\$ <u><u>223,331</u></u>	\$ <u><u>(85,537)</u></u>

Proprietary funds. Proprietary funds provide the same type of information found in the business-type activities reported in the government-wide financial statements, but in more detail.

Unrestricted net position of the enterprise funds at the end of the year amounted to \$855,420, a change of \$(1,085,850) over the prior year.

Other factors concerning the finances of proprietary funds have already been addressed in the entity-wide discussion of business-type activities.

E. GENERAL FUND BUDGETARY HIGHLIGHTS

There were no differences, other than reclassifications, between the original budget and the final amended budget.

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Total investment in capital assets for governmental and business-type activities at year-end amounted to \$48,233,340 (net of accumulated depreciation), a change of \$5,457,265 from the prior year. This investment in capital assets includes land, buildings, improvements, machinery and equipment, and infrastructure.

Major capital asset events during the current fiscal year included the following:

- Infrastructure upgrades such as bridge work, the removal of the Great Dam, and various culvert projects
- Waterline and Sewerline replacements
- Design costs for new Wastewater Treatment Plant
- Vehicles and equipment purchases

Additional information on capital assets can be found in the Notes to the Financial Statements.

Credit Rating. The Town of Exeter had an "A1" Moody's rating for general obligation debt at year-end.

Long-term debt. At the end of the current fiscal year, total bonded debt outstanding was \$17,635,577, all of which was backed by the full faith and credit of the government.

Additional information on long-term debt can be found in the Notes to Financial Statements.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Exeter, New Hampshire's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Town Manager
Town of Exeter, New Hampshire
10 Front Street
Exeter, New Hampshire 03833

TOWN OF EXETER, NEW HAMPSHIRE

STATEMENT OF NET POSITION

DECEMBER 31, 2016

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current:			
Cash and short-term investments	\$ 19,264,891	\$ 2,987,631	\$ 22,252,522
Investments	367,385	-	367,385
Receivables, net of allowance for uncollectibles:			
Property taxes	1,015,933	-	1,015,933
User fees	-	543,453	543,453
Departmental and other	184,088	-	184,088
Intergovernmental	255,414	-	255,414
Other assets	102,103	12,226	114,329
Noncurrent:			
Receivables, net of allowance for uncollectibles:			
Property taxes	444,367	-	444,367
Capital assets:			
Land and construction in progress	13,419,496	8,375,419	21,794,915
Capital assets, net of accumulated depreciation	7,143,396	19,295,029	26,438,425
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions	<u>4,455,592</u>	<u>440,664</u>	<u>4,896,256</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	46,652,665	31,654,422	78,307,087
LIABILITIES			
Current:			
Accounts payable	682,390	474,015	1,156,405
Retainage payable	18,815	23,555	42,370
Accrued liabilities	259,910	148,169	408,079
Due to other governments	14,525,650	-	14,525,650
Notes payable	-	3,300,000	3,300,000
Other liabilities	34,718	-	34,718
Current portion of long-term liabilities:			
Bonds payable	409,800	1,323,287	1,733,087
Other liabilities	379,043	104,176	483,219
Noncurrent:			
Bonds payable, net of current portion	2,376,000	13,526,490	15,902,490
Net OPEB obligation	1,085,271	181,050	1,266,321
Net pension liability	19,043,564	1,883,430	20,926,994
Other liabilities, net of current portion	1,277,185	156,115	1,433,300
DEFERRED INFLOWS OF RESOURCES			
Related to pensions	<u>240,473</u>	<u>23,783</u>	<u>264,256</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	40,332,819	21,144,070	61,476,889
NET POSITION			
Net investment in capital assets	17,332,685	9,654,932	26,987,617
Restricted for:			
Grants and other statutory restrictions	1,039,174	-	1,039,174
Permanent funds:			
Nonexpendable	53,454	-	53,454
Expendable	468,266	-	468,266
Unrestricted	<u>(12,573,733)</u>	<u>855,420</u>	<u>(11,718,313)</u>
TOTAL NET POSITION	\$ <u>6,319,846</u>	\$ <u>10,510,352</u>	\$ <u>16,830,198</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF EXETER, NEW HAMPSHIRE

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net(Expenses) Revenues and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental Activities:							
General government	\$ 2,793,180	\$ 382,106	\$ 111,223	\$ -	\$ (2,299,851)	\$ -	\$ (2,299,851)
Public safety	8,589,912	1,779,688	9,972	-	(6,800,252)	-	(6,800,252)
Public works	4,174,589	515,397	-	1,404,017	(2,255,175)	-	(2,255,175)
Health and human services	354,521	7,822	500	-	(346,199)	-	(346,199)
Culture and recreation	2,177,963	585,260	158,753	-	(1,433,950)	-	(1,433,950)
Sanitation	876,937	24,273	-	-	(852,664)	-	(852,664)
Conservation	163,214	-	-	400	(162,814)	-	(162,814)
Interest	130,160	-	-	-	(130,160)	-	(130,160)
Total Governmental Activities	19,260,476	3,294,546	280,448	1,404,417	(14,281,065)	-	(14,281,065)
Business-Type Activities:							
Water services	2,842,510	2,748,142	-	19,014	-	(75,354)	(75,354)
Sewer services	2,081,431	2,113,794	-	70,537	-	102,900	102,900
Total Business-Type Activities	4,923,941	4,861,936	-	89,551	-	27,546	27,546
Total	\$ 24,184,417	\$ 8,156,482	\$ 280,448	\$ 1,493,968	(14,281,065)	27,546	(14,253,519)
General Revenues and Transfers:							
Property taxes					11,666,831	-	11,666,831
Motor vehicle registrations					2,630,860	-	2,630,860
Penalties, interest and other taxes					292,937	-	292,937
Grants and contributions not restricted to specific programs					1,048,111	-	1,048,111
Investment income					41,473	-	41,473
Miscellaneous					314,368	-	314,368
Transfers, net					(175,759)	175,759	-
Total general revenues and transfers					15,818,821	175,759	15,994,580
Change in Net Position					1,537,756	203,305	1,741,061
Net Position:							
Beginning of year					4,782,090	10,307,047	15,089,137
End of year					\$ 6,319,846	\$ 10,510,352	\$ 16,830,198

The accompanying notes are an integral part of these financial statements.

TOWN OF EXETER, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

BALANCE SHEET

DECEMBER 31, 2016

	<u>General</u>	<u>Capital Project Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and short-term investments	\$ 17,814,878	\$ 287,465	\$ 1,162,548	\$ 19,264,891
Investments	-	-	367,385	367,385
Receivables:				
Property taxes	1,623,768	-	-	1,623,768
Departmental	944	-	183,144	184,088
Intergovernmental	-	216,756	38,658	255,414
Other assets	<u>62,065</u>	<u>-</u>	<u>40,038</u>	<u>102,103</u>
TOTAL ASSETS	<u>\$ 19,501,655</u>	<u>\$ 504,221</u>	<u>\$ 1,791,773</u>	<u>\$ 21,797,649</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 436,273	\$ 198,382	\$ 47,735	\$ 682,390
Retainage payable	-	18,815	-	18,815
Accrued liabilities	213,515	-	-	213,515
Due to other governments	14,525,650	-	-	14,525,650
Other liabilities	<u>34,718</u>	<u>-</u>	<u>-</u>	<u>34,718</u>
TOTAL LIABILITIES	15,210,156	217,197	47,735	15,475,088
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	1,295,358	-	183,144	1,478,502
Fund Balances:				
Nonspendable	649,432	-	53,454	702,886
Restricted	-	936,456	1,558,040	2,494,496
Committed	137,794	-	-	137,794
Unassigned	<u>2,208,915</u>	<u>(649,432)</u>	<u>(50,600)</u>	<u>1,508,883</u>
TOTAL FUND BALANCES	<u>2,996,141</u>	<u>287,024</u>	<u>1,560,894</u>	<u>4,844,059</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 19,501,655</u>	<u>\$ 504,221</u>	<u>\$ 1,791,773</u>	<u>\$ 21,797,649</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF EXETER, NEW HAMPSHIRE

RECONCILIATION OF TOTAL GOVERNMENTAL FUND
BALANCES TO NET POSITION OF GOVERNMENTAL
ACTIVITIES IN THE STATEMENT OF NET POSITION

DECEMBER 31, 2016

Total governmental fund balances	\$ 4,844,059
• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	20,562,892
• Revenues are reported on the accrual basis of accounting and are not deferred until collection.	1,315,034
• Deferred outflows of resources related to pensions resulting from expected vs. actual experience, projected vs. actual earnings, changes in assumptions, changes in proportion and contributions subsequent to the measurement date will be recognized as an increase of pension expense in future years.	4,455,592
• In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.	(46,395)
• Long-term liabilities, including capital leases and compensated absences are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Bonds payable	(2,785,800)
Capital leases	(1,129,464)
Compensated absences	(526,764)
Net OPEB obligation	(1,085,271)
Net pension liability	(19,043,564)
• Deferred inflows of resources related to pensions resulting from expected vs. actual experience will be recognized as a reduction of pension expense in future years.	<u>(240,473)</u>
Net position of governmental activities	<u>\$ 6,319,846</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF EXETER, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>General</u>	<u>Capital Project Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes	\$ 11,590,267	\$ -	\$ 82,293	\$ 11,672,560
Motor vehicle registrations	2,630,860	-	-	2,630,860
Penalties, interest, and other taxes	247,211	-	-	247,211
Charges for services	882,618	-	1,624,641	2,507,259
Intergovernmental	1,098,123	1,384,921	29,568	2,512,612
Licenses and permits	604,143	-	-	604,143
Investment income	5,632	-	35,841	41,473
Contributions	61,211	-	159,153	220,364
Miscellaneous	314,368	-	-	314,368
Total Revenues	17,434,433	1,384,921	1,931,496	20,750,850
Expenditures:				
Current:				
General government	2,735,371	-	154,438	2,889,809
Public safety	7,536,348	-	504,784	8,041,132
Public works	4,079,163	-	17,380	4,096,543
Health and human services	230,969	-	7,572	238,541
Culture and recreation	1,269,957	-	826,831	2,096,788
Sanitation	876,937	-	-	876,937
Conservation	141,219	-	11,284	152,503
Debt service	604,931	-	-	604,931
Capital outlay	212,076	2,546,966	-	2,759,042
Total Expenditures	17,686,971	2,546,966	1,522,289	21,756,226
Excess (deficiency) of revenues over expenditures	(252,538)	(1,162,045)	409,207	(1,005,376)
Other Financing Sources (Uses):				
Capital lease proceeds	573,708	-	-	573,708
Transfers in	424,604	150,000	198,376	772,980
Transfers out	(524,135)	(268,000)	(156,604)	(948,739)
Total Other Financing Sources (Uses)	474,177	(118,000)	41,772	397,949
Change in fund balance	221,639	(1,280,045)	450,979	(607,427)
Fund Balance, at Beginning of Year, as reclassified	2,774,502	1,567,069	1,109,915	5,451,486
Fund Balance, at End of Year	\$ 2,996,141	\$ 287,024	\$ 1,560,894	\$ 4,844,059

The accompanying notes are an integral part of these financial statements.

TOWN OF EXETER, NEW HAMPSHIRE

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2016

Net changes in fund balances - Total governmental funds	\$ (607,427)																										
<ul style="list-style-type: none"> • Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Capital outlay</td> <td style="text-align: right;">3,276,374</td> </tr> <tr> <td style="padding-left: 20px;">Depreciation</td> <td style="text-align: right;">(623,947)</td> </tr> <tr> <td style="padding-left: 20px;">Loss on disposals</td> <td style="text-align: right;">(11,875)</td> </tr> </table> • Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures, and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (e.g., property taxes) differ between the two statements. This amount represents the net change in unavailable revenue. <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="text-align: right;">223,141</td> </tr> </table> • The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Repayments of bonds</td> <td style="text-align: right;">467,600</td> </tr> <tr> <td style="padding-left: 20px;">Repayments of capital leases</td> <td style="text-align: right;">353,028</td> </tr> <tr> <td style="padding-left: 20px;">Issuance of capital leases</td> <td style="text-align: right;">(573,708)</td> </tr> </table> • In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due. <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="text-align: right;">7,171</td> </tr> </table> • Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Compensated absences</td> <td style="text-align: right;">(21,755)</td> </tr> <tr> <td style="padding-left: 20px;">Net OPEB obligation</td> <td style="text-align: right;">(86,590)</td> </tr> <tr> <td style="padding-left: 20px;">Net pension liability</td> <td style="text-align: right;">(5,258,035)</td> </tr> <tr> <td style="padding-left: 20px;">Increase in deferred outflows of resources related to pensions</td> <td style="text-align: right;">3,703,779</td> </tr> <tr> <td style="padding-left: 20px;">Decrease in deferred inflows of resources related to pensions</td> <td style="text-align: right;"><u>690,000</u></td> </tr> </table> 		Capital outlay	3,276,374	Depreciation	(623,947)	Loss on disposals	(11,875)		223,141	Repayments of bonds	467,600	Repayments of capital leases	353,028	Issuance of capital leases	(573,708)		7,171	Compensated absences	(21,755)	Net OPEB obligation	(86,590)	Net pension liability	(5,258,035)	Increase in deferred outflows of resources related to pensions	3,703,779	Decrease in deferred inflows of resources related to pensions	<u>690,000</u>
Capital outlay	3,276,374																										
Depreciation	(623,947)																										
Loss on disposals	(11,875)																										
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Decrease in deferred inflows of resources related to pensions	<u>690,000</u>																										
Change in net position of governmental activities	\$ <u>1,537,756</u>																										

The accompanying notes are an integral part of these financial statements.

TOWN OF EXETER, NEW HAMPSHIRE

GENERAL FUND

STATEMENT OF REVENUES AND OTHER FINANCING SOURCES,
AND EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2016

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues:				
Property taxes	\$ 11,509,881	\$ 11,509,881	\$ 11,509,881	\$ -
Interest, penalties, and other taxes	232,290	232,290	247,211	14,921
Charges for services	768,960	768,960	882,618	113,658
Intergovernmental	1,316,703	1,085,703	1,098,123	12,420
Licenses and permits	2,875,350	2,875,350	3,235,003	359,653
Investment income	1,000	1,000	964	(36)
Miscellaneous	305,215	305,215	314,368	9,153
Total Revenues	17,009,399	16,778,399	17,288,168	509,769
Expenditures:				
Current:				
General government	2,643,242	2,642,934	2,688,364	(45,430)
Public safety	7,589,134	7,601,608	7,217,681	383,927
Public works	3,880,582	3,887,791	3,780,974	106,817
Sanitation	847,765	847,765	876,937	(29,172)
Health and human services	179,057	179,057	148,123	30,934
Welfare	64,666	64,666	82,846	(18,180)
Culture and recreation	1,447,917	1,448,775	1,438,026	10,749
Conservation	143,681	146,875	141,219	5,656
Capital outlay	391,099	367,672	387,076	(19,404)
Debt service:				
Principal	577,600	577,600	577,600	-
Interest	203,091	203,091	203,091	-
Total Expenditures	17,967,834	17,967,834	17,541,937	425,897
Other financing sources (uses):				
Transfers in	233,435	464,435	548,003	83,568
Transfers out	-	-	(11,073)	(11,073)
Use of fund balance	725,000	725,000	-	(725,000)
Total Other Financing Sources (Uses)	958,435	1,189,435	536,930	(652,505)
Excess of revenues and other sources over expenditures and other uses	\$ -	\$ -	\$ 283,161	\$ 283,161

The accompanying notes are an integral part of these financial statements.

TOWN OF EXETER, NEW HAMPSHIRE
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 DECEMBER 31, 2016

	Business-Type Activities Enterprise Funds		
	Water Fund	Sewer Fund	Total
ASSETS			
Current:			
Cash and short-term investments	\$ 920,881	\$ 2,066,750	\$ 2,987,631
User fees, net of allowance for uncollectibles	270,039	273,414	543,453
Intergovernmental receivable	10,000	-	10,000
Prepaid items	1,113	1,113	2,226
Total current assets	1,202,033	2,341,277	3,543,310
Noncurrent:			
Land and construction in progress	7,873,601	501,818	8,375,419
Capital assets, net of accumulated depreciation	8,526,105	10,768,924	19,295,029
Total noncurrent assets	16,399,706	11,270,742	27,670,448
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions	244,813	195,851	440,664
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	17,846,552	13,807,870	31,654,422
LIABILITIES			
Current:			
Accounts payable	374,022	99,993	474,015
Retainage payable	23,165	390	23,555
Accrued liabilities	92,929	55,240	148,169
Notes payable	-	3,300,000	3,300,000
Current portion of long-term liabilities:			
Bonds payable	869,583	453,704	1,323,287
Other liabilities	15,246	88,930	104,176
Total current liabilities	1,374,945	3,998,257	5,373,202
Noncurrent:			
Bonds payable, net of current portion	10,422,178	3,104,312	13,526,490
Net OPEB obligation	99,334	81,716	181,050
Net pension liability	1,046,350	837,080	1,883,430
Other liabilities, net of current portion	42,252	113,863	156,115
Total noncurrent liabilities	11,610,114	4,136,971	15,747,085
DEFERRED INFLOWS OF RESOURCES			
Related to pensions	13,213	10,570	23,783
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	12,998,272	8,145,798	21,144,070
NET POSITION			
Net investment of capital assets	5,107,945	4,546,987	9,654,932
Unrestricted	(259,665)	1,115,085	855,420
TOTAL NET POSITION	\$ 4,848,280	\$ 5,662,072	\$ 10,510,352

The accompanying notes are an integral part of these financial statements.

TOWN OF EXETER, NEW HAMPSHIRE
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Business-Type Activities Enterprise Funds		
	Water Fund	Sewer Fund	Total
Operating Revenues:			
Charges for services	\$ 2,727,971	\$ 2,109,897	\$ 4,837,868
Other	20,171	3,897	24,068
Total Operating Revenues	<u>2,748,142</u>	<u>2,113,794</u>	<u>4,861,936</u>
Operating Expenses:			
Operating expenses	2,178,978	1,672,390	3,851,368
Depreciation	<u>385,821</u>	<u>247,481</u>	<u>633,302</u>
Total Operating Expenses	<u>2,564,799</u>	<u>1,919,871</u>	<u>4,484,670</u>
Operating Income	183,343	193,923	377,266
Nonoperating Revenues (Expenses):			
Interest expense	<u>(277,711)</u>	<u>(161,560)</u>	<u>(439,271)</u>
Total Nonoperating (Expenses)	<u>(277,711)</u>	<u>(161,560)</u>	<u>(439,271)</u>
Income (Loss) Before Transfers and Capital Contributions	(94,368)	32,363	(62,005)
Transfers and Capital Contributions:			
Capital contributions	19,014	70,537	89,551
Transfers in	<u>175,759</u>	<u>-</u>	<u>175,759</u>
Change in Net Position	100,405	102,900	203,305
Net Position at Beginning of Year	<u>4,747,875</u>	<u>5,559,172</u>	<u>10,307,047</u>
Net Position at End of Year	<u>\$ 4,848,280</u>	<u>\$ 5,662,072</u>	<u>\$ 10,510,352</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF EXETER, NEW HAMPSHIRE
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Business-Type Activities Enterprise Funds		
	Water Fund	Sewer Fund	Total
<u>Cash Flows From Operating Activities:</u>			
Receipts from customers and users	\$ 2,734,323	\$ 2,223,801	\$ 4,958,124
Payments to vendors and employees	<u>(2,061,022)</u>	<u>(1,756,872)</u>	<u>(3,817,894)</u>
Net Cash Provided By Operating Activities	673,301	466,929	1,140,230
<u>Cash Flows From Noncapital Financing Activities:</u>			
Transfer in	<u>175,759</u>	<u>-</u>	<u>175,759</u>
Net Cash Provided By Noncapital Financing Activities	175,759	-	175,759
<u>Cash Flows From Capital and Related Financing Activities:</u>			
Proceeds from issuance of bonds	5,040,865	-	5,040,865
Proceeds from issuance of leases	60,672	60,672	121,344
Proceeds from issuance of state revolving fund	1,226,992	-	1,226,992
Proceeds from issuance of bond anticipation note	3,300,000	-	3,300,000
Acquisition and construction of capital assets	(971,487)	(2,478,528)	(3,450,015)
Principal payments on bonds	(724,516)	(480,905)	(1,205,421)
Principal payments on notes	(5,040,865)	-	(5,040,865)
Principal payments on leases	(15,728)	(89,528)	(105,256)
Principal payments on bond anticipation note	(3,300,000)	-	(3,300,000)
Interest expense	(471,993)	(215,644)	(687,637)
Capital contribution	<u>19,014</u>	<u>70,537</u>	<u>89,551</u>
Net Cash (Used For) Capital and Related Financing Activities	<u>(877,046)</u>	<u>(3,133,396)</u>	<u>(4,010,442)</u>
Net Change in Cash and Short-Term Investments	(27,986)	(2,666,467)	(2,694,453)
Cash and Short-Term Investments, Beginning of Year	<u>948,867</u>	<u>4,733,217</u>	<u>5,682,084</u>
Cash and Short-Term Investments, End of Year	<u>\$ 920,881</u>	<u>\$ 2,066,750</u>	<u>\$ 2,987,631</u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>			
Operating income	\$ 183,343	\$ 193,923	\$ 377,266
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	385,821	247,481	633,302
Changes in assets and liabilities:			
User fees	(13,819)	110,007	96,188
Warrants and retainage payable	64,219	(128,451)	(64,232)
Other post employment benefits	7,926	6,519	14,445
Net pension liability	47,486	37,989	85,475
Other liabilities	<u>(1,675)</u>	<u>(539)</u>	<u>(2,214)</u>
Net Cash Provided By Operating Activities	<u>\$ 673,301</u>	<u>\$ 466,929</u>	<u>\$ 1,140,230</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF EXETER, NEW HAMPSHIRE
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET POSITION
 DECEMBER 31, 2016

	Private Purpose Trust <u>Funds</u>	Agency <u>Funds</u>
ASSETS		
Cash and short-term investments	\$ <u>17,399</u>	\$ <u>2,871,636</u>
Total Assets	17,399	2,871,636
 LIABILITIES		
Due to other governments	-	2,206,752
Deposits held in custody	<u>-</u>	<u>664,884</u>
Total Liabilities	<u>-</u>	<u>2,871,636</u>
 NET POSITION		
Net position restricted for other purposes	\$ <u><u>17,399</u></u>	\$ <u><u>-</u></u>

The accompanying notes are an integral part of these financial statements.

TOWN OF EXETER, NEW HAMPSHIRE
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Private Purpose Trust Funds</u>
Additions:	
Interest	\$ <u>172</u>
Total additions	<u>172</u>
Net increase	172
Net position:	
Beginning of year	<u>17,227</u>
End of year	<u>\$ 17,399</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF EXETER, NEW HAMPSHIRE

Notes to Financial Statements

1. Summary of Significant Accounting Policies

The accounting policies of the Town conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

A. Reporting Entity

The Town is a municipal corporation governed by an elected Board of Selectmen. As required by generally accepted accounting principles, these financial statements present the Town and applicable component units for which the Town is considered to be financially accountable. In fiscal year 2016, it was determined that no entities met the required GASB 14 (as amended) criteria of component units.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded for the government-wide financial statements. Major individual governmental funds

and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The Town reports the following major governmental funds:

- The *general fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *capital project fund* accounts for the activity pertaining to various infrastructure construction/renovation projects.

The proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Under this method, revenues are recognized when earned and expenses are recorded when liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Town reports the following major proprietary funds:

- The *water fund* accounts for the operating activities and capital projects of the Town's water services.
- The *sewer fund* accounts for the operating activities and capital projects of the Town's sewer services.

The fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Under this method, revenues are recognized when earned and expenses are recorded when liabilities are incurred.

The Town reports the following fiduciary funds:

- The *private-purpose trust fund* is used to account for trust arrangements, other than those properly reported in the pension trust fund or permanent fund, under which principal and investment income exclusively benefit individuals, private organizations, or other governments.
- The *agency funds* account for fiduciary assets held by the Town in a custodial capacity as an agent on behalf of others. Agency funds report only assets and liabilities and, therefore, have no measurement focus.

D. Cash and Short-Term Investments

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash balances are invested to the extent available, and interest earnings are recognized in the general fund. Certain special revenue and fiduciary funds segregate cash, and investment earnings become a part of those funds.

Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. A cash and investment pool is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and short-term investments". The interest earnings attributable to each fund type are included under investment income.

E. Investments

State and local statutes place certain limitations on the nature of deposits and investments available. Deposits in any financial institution may not exceed certain levels within the financial institution. Non-fiduciary fund investments can be made in securities issued by or unconditionally guaranteed by the U.S. Government or agencies that have a maturity of one year or less from the date of purchase and repurchase agreements guaranteed by such securities with maturity dates of no more than 90 days from the date of purchase.

Investments for the Trust Funds consist of marketable securities, bonds and short-term money market investments. Investments are carried at fair value.

F. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	30
Building improvements	20
Infrastructure	25
Vehicles	5-15
Office equipment	5
Computer equipment	5

G. Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vested sick and vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

H. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position.

I. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net position".

Fund Balance - Generally, fund balance represents the difference between the current assets/deferred outflows and current liabilities/deferred inflows. The Town reserves those portions of fund balance that are legally segregated for a specific future use or which do not represent available, spendable resources and, therefore, are not available for appropriation or expenditure. Unassigned fund balance indicates that portion of fund balance that is available for appropriation in future periods.

When an expenditure is incurred that would qualify for payment from multiple fund balance types, the Town uses the following order to liquidate liabilities: restricted, committed, assigned, and unassigned.

Net Position - Net position represents the difference between assets/deferred outflows and liabilities/deferred inflows. Net investment in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The remaining net position is reported as unrestricted.

J. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures for contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

2. Stewardship, Compliance, and Accountability

A. Budgetary Information

The Town's budget is originally prepared by the Town Manager under the supervision of the Board of Selectmen. It is then reviewed by the Budget Recommendations Committee. The Board of Selectmen then finalizes the operating budget, which is subject to deliberative session under RSA 40:13.

The final version of the budget is then voted on by the general population at the ballot the second Tuesday in March of each year. Should the operating budget of the Town fail to pass, the Town operates under a default budget as described in RSA 40:13.

The approved budget is subsequently reported to the State of New Hampshire on the Report of Appropriations Actually Voted form in order to establish the current property tax rate.

The Selectmen cannot increase the total of the approved budget; however, they have the power to reclassify its components when necessary.

B. Budgetary Basis

The general fund final appropriation appearing on the "Budget and Actual" page of the fund financial statements represents the final amended budget after all reserve fund transfers and supplemental appropriations.

C. Budget/GAAP Reconciliation

The budgetary data for the general fund is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations of the general fund are presented in accordance with budgetary accounting principles to provide a meaningful comparison to budgetary data.

The following is a summary of adjustments made to the actual revenues and other sources, and expenditures and other uses, to conform to the budgetary basis of accounting.

<u>General Fund</u>	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>
Revenues/Expenditures (GAAP Basis)	\$ 17,434,433	\$ 17,686,971
Other financing sources/uses (GAAP Basis)	<u>998,312</u>	<u>524,135</u>
Subtotal (GAAP Basis)	18,432,745	18,211,106
Remove effect of combining capital reserves and general fund	57,520	(28,017)
Adjust tax revenue to budgetary basis	(80,386)	-
To reverse nonbudgeted capital lease activity	(573,708)	(573,708)
Other	<u>-</u>	<u>(56,371)</u>
Budgetary Basis	<u>\$ 17,836,171</u>	<u>\$ 17,553,010</u>

D. Deficit Fund Equity

The following funds had deficits as of December 31, 2016:

Capital Project Fund:

Great Bridge	\$ (173,774)	(B)
Water treatment design	(63,566)	(B)
Belmont Front Street	(24,438)	(B)
Stewart Park seawall	(105,794)	(B)
Industrial Drive culvert	(2,109)	(B)
String Bridge	<u>(279,751)</u>	(A)
Subtotal	<u>(649,432)</u>	

Nonmajor Funds:

Transportation Fund	(47,764)	(A)
CDBG grant	(451)	(A)
Liquor enforcement	(2,076)	(A)
State Highway Safety grant	<u>(309)</u>	(A)
Subtotal	<u>(50,600)</u>	
Total	<u>\$ (700,032)</u>	

(A) The deficits in these funds will be eliminated through future departmental revenues and bond proceeds.

(B) The Town will develop a plan to address these deficits.

3. Cash and Short-Term Investments

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. RSA 48:16 limits "deposit in any one bank shall not at any time exceed the sum of its paid-up capital and surplus, exception that a Town with a population in excess of 50,000 is authorized to deposit funds in a solvent bank in excess of the paid-up capital surplus of said bank." The Town does not have a deposit policy for custodial credit risk.

As of December 31, 2016, \$72,168 of the Town's bank balance of \$26,097,701 was exposed to custodial credit risk as uninsured or uncollateralized. The uncollateralized amount, \$72,168, represents the cash portion of the Edward Jones investment portfolio, held by the Library Trustees.

4. Investments

A. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law employs the prudent person rule whereby investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Presented below is the actual rating as of year-end for each investment of the Town:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Exempt From Disclosure</u>	<u>Rating as of Year-end</u>
Corporate bonds	\$ 16,107	\$ -	A3
Mutual funds	186,195	186,195	N/A
Equity investments	<u>165,083</u>	<u>165,083</u>	N/A
Total investments	<u>\$ 367,385</u>	<u>\$ 351,278</u>	

B. Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Town does not have policies for custodial credit risk.

The Town's investments are subject to custodial credit risk exposure because the related securities are uninsured, unregistered and held by the Town's brokerage firm, which is also the Counterparty to these securities. The Town manages this custodial credit risk with SIPC and excess SIPC.

C. Concentration of Credit Risk

The Town places no limit on the amount the Town may invest in any one issuer. Investments in any one issuer (other than U.S. Treasury securities and mutual funds) that represent 5% or more of total investments are:

<u>Investment Issuer</u>	<u>Amount</u>
Charitable Large Capitalization	\$ 45,265
iShares S&P 500 Index (ETF)	34,196
John Hancock III Disc Value	30,239
Harbor International	<u>19,871</u>
Total	<u>\$ 129,571</u>

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Information about the sensitivity of the fair values of the Town's investments to market interest rate fluctuations is as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>	
		<u>< 1</u>	<u>6-10</u>
Corporate bonds	\$ 16,107	\$ -	\$ 16,107
Total	\$ 16,107	\$ -	\$ 16,107

E. Foreign Currency Risk

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. The Town does not have policies for foreign currency risk.

F. Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by Governmental Accounting Standards Board Statement No. 72 *Fair Value Measurement and Application* (GASB 72). The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Town has the following fair value measurements as of December 31, 2016:

<u>Description</u>	<u>Fair Value Measurements Using:</u>		
	<u>Quoted prices in active markets for identical assets (Level 1)</u>	<u>Significant observable inputs (Level 2)</u>	<u>Significant unobservable inputs (Level 3)</u>
Investments by fair value level:			
Debt securities			
Corporate bonds	\$ 16,107	\$ 16,107	\$ -
Equity securities	165,083	-	-
Mutual funds	186,195	186,195	-
Total	\$ 367,385	\$ 202,302	\$ -

5. Property Taxes

The Town bills property taxes semi-annually, in May and November. Property tax revenues are recognized in the fiscal year for which taxes have been levied. Property taxes are due on July 1 and December 1. Delinquent accounts are charged 12% interest. In March of the next year, a lien is recorded on delinquent property at the Registry of Deeds. The Town purchases all the delinquent accounts by paying the delinquent balance, recording costs and accrued interest. The accounts that are liened by the Town will be reclassified from property taxes receivable to unredeemed tax liens receivable. After this date, delinquent accounts will be charged interest at a rate of 18%. The Town annually budgets amounts (overlay for abatements) for property tax abatements and refunds.

Taxes receivable at December 31, 2016 consist of the following:

Property Taxes		
2016		\$ 1,086,315
Tax liens		
2015	252,104	
2014	152,984	
2013 and Prior	<u>89,865</u>	
Subtotal Tax Liens		494,953
Land Use Change Tax		<u>42,500</u>
Total		<u>\$ 1,623,768</u>

6. Allowance for Doubtful Accounts

The receivables reported in the accompanying entity-wide financial statements reflect the following estimated allowances for doubtful accounts:

	<u>Governmental</u>	<u>Business-Type</u>
Property taxes	\$ 163,468	\$ -
Utilities	\$ -	\$ 43,637

7. Intergovernmental Receivables

This balance represents reimbursements requested from Federal and State agencies for expenditures incurred in fiscal 2016.

8. Interfund Transfers

The Town reports interfund transfers between various funds. Most transfers result from budgetary or statutory actions, whereby funds are moved to accomplish various expenditure purposes. The following is an analysis of major interfund transfers:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 424,604	\$ 524,135
Capital Project Fund	150,000	268,000
Nonmajor Funds:		
Library	198,376	-
EMS	-	156,604
Enterprise Funds:		
Water	<u>175,759</u>	<u>-</u>
Total	<u>\$ 948,739</u>	<u>\$ 948,739</u>

9. Capital Assets

Capital asset activity for the year ended December 31, 2016 was as follows (in thousands):

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 3,998	\$ -	\$ -	\$ 3,998
Machinery, equipment, and furnishings	7,373	595	(398)	7,570
Infrastructure	<u>7,109</u>	<u>1,273</u>	<u>-</u>	<u>8,382</u>
Total capital assets, being depreciated	18,480	1,868	(398)	19,950
Less accumulated depreciation for:				
Buildings and improvements	(3,455)	(59)	-	(3,514)
Machinery, equipment, and furnishings	(4,357)	(490)	386	(4,461)
Infrastructure	<u>(4,756)</u>	<u>(75)</u>	<u>-</u>	<u>(4,831)</u>
Total accumulated depreciation	<u>(12,568)</u>	<u>(624)</u>	<u>386</u>	<u>(12,806)</u>
Total capital assets, being depreciated, net	5,912	1,244	(12)	7,144
Capital assets, not being depreciated:				
Land	9,925	13	-	9,938
Works of art	647	-	-	647
Construction in progress	<u>1,438</u>	<u>2,086</u>	<u>(690)</u>	<u>2,834</u>
Total capital assets, not being depreciated	<u>12,010</u>	<u>2,099</u>	<u>(690)</u>	<u>13,419</u>
Governmental activities capital assets, net	<u>\$ 17,922</u>	<u>\$ 3,343</u>	<u>\$ (702)</u>	<u>\$ 20,563</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 178	\$ -	\$ -	\$ 178
Machinery, equipment, and furnishings	2,188	11	(16)	2,183
Infrastructure	<u>38,126</u>	<u>3,088</u>	<u>-</u>	<u>41,214</u>
Total capital assets, being depreciated	40,492	3,099	(16)	43,575
Less accumulated depreciation for:				
Buildings and improvements	(156)	(4)	-	(160)
Machinery, equipment, and furnishings	(756)	(216)	16	(956)
Infrastructure	<u>(22,751)</u>	<u>(413)</u>	<u>-</u>	<u>(23,164)</u>
Total accumulated depreciation	<u>(23,663)</u>	<u>(633)</u>	<u>16</u>	<u>(24,280)</u>
Total capital assets, being depreciated, net	16,829	2,466	-	19,295
Capital assets, not being depreciated:				
Land	197	-	-	197
Construction in progress	<u>7,828</u>	<u>1,110</u>	<u>(760)</u>	<u>8,178</u>
Total capital assets, not being depreciated	<u>8,025</u>	<u>1,110</u>	<u>(760)</u>	<u>8,375</u>
Business-type activities capital assets, net	<u>\$ 24,854</u>	<u>\$ 3,576</u>	<u>\$ (760)</u>	<u>\$ 27,670</u>

Depreciation expense was charged to functions of the Town as follows (in thousands):

Governmental Activities:	
General government	\$ 34
Public safety	308
Public works	250
Culture and recreation	28
Conservation	<u>4</u>
Total depreciation expense - governmental activities	<u>\$ 624</u>
Business-Type Activities:	
Water	\$ 386
Sewer	<u>247</u>
Total depreciation expense - business-type activities	<u>\$ 633</u>

10. Deferred Outflows of Resources

Deferred outflows of resources represent the consumption of net position by the Town that is applicable to future reporting periods. Deferred outflows of resources have a positive effect on net position, similar to assets. Deferred outflows of resources related to pensions, in accordance with GASB State-

ment No. 68, *Accounting and Financial Reporting for Pensions*, are more fully discussed in Note 22.

11. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities represent 2016 expenditures paid after December 31, 2016.

12. Due to Other Governments

The school district assessments for the period July 1, 2016 through June 30, 2017 were \$14,102,827 for the Exeter School District and \$16,469,377 for the Exeter Regional Cooperative. The School District assessments are paid in monthly installments. As of December 31, 2016, \$7,857,540 and \$8,189,036 was paid, respectively, leaving a total balance of \$14,525,628 to be paid through June 30, 2017.

13. Notes Payable

The Town has the following notes outstanding at December 31, 2016:

	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Balance at 12/31/16</u>
Bond anticipation note - Waste Water Treatment Plant	1.39%	7/22/2016	7/21/2017	\$ <u>3,300,000</u>
Total				\$ <u><u>3,300,000</u></u>

The following summarizes activity in notes payable during fiscal year 2016:

	<u>Balance Beginning of Year</u>	<u>New Issues</u>	<u>Maturities</u>	<u>Balance End of Year</u>
State revolving fund	\$ 4,843,260	\$ 197,606	\$ (5,040,866)	\$ -
Bond anticipation note - Waste Water Treatment Plant	<u>3,300,000</u>	<u>3,300,000</u>	<u>(3,300,000)</u>	<u>3,300,000</u>
Total	<u><u>\$ 8,143,260</u></u>	<u><u>\$ 3,497,606</u></u>	<u><u>\$ (8,340,866)</u></u>	<u><u>\$ 3,300,000</u></u>

14. Capital Lease Obligations

The Town is the lessee of certain equipment under capital leases expiring in various years through 2021. Future minimum lease payments under capital leases consisted of the following as of December 31, 2016:

<u>Fiscal Year</u>	<u>Capital Leases</u>
2017	\$ 485,650
2018	412,231
2019	270,170
2020	160,814
2021	<u>110,488</u>
Total minimum lease payments	1,439,353
Less amounts representing interest	<u>(72,400)</u>
Present Value of Minimum Lease Payments	<u>\$ 1,366,953</u>

15. Long-Term Debt

A. General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental and business-type activities. General obligation bonds currently outstanding are as follows:

<u>Governmental Activities:</u>	<u>Serial Maturities Through</u>	<u>Interest Rate(s) %</u>	<u>Amount Outstanding as of 12/31/16</u>
Great Dam	08/15/21	3.55%	\$ 173,400
Norris Brook Culverts	08/16/19	2.0 - 4.0%	170,000
Jady Hill Utilities	08/16/19	2.0 - 4.0%	75,000
Removal of Great Dam	08/15/15	5.10%	1,245,000
Linden St. Culvert	08/15/25	2.54%	619,700
Design/Construction of sidewalks	08/15/25	2.54%	<u>502,700</u>
Total Governmental Activities:			<u>\$ 2,785,800</u>

<u>Business-Type Activities:</u>	Serial Maturities Through	Interest Rate(s) %	Amount Outstanding as of 12/31/16
Sewer Lines	08/15/21	3.55%	\$ 505,750
Epping Road	09/01/28	3.97%	1,370,000
State Revolving Loan	08/15/29	1.35%	2,630,386
Water Lines	08/15/21	3.55%	765,850
Wastewater Facilities	08/16/19	2.0 - 4.0%	150,000
Jady Hill Phase II	07/14/32	2.0 - 4.0%	2,055,000
Portsmouth Ave Sewer Lines	08/15/23	2.54%	570,714
Portsmouth Ave Water Lines	08/15/23	2.54%	109,287
Sewer Lines	08/15/24	5.10%	140,000
Water Mains	08/15/24	5.10%	975,000
Water Street State Revolving Loan	06/01/18	1.06%	136,552
SRF Loan - Water Meter Upgrade	08/15/25	0.97%	317,220
Water Treatment Plan State Revolving Loan	06/01/18	0.97%	83,132
Groundwater Treatment Facility	01/01/36	1.96%	<u>5,040,886</u>
Total Business-Type Activities:			<u>\$ 14,849,777</u>

B. Future Debt Service

The annual payments to retire all general obligation long-term debt outstanding as of December 31, 2016 are as follows:

<u>Governmental</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 409,800	\$ 113,832	\$ 523,632
2018	397,800	97,598	495,398
2019	394,800	79,853	474,653
2020	314,800	63,579	378,379
2021	314,200	49,505	363,705
2022 - 2025	<u>954,400</u>	<u>81,896</u>	<u>1,036,296</u>
Total	<u>\$ 2,785,800</u>	<u>\$ 486,263</u>	<u>\$ 3,272,063</u>

<u>Business-Type</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 1,323,287	\$ 537,713	\$ 1,861,000
2018	1,405,321	426,259	1,831,580
2019	1,307,342	378,621	1,685,963
2020	1,150,803	337,413	1,488,216
2021	1,152,550	295,917	1,448,467
2022 - 2026	4,132,233	951,383	5,083,616
2027 - 2031	2,782,669	361,880	3,144,549
2032 - 2036	<u>1,595,572</u>	<u>91,963</u>	<u>1,687,535</u>
Total	<u>\$ 14,849,777</u>	<u>\$ 3,381,149</u>	<u>\$ 18,230,926</u>

C. Changes in General Long-Term Liabilities

During the year ended December 31, 2016, the following changes occurred in long-term liabilities (in thousands):

	Total Balance 1/1/16	Additions	Reductions	Total Balance 12/31/16	Less Current Portion	Equals Long-Term Portion 12/31/16
<u>Governmental Activities</u>						
Bonds payable	\$ 3,254	\$ -	\$ (468)	\$ 2,786	\$ (410)	\$ 2,376
OPEB	999	86	-	1,085	-	1,085
Net pension liability	13,786	5,258	-	19,044	-	19,044
Other:						
Capital leases	909	574	(353)	1,130	(353)	777
Compensated absences	504	22	-	526	(26)	500
Subtotal	1,413	596	(353)	1,656	(379)	1,277
Totals	\$ 19,452	\$ 5,940	\$ (821)	\$ 24,571	\$ (789)	\$ 23,782
<u>Business-Type Activities</u>						
Bonds payable	\$ 11,014	\$ 5,041	\$ (1,205)	\$ 14,850	\$ (1,323)	\$ 13,527
OPEB	167	14	-	181	-	181
Net pension liability	1,363	520	-	1,883	-	1,883
Other:						
Capital leases	221	121	(105)	237	(103)	134
Compensated absences	23	-	-	23	(1)	22
Subtotal	244	121	(105)	260	(104)	156
Totals	\$ 12,788	\$ 5,696	\$ (1,310)	\$ 17,174	\$ (1,427)	\$ 15,747

Authorized but Unissued

During fiscal year 2016, the Town signed a loan agreement with the State of New Hampshire Water Pollution Control Revolving Fund Program in order to finance the Wastewater Treatment Facility and Main Pump Station Upgrade project for \$53,580,000.

16. Deferred Inflows of Resources

Deferred inflows of resources are the acquisition of net position by the Town that are applicable to future reporting periods. Deferred inflows of resources have a negative effect on net position, similar to liabilities. The Town reports two items as deferred inflows of resources: one which is attributable to changes in the net pension liability, and the other which arises from the current financial resources measurement focus and the modified accrual basis of accounting in governmental funds. Deferred inflows of resources related to pensions will be recognized in pension expense in future years and are more fully described in Note 22. *Unavailable revenues* are reported in the governmental funds balance sheet in connection with receivables for which revenues are not considered available to liquidate liabilities of the current year.

17. Restricted Net Position

The accompanying entity-wide financial statements report restricted net position when external constraints from grantors or contributors are placed on net position.

Permanent fund restricted net position is segregated between nonexpendable and expendable. The nonexpendable portion represents the original restricted principal contribution, and the expendable represents accumulated earnings which are available to be spent based on donor restrictions.

18. Governmental Funds - Balances

Fund balances are segregated to account for resources that are either not available for expenditure in the future or are legally set aside for a specific future use.

The Town implemented GASB Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, which enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying existing governmental fund type definitions.

The following types of fund balances are reported at December 31, 2016:

Nonspendable - Represents amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. This fund balance classification includes general fund reserves for advance to capital project fund and nonmajor governmental fund reserves for the principal portion of permanent trust funds.

Restricted - Represents amounts that are restricted to specific purposes by constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. This fund balance classification includes capital projects, various special revenue funds, and the income portion of permanent trust funds.

Committed - Represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town's highest level of decision-making authority. This fund balance classification includes capital reserve funds set aside by Town Meeting vote for future capital acquisitions and improvements.

Unassigned - Represents amounts that are available to be spent in future periods and deficit funds.

Following is a breakdown of the Town's fund balances at December 31, 2016:

	General Fund	Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable				
Advance to other funds	\$ 649,432	\$ -	\$ -	\$ 649,432
Nonexpendable permanent funds	-	-	53,454	53,454
Total Nonspendable	<u>649,432</u>	<u>-</u>	<u>53,454</u>	<u>702,886</u>
Restricted				
Great Dam removal	-	197,924	-	197,924
Debt service ¹	-	379,960	-	379,960
Other bonded projects	-	358,572	-	358,572
Special revenue funds:				
Library	-	-	118,608	118,608
EMS	-	-	252,232	252,232
CATV	-	-	267,356	267,356
Police detail	-	-	63,152	63,152
Recreation	-	-	214,491	214,491
Other special revenue funds	-	-	173,935	173,935
Expendable permanent funds:				
Swasey parkway	-	-	349,620	349,620
Library	-	-	118,556	118,556
Other	-	-	90	90
Total Restricted	<u>-</u>	<u>936,456</u>	<u>1,558,040</u>	<u>2,494,496</u>
Committed				
Capital reserve funds:				
Transportation fund	102,314	-	-	102,314
Other capital reserve funds	35,480	-	-	35,480
Total Committed	<u>137,794</u>	<u>-</u>	<u>-</u>	<u>137,794</u>
Unassigned	<u>2,208,915</u>	<u>(649,432)</u>	<u>(50,600)</u>	<u>1,508,883</u>
Total Unassigned	<u>2,208,915</u>	<u>(649,432)</u>	<u>(50,600)</u>	<u>1,508,883</u>
Total Fund Balance	<u>\$ 2,996,141</u>	<u>\$ 287,024</u>	<u>\$ 1,560,894</u>	<u>\$ 4,844,059</u>

¹ This amount represents excess proceeds to be used towards the Great Dam debt service payment.

19. General Fund Unassigned Fund Balance

The unassigned general fund balance reported on the balance sheet is stated in accordance with generally accepted accounting principles (GAAP), which differs in respect to how unassigned fund balance is reported in accordance with the budgetary basis for reporting for the State of New Hampshire for tax rate setting purposes. The major difference is the State of New Hampshire considers revenues in connection with property tax receivables to be available to liquidate liabilities when billed rather than received.

The following summarizes the specific differences between GAAP basis and budgetary basis of reporting the general fund unassigned fund balance:

GAAP basis balance	\$ 2,208,915
Unavailable revenue	1,295,358
Accrued payroll	<u>212,008</u>
Tax Rate Setting Balance	<u>\$ 3,716,281</u>

20. Commitments and Contingencies

Outstanding Legal Issues – On an ongoing basis, there are typically pending legal issues in which the Town is involved. The Town’s management is of the opinion that the potential future settlement of these issues would not materially affect its financial statements taken as a whole.

Grants - Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

Abatements - There are several cases pending before the New Hampshire Board of Tax and Land Appeals in regard to alleged discrepancies in property assessments. According to the Town’s counsel, the probable outcome of these cases at the present time is indeterminable, although the Town expects such amounts, if any, to be immaterial.

21. Net OPEB Obligation

GASB Statement 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*, requires governments to account for other post-employment benefits (OPEB), primarily healthcare, on an accrual basis rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially required contribution as an expense on the Statement of Activities when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefit. To the extent that an entity does not fund their actuarially required contribution, a post-employment benefit liability is recognized on the Statement of Net Position over time.

A. Plan Description

In addition to providing the pension benefits described in Note 22, the Town provides post-employment healthcare and life insurance benefits for retired employees through the Town's plan. The benefits, benefit levels, employee contributions and employer contributions are governed by RSA 100-A:50. As of January 1, 2014, the actuarial valuation date, approximately 36 retirees and 128 active employees meet the eligibility requirements. The plan does not issue a separate financial report.

B. Benefits Provided

The Town provides medical, prescription drug, mental health/substance abuse, and life insurance to retirees and their covered dependents. All active employees who retire from the Town and meet the eligibility criteria will receive these benefits.

C. Funding Policy

Retirees are responsible for contributing the full portion of the cost of the health plan, as determined by the Town.

D. Annual OPEB Costs and Net OPEB Obligation

The Town's 2016 annual OPEB expense is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost per year and amortize the unfunded actuarial liability over a period of thirty years. The following table shows the components of the Town's annual OPEB cost for the year ending December 31, 2016, the amount actually contributed to the plan, and the change in the Town's net OPEB obligation based on an actuarial valuation as of January 1, 2014.

Annual Required Contribution (ARC)	\$	205,060
Interest on net OPEB obligation		46,612
Adjustment to ARC		<u>(60,745)</u>
Annual OPEB cost		190,927
Contributions made		<u>89,892</u>
Increase in net OPEB obligation		101,035
Net OPEB obligation - beginning of year		<u>1,165,286</u>
Net OPEB obligation - end of year	\$	<u><u>1,266,321</u></u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2016	\$ 190,927	47%	\$ 1,266,321
2015	\$ 183,567	32%	\$ 1,165,286
2014	\$ 175,609	23%	\$ 1,040,469
2013	\$ 227,306	26%	\$ 904,645
2012	\$ 216,410	19%	\$ 737,318
2011	\$ 205,714	25%	\$ 561,046

E. Funded Status and Funding Progress

The funded status of the plan as of January 1, 2014, the date of the most recent actuarial valuation, was as follows:

Actuarial accrued liability (AAL)	\$ 1,755,140
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 1,755,140</u>
Funded ratio (actuarial value of plan assets/AAL)	<u>0.0%</u>
Covered payroll (active plan members)	<u>\$ 6,109,841</u>
UAAL as a percentage of covered payroll	<u>28.7%</u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amount and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision, as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the Notes to Financial Statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

F. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the plan as understood by the Town and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the Town and plan members

to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2014 actuarial valuation, the entry age cost method was used. The actuarial value of assets was not determined, as the Town has not advance funded its obligation. The actuarial assumptions included a 4% investment rate of return and an initial annual healthcare cost trend rate of 9%, which decreases to a 5% long-term rate for all healthcare benefits after ten years. The amortization costs for the initial UAAL is a level percentage of payroll for a period of 30 years, on a closed basis. This has been calculated assuming the amortization payment increases.

22. Retirement System

The Town follows the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, with respect to the State of New Hampshire Retirement System (NHRS).

A. Plan Description

Full-time employees participate in the New Hampshire Retirement System (NHRS), a cost sharing, multiple-employer defined benefit contributory pension plan and trust established in 1967 by RSA 100-A:2 and qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The plan is a contributory, defined benefit plan providing service, disability, death, and vested retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters, and permanent police officers within the State of New Hampshire are eligible and required to participate in the system. Full-time employees of political subdivisions, including counties, municipalities, and school districts, are also eligible to participate as a group if the governing body of the political subdivision has elected participation.

The New Hampshire Retirement System, a Public Employees Retirement System (PERS), is divided into two membership groups. State or local employees and teachers belong to *Group I*. Police officers and firefighters belong to *Group II*. All assets are held in a single trust and are available to each group. Additional information is disclosed in the NHRS annual report publicly available from the New Hampshire Retirement System located at 54 Regional Drive, Concord, New Hampshire 03301-8507.

B. Benefits Provided

Group I members at age 60 or 65 (for members who commence service after July 1, 2011) qualify for a normal service retirement allowance based on years of creditable service and average final salary for the highest of either three or five years, depending on when their service commenced. The yearly pension amount is 1/60 or 1.667% of average final compensation (AFC), multiplied by years of creditable service. At age 65, the yearly pension amount is recalculated at 1/66 or 1.515% of AFC multiplied by years of creditable service.

Group II members who are age 60, or members who are at least age 45 with at least 20 years of creditable service, can receive a retirement allowance at a rate of 2.5% of AFC for each year of creditable service, not to exceed 40 years. Members commencing service on or after July 1, 2011 or members who have a nonvested status as of January 1, 2012 can receive a retirement allowance at age 52.5 with 25 years of service or age 60. The benefit shall be equal to 2% of AFC times creditable service up to 42.5 years. However, a member who commenced service on or after July 1, 2011 shall not receive a retirement allowance until attaining the age of 52.5, but may receive a reduced allowance after age 50 if the member has at least 25 years of creditable service where the allowance shall be reduced, for each month by which the benefit commencement date precedes the month after which the member attains 52.5 years of age by $\frac{1}{4}$ of 1% or age 60.

Members of both groups may qualify for vested deferred allowances, disability allowances and death benefit allowances subject to meeting various eligibility requirements. Benefits are based on AFC or earned compensation and/or service.

C. Contributions

Plan members are required to contribute a percentage of their gross earnings to the pension plan, for which the contribution rates are 7% for employees and teachers, 11.55% for police and 11.80% for fire. The Town makes annual contributions to the pension plan equal to the amount required by Revised Statutes Annotated 100-A:16, and range from 11.17% to 29.16% of covered compensation. The Town's contributions to NHRS for the year ended December 31, 2016 was \$1,408,838, which was equal to its annual required contribution.

D. Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the NHRS and additions to/deductions from NHRS' fiduciary net position have been

determined on the same basis as they are reported by NHRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

E. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2016, the Town reported a liability of \$20,926,994 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the Town's proportion was 0.39354241%.

For the year ended June 30, 2016, the Town recognized pension expense of \$2,329,468. In addition, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 58,155	\$ 264,256
Changes of assumptions	2,575,448	-
Net difference between projected and actual earnings on pension plan investments	1,309,300	-
Changes in proportion and differences between contributions and proportionate share of contributions	156,637	-
Contributions subsequent to the measurement date	<u>796,716</u>	<u>-</u>
Total	<u>\$ 4,896,256</u>	<u>\$ 264,256</u>

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as an increase of pension expense in the year ended December 31, 2017.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ 743,048
2018	743,048
2019	1,227,173
2020	1,066,702
2021	<u>55,313</u>
Total	<u>\$ 3,835,284</u>

F. Actuarial Assumptions

The total pension liability was determined using the actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5% per year
Salary increases	5.6% average, including inflation
Investment rate of return	7.25%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 employee generational mortality tables for males and females, adjusted for mortality improvements using Scale MP-2015, based on the last experience study.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2010 – June 30, 2015.

The long-term expected rate of return on pension plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation Percentage</u>	<u>Weighted Average Average Long- Term Expected Real Rate of Return</u>
Large Cap Equities	22.50 %	4.25%
Small/Mid Cap Equities	<u>7.50</u>	4.50%
Total domestic equities	30.00	
Int'l Equities (unhedged)	13.00	4.75%
Emerging Int'l Equities	<u>7.00</u>	6.25%
Total international equities	20.00	
Core Bonds	5.00	0.64%
Short Duration	2.00	-0.25%
Global Multi-Sector Fixed Income	11.00	1.71%
Absolute Return Fixed Income	<u>7.00</u>	1.08%
Total fixed income	25.00	
Private equity	5.00	6.25%
Private debt	5.00	4.75%
Opportunistic	<u>5.00</u>	3.68%
Total alternative investments	<u>15.00</u>	
Real Estate	<u>10.00</u>	3.25%
Total	<u><u>100.00</u> %</u>	

G. Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that the plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the pension plan's actuarial funding policy and as required by RSA 100-A:16. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

H. Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

June 30, 2016	\$ 26,889,760	\$ 20,926,994	\$ 15,981,822
---------------	---------------	---------------	---------------

I. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued NHRS financial report.

23. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There were no significant reductions in insurance coverage from the previous year and have been no material settlements in excess of coverage in any of the past three fiscal years.

24. Subsequent Events

Debt

Subsequent to December 31, 2016, the Town has incurred the following additional debt:

	<u>Amount</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
2017 Series B Bond	\$ 4,183,000	2.189%	06/06/17	08/15/32

25. Beginning Fund Balance Reclassified

The beginning (January 1, 2016) fund balance of the Town has been reclassified as follows:

	Fund Equity 1/1/16 (as previously reported)	Reclassification	Fund Equity 1/1/16 (as reclassified)
General fund	\$ 2,774,502	\$ -	\$ 2,774,502
Capital project fund	-	1,567,069	1,567,069
Nonmajor funds	<u>2,676,984</u>	<u>(1,567,069)</u>	<u>1,109,915</u>
Total	<u>\$ 5,451,486</u>	<u>\$ -</u>	<u>\$ 5,451,486</u>

26. Implementation of New GASB Standard

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, replacing requirements of Statements No. 45 and 57, effective for the Town beginning with its year ending December 31, 2018. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. In addition, this Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specific criteria and for employers whose employees are provided with defined contribution OPEB.

**TOWN OF EXETER, NEW HAMPSHIRE
SCHEDULE OF OPEB FUNDING PROGRESS
REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2016
(Unaudited)**

Other Post-Employment Benefits

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent- age of Covered Payroll [(b-a)/c]
1/1/2014	\$ -	\$ 1,755,140	\$ 1,755,140	0.0%	\$ 6,109,841	28.7%
1/1/2011	\$ -	\$ 1,870,706	\$ 1,870,706	0.0%	\$ 5,671,333	33.0%
1/1/2008	\$ -	\$ 1,407,964	\$ 1,407,964	0.0%	\$ 5,266,396	26.7%

See Independent Auditors' Report.

TOWN OF EXETER, NEW HAMPSHIRE
SCHEDULE OF PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2016
(Unaudited)

New Hampshire Retirement System					
Fiscal Year	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	<u>Covered Payroll</u>	Percentage Share of the Net Pension Liability as a Percentage of <u>Covered Payroll</u>	Plan Fiduciary Net Position Percentage of the Total <u>Pension Liability</u>
December 31, 2016	0.39354241%	\$ 20,926,994	\$ 8,155,765	256.591%	58.30%
December 31, 2015	0.38240135%	\$ 15,148,933	\$ 7,948,396	190.591%	65.47%

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report.

TOWN OF EXETER, NEW HAMPSHIRE

SCHEDULE OF PENSION CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2016
(Unaudited)

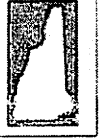
New Hampshire Retirement System					
<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to the Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
December 31, 2016	\$ 1,408,838	\$ 1,408,838	\$ -	\$ 8,155,765	17.27%
December 31, 2015	\$ 1,486,987	\$ 1,486,987	\$ -	\$ 7,948,396	18.71%

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

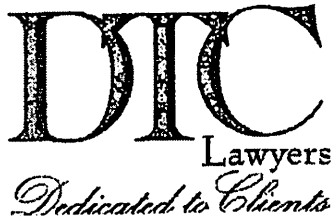
See Independent Auditors' Report.

BUSINESSNH

2017



Business
of the Year
Awards



CELEBRATING OVER 30 YEARS OF SERVICE TO OUR CLIENTS
Please reply to the Exeter office.

October 6, 2017

Via U.S. Mail and Email (rdean@exeternh.gov)

Board of Selectmen
Russell Dean, Town Manager
10 Front Street
Exeter, NH 03833

Reference: Comcast Compliance / Cable TV Franchise Renewal

Dear Members of the Board of Selectmen and Mr. Dean:

This letter reports on the status of our dealings with Comcast, on behalf of the Town of Exeter (the "Town"), regarding Comcast's compliance with the terms of the current Franchise Agreement set to expire on 24 October 2017 and provides recommendations regarding the renewal process moving forward.

Executive Summary

As of this writing, Comcast is finally in compliance with the terms of the current Franchise Agreement. However, current satisfaction over the same is not high in light, particularly, of the challenges we confronted at the Seacoast School of Technology ("SST") and Tuck Learning Campus as we sought to require Comcast to comply with its obligations under the agreement. Moving forward, we recommend executing a one year extension of the current Franchise Agreement and working in earnest in the near term to identify the Town's wants and needs for the next agreement.

Analysis

By way of brief background, and as you know, Comcast reached out to the Town in April of 2015 to initiate the franchise renewal process. In September of 2015 the Town engaged DTC Lawyers to assist it through that process. For the next several months, we worked to determine Comcast's compliance with the terms of the current Franchise Agreement which was signed in November of 2010. Our efforts led to the conclusion that as of this writing, Comcast is in technical compliance with the terms of the current agreement. However, Comcast's failure to perform required work at the SST in a timely fashion in 2009 – 2010, shortly after the current Franchise Agreement was executed, and our subsequent efforts to induce Comcast to so perform, has led to considerable delays and has created some residual frustration at the SST.

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DOUGLAS M. MANSFIELD
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HEIDI J. BARRETT-KITCHEN
NICOLE L. TIBBETTS
ERIC A. MAHER
DANIELLE E. FLORY

OF COUNSEL
NICHOLAS R. AESCHLIMAN

RETIRED
CHARLES F. TUCKER

More specifically, Comcast was required to perform the following work outlined in Article 1 of the addendum to the 2010 Franchise Agreement:

... The Digital Communications studio located at the Seacoast School of Technology, 40 Linden Street, Exeter, New Hampshire will also be connected to an existing return line at the same location. The existing outdoor cable connections at the Tuck Learning Campus, located at 30-40 Linden Street, will be rewired and relocated to a central, indoor location. The location of this indoor panel will be determined by Comcast and SAU #16 personnel. The cost of the above construction items will not be passed through to Exeter subscribers.

The current Franchise Agreement brought two additional local access channels to the lineup for Exeter subscribers, channel 13 (education channel) and channel 98 (public access channel). We understand that the intent behind the above referenced work to be performed by Comcast at the SST, from the Town's perspective, was to provide the SST Studio the capability of broadcasting live on either channel 13 or channel 98, but not channel 22, which is reserved for the Town's governmental programming. When we were retained to handle the renewal of the Comcast franchise, our audit efforts in 2016 revealed that this work had not been completed by Comcast. For more than a year, we worked with Margaret Callahan and Wayne Demers at the SST, and Comcast, to ensure this work was completed. We are happy to report that all of the exterior wires have finally been removed and consolidated. Additionally, the SST Studio has been connected to the return line to Town Hall. However, we have learned that based on the infrastructure and technology currently in place, both at the SST and at the Town Hall, the SST can only broadcast live on channel 22, reserved for Town programming. In other words, the SST Studio still cannot broadcast live on channel 13 or 98.

To summarize, while Comcast is in technical compliance with the terms of the current Franchise Agreement, there remains a level of frustration within the context of the SST situation.

Moving forward, and in light of the approaching expiration date of 24 October 2017, we recommend that the Board of Selectmen execute a one year extension to the Franchise Agreement. We can quickly produce the documents and guidance necessary to extend the Franchise Agreement and provide the Town with the same. During the term of the extension, we recommend that the Town take efforts to identify its wants and needs and ultimately, convene a meeting with Andy Swanson, Jay Somers from Comcast and a Comcast engineer to discuss the feasibility of the Town's requests.

Conclusion

Please do not hesitate to contact us with any questions or concerns.

Sincerely,

DONAHUE, TUCKER & CIANDELLA, PLLC

For: Katherine B. Miller
kmiller@cdlawyers.com

KBM:lmh

cc: Robert D. Ciandella, Esquire

S:\EM-EZ\Exeter Town of\2015 Comcast Cable Franchise Renewal\Correspondence\2017 10 05 Ltr to Exeter.doc

**EXTENSION OF THE CABLE TELEVISION
FRANCHISE AGREEMENT
BETWEEN
THE TOWN OF EXETER, NEW HAMPSHIRE
AND COMCAST OF MAINE/NEW HAMPSHIRE, INC.**

In its statutory role as Franchising Authority, pursuant to the laws of the State of New Hampshire, the Town of Exeter (the "Town") hereby extends the current Cable Television Franchise Agreement (the "Franchise Agreement"), granted to Comcast of Maine/New Hampshire, Inc. ("Comcast"), originally set to expire on October 24, 2017, by mutual agreement, upon the same terms and conditions contained therein, for a one (1) year period from **12:01 AM on October 25, 2017 until midnight on October 24, 2018 ("Extension")**, or until such time as the Franchise is renewed for a longer term, whichever occurs sooner.

This Extension shall under no circumstances be construed or deemed to be a renewal of the Franchise Agreement under either state or federal law(s) or the terms of said Franchise Agreement. The Town and Comcast reserve all of their lawful rights pursuant to all applicable state and federal law(s).

This Extension is subject to the terms and conditions contained in the regulations of the FCC; the Cable Communications Policy Act of 1984 (the "1984 Cable Act"); the Cable Television Consumer Protection and Competition Act of 1992 (the "1992 Cable Act") and all Town, State and Federal statutes and by-laws of general application.

Nothing herein shall be construed in any manner whatsoever as a waiver, release or surrender of any right that the Town and/or Comcast may have under Section 626 and Section 635 of the 1984 Cable Act with respect to this Extension. The Town expressly reserves all of its rights under applicable provisions of the 1984 Cable Act, including Section 626. Comcast expressly reserves all of its rights under applicable provisions of the 1984 Cable Act -- including Section 626 and Section 635.

The Franchising Authority and Comcast agree to negotiate diligently and in good faith during the Extension period to finalize a longer term agreement.

In Witness Whereof, this ___ day of October, 2017, this Extension is hereby issued by the Board of Selectmen of the Town of Exeter, New Hampshire as Franchising Authority, and all terms and conditions are hereby agreed to by Comcast.

Town of Exeter

Accepted by:

Comcast of Maine/New Hampshire, Inc.

By:

By:

Dan Chartrand

Timothy G. Murnane, Vice President,
Governmental and Regulatory Affairs

Don Clement, Chair

Kathy Corson, Clerk

Julie Gilman

Anne Surman, Vice Chair

BOARD OF SELECTMEN

April 3, 2017

DRAFT MINUTES

Representative to the Planning Board, but not Selectboard Representative to the Master Plan Steering Committee. The Board concurred.

On the vote for Mr. Chartrand: Mr. Chartrand voted aye and Ms. Gilman voted aye. On the vote for Ms. Corson: Ms. Corson voted aye and Ms. Surman voted aye. Mr. Clement broke the tie by casting an aye vote for Ms. Corson, so she will serve.

The Chair said the Selectmen still need a Planning Board Alternate Selectmen's Representative in case the Selectmen's Representative can't make a meeting and the Alternate would serve as a voting Selectboard Representative to the Planning Board in that case. A regular Planning Board alternate cannot assume that role. Mr. Chartrand nominated himself for that, Ms. Corson seconded it and there were no other nominations. All voted unanimously to designate Mr. Chartrand as Planning Board Alternate Selectmen's Representative.

The Chair said he would assume the role of Selectmen's Representative to the Economic Development Commission.

Conservation Commission: Ms. Surman explained the Board of Selectmen's Representative to the ConCom originally came about due to not enough voting members. Ms. Surman said don't reappoint me tonight but decide how to do it so that it is done correctly. Mr. Dean said there is no statutory position of Selectboard Rep on the ConCom, so the Board has to vote to make the Selectboard's Representative either a full member or an alternate member. Mr. Clement said the Selectboard Representative on the ConCom can't vote. He asked for interested Selectmen for that position. Ms. Surman said she was still interested. Ms. Corson nominated her. The Chair assigned the position to her with unanimous consent.

Heritage Commission and Historical District Commission: Ms. Gilman is interested and was assigned the position.

The Arts Committee meets on Monday nights but that got changed to Wednesday nights. Mr. Chartrand said he wants to step aside on that Committee. The dates of the Wednesday meetings was unknown. Ms. Surman said she would consider it but it would mean three meetings in a row some weeks-if it alternates, it might work. Mr. Clement said she is penciled in to serve on it.

Mr. Clement: the Cable TV ("CATV") Advisory Committee has issues because no one volunteered for that Committee. He would entertain a motion to disband that Committee. Mr. Chartrand asked about the current contract. Mr. Dean said the Comcast contract is set for 10/24/17 expiration. The Board of Selectmen is franchisor. Ms. Gilman asked if Cable Access Advisory Committee is involved in the current EXTV procedures. Mr. Dean said yes, the policies were written to involve a Cable TV Advisory Committee. Difficult to fill spaces on that Committee. Selectmen could resuscitate it in the future if needed. The work falls back on the

BOARD OF SELECTMEN

April 3, 2017

DRAFT MINUTES

Manager. Mr. Chartrand moved to disband the Committee, Ms. Surman seconded and the vote was unanimously approved.

The Chair said the E-911 Committee was newly charged this winter, and has done a new ordinance for street names and numbering. He is happy to continue on it unless someone else wants to do it. They are daytime meetings. Ms. Gilman said she is interested depending on the day of the week of their meetings. She is freer in the second half of this year. Mr. Clement suggested they share coverage-for him to continue on it now and Ms. Gilman take over for him later on when her time frees up.

Housing Advisory Committee ("HAC"): Ms. Corson worked on that Committee. It meets once per month on Friday mornings. Mr. Chartrand said he would serve on that Committee. Ms. Gilman said she thought it was unsettled. Ms. Corson said that was discussed by the HAC. There was not much activity in past year. Mr. Chartrand said his track record of service on the Economic Development Commission and his skillset are a good fit. Mr. Clement agreed and designated him to serve.

Memorial Day Parade Committee: Mr. Clement will continue on it for continuity and then change it later after this coming Memorial Day. Ms. Gilman said if they could change their meeting date, she could do it.

River Advisory Committee: Mr. Clement said it meets at 9 am on Thursdays once a month, but he didn't know the exact schedule. Mr. Clement will assume that role.

Safety Committee: handles liabilities review related to employee safety and recommendations. They meet four times per year. Mr. Clement assumed that role. Ms. Surman offered to cover that instead of the Chair or as alternate if he can't make a meeting, to ensure continuity.

TIF Advisory Board: Ms. Corson said she is interested in it. It meets quarterly.

Train and Transportation Committee: Ms. Gilman will serve on this Committee.

Water and Sewer Committee: Mr. Chartrand will assume that position.

Rockingham Planning Commission: Ms. Gilman will serve that position.

Swasey Park Trustees: Ms. Surman will continue for one more year at least.

Budget Recommendations Committee: all Selectmen work on this.

Exeter Local Advisory Committee has been Mr. Clement and Mr. Dave O'Hearn. The Lamprey River Local Advisory Committee also exists but the Exeter volunteer stepped down so if anyone

Exeter Cable Television Advisory Committee

There is hereby created the Exeter Cable Television Advisory Committee, herein called the "Committee."

The Board of Selectmen, as the duly authorized and designated franchising authority for the Town of Exeter for purposes of Revised Statutes Annotated, 53-C, is also referred to as the "Franchising Authority."

The "License granting to Continental Cablevision of New Hampshire, Inc., the right to erect, operate and maintain a Community Antenna Television system in the Town of Exeter, New Hampshire" having been executed on the 13th day of November, 1979 (and renewed on November 4, 1992 and further amended May 13, 1996, and September 27, 1999), is herein referred to as the "Company." Other companies which subsequently operate Cable television systems in the Town of Exeter shall also fall under these guidelines.

The purpose of the Committee is to:

- Assist in the timely resolution of cable subscriber complaints as described in Section 11 of the license. If a cable subscriber has an unresolved complaint, he shall be entitled to file that complaint with the Committee. The Committee shall immediately forward a copy of any complaint to the Franchising Authority. Within thirty (30) days after the receipt of such a complaint, the Committee shall meet jointly with the subscriber and a representative of the company. If the complaint is resolved, the Committee shall notify the Franchising Authority of said resolution. If the complaint remains unresolved, the Committee shall, within seven (7) days, make its recommendation to the Franchising Authority.
- Have the responsibility to monitor all aspects of Cable Television systems in the Town of Exeter within the limits of RSA 53, and the License(s);
- Inspect all books, records, and reports of the companies which operate Cable Television systems in the Town of Exeter. However, any books, records and reports that would be exempt from disclosure under the Right-to-Know Law, shall not be publicly disclosed by the Committee;
- Work in conjunction with companies in governing the use of the public access channel(s) in the Town of Exeter;
- Coordinate activities of other public organizations and private organizations concerning the use and development of cable programming;
- Monitor all arrangements and agreements of the License(s) so as to insure its implementation in a timely and correct manner;
- Inform and educate the Board of Selectmen and the public regarding cable communication to insure maximum public participation.

The Committee shall consist of seven members, including one Selectmen's Representative to the Committee. At least one member of the Committee will be designated to represent the interests of the Library. Of the remaining four members, upon initial appointment, 2 members shall be appointed for a 2 year term, and 2 members shall be appointed for a three year term.

Subcommittees may be created by a vote of the Committee. Members of subcommittees do not necessarily have to be members of the Committee.

The Committee shall hold no less than four meetings per year. The annual meeting in January will be for the purpose of conducting a review of company or companies' performance in addition to regular Committee business. A written report of this evaluation must be sent to the Board of Selectmen and be made available for public inspection. Additional meetings may be called by the Chairman by a majority of Committee members or by the Franchising Authority.

The final authority for all agreements, disputes, revocation, contracts, regulations, finances, fees and activities associated with the construction and operation of a cable system in the Town of Exeter, New Hampshire, shall rest with the Board of Selectmen.

Adopted April 3, 2006.

Amended 2007.

Disbanded April 3, 2017.

RENEWAL
CABLE TELEVISION FRANCHISE
FOR
EXETER,
NEW HAMPSHIRE

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EXETER, NH RENEWAL FRANCHISE

INTRODUCTION

WHEREAS, Comcast of Maine/New Hampshire, Inc. (hereinafter "Franchisee"), is the duly authorized holder of a renewal Franchise to operate a Cable Television System in the Town of Exeter, New Hampshire (hereinafter the "Town") pursuant to NH R.S.A. 53-C, as amended, said Franchise having commenced on November 13, 1994;

WHEREAS, Franchisee filed a written request for a renewal of its Franchise by letter dated January 16, 2007 in conformity with the Cable Communications Policy Act of 1984 ("Cable Act");

WHEREAS, there has been an opportunity for public comment, as required by Section 626(h) of the Cable Act;

WHEREAS, the Franchising Authority has determined that the financial, legal, and technical ability of Franchisee is reasonably sufficient to provide services, facilities, and equipment necessary to meet the future cable-related needs of the community, and desires to enter into this Renewal Franchise with Franchisee for the construction and continued operation of a Cable System on the terms and conditions set forth herein;

WHEREAS, the Town's Board of Selectmen, as the Franchising Authority, finds that Franchisee has complied with the terms of its previous Franchise; and

WHEREAS, insofar as the State of New Hampshire has delegated to the Town the authority to grant a Franchise for Cable System operation within the Town's territorial boundaries, the Town hereby exercises its authority to grant a non-exclusive Franchise permitting the operation of a Cable Television System within the Town of Exeter.

NOW THEREFORE, after due and full consideration, the Franchising Authority and Franchisee agree that this Renewal Franchise is issued upon the following terms and conditions:

ARTICLE 1
DEFINITIONS

SECTION 1.1 - DEFINITIONS

For the purpose of this Renewal Franchise, capitalized terms, phrases, words, and abbreviations shall have the meanings ascribed to them in the Cable Communications Policy Act of 1984, as amended from time to time, 47 U.S.C. §§521 et seq. (the "Cable Act"), and the Revised Statutes Annotated of New Hampshire, as amended from time to time, unless otherwise defined herein.

(a) Access Provider – shall mean the Person, group or entity, or non-profit corporation or agency, designated by the Franchising Authority for the purpose of operating and managing the use of Public, Educational and Government Access Programming funding, equipment and channels on the Cable Television System in accordance with this Renewal Franchise and 47 U.S.C. 531.

(b) Basic Cable Service – shall mean the lowest tier of service which includes the retransmission of local television broadcast Signals; Public, Educational and Governmental Access Channel(s); and other Signals or services required by the FCC or the Cable Act.

(c) Cable Act – shall mean the Cable Communications Policy Act of 1984, Public Law No. 98-549, 98 Stat. 2779 (1984), 47 U.S.C. 521 et seq., amending the Communications Act of 1934, as further amended by the 1992 Cable Consumer Protection and Competition Act, Public Law No. 102-385 and the Telecommunications Act of 1996, Public Law No. 104-458, 110 Stat. 56 (1996) and as may be further amended.

(d) Cable Television System or Cable System – shall mean the facility owned, constructed, installed, operated and maintained by Franchisee in the Town of Exeter, consisting of a set of closed transmission paths and associated Signal generation, reception, and control equipment that is designated to provide Cable Service which includes Video Programming and

which is provided to multiple Subscribers within a community, but such term does not include (a) a facility that serves only to retransmit the television Signals of one or more television broadcast stations; (b) a facility that serves Subscribers without using any public right-of-way; (c) a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the Cable Act, except that such facility shall be considered a Cable System (other than for purposes of Section 621(c) of the Cable Act) to the extent such facility is used in the transmission of Video Programming directly to Subscribers unless the extent of such use is solely to provide interactive on-demand services; (d) an open video system that complies with Section 653 of the Cable Act, or (e) any facilities of any electric utility used solely for operating its electric utility systems.

(e) Cable Service or Service- shall mean the one-way transmission to Subscribers of (i) Video Programming, or (ii) other Programming service, and Subscriber interaction, if any, which is required for the selection or use of such Video Programming or other Programming service.

(f) Drop - shall mean the coaxial cable that connects a home or building to the feeder cable of the Subscriber Network or institutional network/video return line.

(g) Educational Access Channel - shall mean the video channel(s) designated for non-commercial use by educational institutions such as public or private schools (grades K-12), but not "home schools," community, public or private colleges or universities.

(h) Effective Date - shall mean October 25, 2010.

(i) FCC - shall mean the Federal Communications Commission or any successor governmental entity.

(j) Franchising Authority - shall mean the Board of Selectmen of the Town of Exeter, New Hampshire, or the lawful designee thereof.

(k) Franchisee - shall mean Comcast of Maine/New Hampshire, Inc. or any successor or transferee in accordance with the terms and conditions in this Renewal Franchise.

(l) Franchise Fee - shall mean the payments to be made to the Franchising Authority or other governmental entity which shall have the meaning set forth in Section 622(g) of the Cable Act, 47 U.S.C. §542.

(m) Governmental Access Channel – shall mean a channel designated for non-commercial use by the Franchising Authority for the purpose of showing public local government Programming.

(n) Gross Annual Revenue – shall mean the revenue received by Franchisee from the operation of the Cable System in the Town of Exeter to provide Cable Services, calculated in accordance with generally accepted accounting principles, including but not limited to monthly Basic Cable Service, premium and pay-per-view fees, installation fees, advertising or home shopping revenue and equipment rental fees. In the event that an affiliate of Franchisee is responsible for advertising, advertising revenue shall be deemed to be a pro rata portion of advertising revenues, excluding commissions or agency fees paid to the Franchisee by an affiliate for said affiliate's use of the Cable System for the carriage of advertising. Gross Annual Revenue shall not include fees on Subscriber fees, refundable deposits, bad debts, late fees, investment income, or any taxes, fees or assessments imposed or assessed by any governmental authority and collected by Franchisee on behalf of such entity.

(o) Modulator – shall mean a cable television Modulator or equivalent device used for video Signal processing and transport.

(p) Multichannel Video Programming Distributor – shall mean a Person such as, but not limited to, a cable operator, a multichannel multipoint distribution service, a direct broadcast satellite service, or a television receive-only satellite program distributor, who makes available for purchase, by Subscribers or customers, multiple channels of Video Programming.

(q) Outlet – shall mean an interior receptacle that connects a television set to the Cable Television System.

(r) PEG Access User – shall mean a Person utilizing the Cable Television System, including all related facilities, for purposes of production and/or transmission of PEG Access Programming as opposed to utilization solely as a Subscriber.

(s) Person – shall mean any natural Person or any association, firm, partnership, joint venture, corporation, or other legally recognized entity, whether for-profit or not-for-profit, but shall not mean the Franchising Authority.

(t) Public Access Channel – shall mean a video channel designed for non-commercial use by the public on a first-come, first-served, non-discriminatory basis.

(u) Public, Educational and Governmental (PEG) Access Channel – shall mean a video channel designated for non-commercial use by the public, educational institutions such as public or private schools (but not “home schools,” community colleges, and universities) as well as the Franchising Authority.

(v) Public, Educational and Government (PEG) Access Programming – shall mean non-commercial Programming produced by Town or its designee, any Exeter residents or organizations, schools and government entities and the use of designated facilities, equipment and/or channels of the Cable System in accordance with 47 U.S.C. 531 and this Renewal Franchise.

(w) Public Way(s) – shall mean the surface of, and the space above and below, any public street, highway, freeway, bridge, land path, alley, court, boulevard, sidewalk, way, lane, public way, drive, circle or other public right-of-way, including, but not limited to, public utility easements, dedicated utility strips, or rights-of-way dedicated for compatible uses and any temporary or permanent fixtures or improvements located thereon now or hereafter held by the Franchising Authority in the Town of Exeter, which shall entitle Franchisee to the use thereof for the purpose of installing, operating, repairing, and maintaining the Cable System. Public Way shall also mean any easement now or hereafter held by the Franchising Authority within the Town of Exeter for the purpose of public travel, or for utility or public service use dedicated for compatible uses, and shall include other easements or rights-of-way as shall within their proper use and meaning entitle Franchisee to the use thereof for the purposes of installing, operating, and maintaining Franchisee’s Cable System over poles, wires, cables, conductors, ducts, conduits,

vaults, manholes, amplifiers, appliances, attachments, and other property as may be ordinarily necessary and pertinent to the Cable System.

(x) Public Buildings – shall mean those buildings owned or leased by the Franchising Authority for government administrative purposes, but shall not include buildings owned by Franchising Authority and leased to third parties or buildings such as storage facilities at which government employees are not regularly stationed.

(y) Renewal Franchise or Franchise – shall mean this Agreement and any amendments or modifications in accordance with the terms herein.

(z) Signal – shall mean any transmission which carries Programming from one location to another.

(aa) Standard Installation – shall mean the standard two hundred foot (200') aerial Drop connection to the existing distribution system.

(ab) Subscriber – shall mean a Person or user of the Cable System who lawfully receives Cable Service with Franchisee's express permission.

(ac) Subscriber Network – shall mean the trunk and feeder Signal distribution network over which video and audio Signals are transmitted to Subscribers.

(ad) Town – shall mean the Town of Exeter, New Hampshire.

(ae) Trunk and Distribution System – shall mean that portion of the Cable System for the delivery of Signals, but not including Drop cable(s) to Subscribers' residences.

(af) Video Programming or Programming – shall mean the Programming provided by, or generally considered comparable to Programming provided by, a television broadcast station.

ARTICLE 2
GRANT OF RENEWAL FRANCHISE

SECTION 2.1 - GRANT OF RENEWAL FRANCHISE

(a) Pursuant to the authority of RSA 53-C and the Cable Act, the Franchising Authority hereby grants a non-exclusive Renewal Franchise to Comcast of Maine/New Hampshire, Inc. a New Hampshire corporation, authorizing and permitting Franchisee to construct, operate and maintain a Cable Television System in the Public Way within the municipal limits of the Town of Exeter. Nothing in this Franchise shall be construed to prohibit Franchisee from offering any service over its Cable System that is not prohibited by federal or State law.

(b) This Renewal Franchise is granted under and in compliance with the Cable Act and RSA 53-C of the Laws of New Hampshire, and in compliance with all rules and regulations of the FCC and other applicable rules and regulations in force and effect during the period for which this Renewal Franchise is granted.

(c) Subject to the terms and conditions herein, the Franchising Authority hereby grants to Franchisee the right to construct, upgrade, install, operate and maintain a Cable Television System within the Public Way.

SECTION 2.2 - TERM: NON-EXCLUSIVITY

The term of this non-exclusive Renewal Franchise shall be for a period of seven (7) years and shall commence on October 25, 2010 following the expiration of the current Franchise, and shall expire at midnight on October 24, 2017.

SECTION 2.3 – RENEWAL OF FRANCHISE

The renewal of this Franchise shall be governed by applicable federal law and regulations promulgated hereunder and by applicable New Hampshire law.

SECTION 2.4 – NON-EXCLUSIVITY OF FRANCHISE

(a) Franchisee acknowledges and agrees that the Franchising Authority reserves the right to grant one or more additional franchises to other Cable Service providers within the Town for the right to use and occupy the Public Ways within the Franchising Authority's jurisdiction; provided, however, that in accordance with RSA 53-C:3-b no such franchise agreement shall contain terms or conditions more favorable or less burdensome than those in any existing Franchise within the Town.

(b) In the event that the Franchisee believes that any additional franchise has been granted or modified to include terms and conditions more favorable or less burdensome than those contained in this Renewal Franchise, the Franchisee may so notify the Franchising Authority in writing and may request that the Franchising Authority convene a hearing on such issue. Along with said written request, the Franchisee shall provide the Franchising Authority with written reasons for its belief. At said hearing, the Franchisee shall have an opportunity to demonstrate that any such additional franchise is on terms more favorable or less burdensome than those contained in this Renewal Franchise. The Franchisee shall provide the Franchising Authority with such financial or other relevant information as is requested.

(c) Should the Franchisee demonstrate that any such additional franchise has been granted on terms and conditions more favorable or less burdensome than those contained in this Renewal Franchise, the Franchising Authority shall consider and negotiate, in good faith, equitable amendments to this Renewal Franchise within a reasonable time.

SECTION 2.5 - RESERVATION OF AUTHORITY

Nothing in this Renewal Franchise shall (i) abrogate the right of the Franchising Authority to perform any public works or public improvements of any description, (ii) be construed as a waiver of any codes or bylaws/ordinances/ordinances of general applicability and not specific to

the Cable Television System, Franchisee, or this Franchise, or (iii) be construed as a waiver or release of the rights of the Franchising Authority in and to the Public Ways. Any conflict between the terms of this Renewal Franchise and any present or future exercise of the municipality's police and regulatory powers shall be resolved by a court of appropriate jurisdiction.

SECTION 2.6 - POLE AND CONDUIT ATTACHMENT RIGHTS

(a) If Franchisee desires to install its own poles in the right of way, it shall comply with RSA 231:161 and 160-a. Pursuant to RSA 231:161, permission is hereby granted to Franchisee to attach or otherwise affix including, but not limited to, cables, wire, or optical fibers comprising the Cable Television System to the existing poles and conduits on and under the Public Ways, provided Franchisee secures the permission and consent of the public utility companies to affix the cables and/or wires to their pole and conduit facilities. By virtue of this Franchise the Franchising Authority grants Franchisee equal standing with power and telephone utilities in the manner of placement of facilities on Public Ways, subject to the lawful exercise of the authority of the Town to approve the location of all installations in the Public Ways, and subject to the Town's lawful use of the Public Ways.

(b) To the extent permitted by applicable law and in accordance with the requirements of RSA 72:23, I (b), the Franchisee(s) and any other entity now or hereafter using or occupying property of the State or of a city, town, school district or village district pursuant to this Franchise shall be responsible for the payment of, and shall pay, all properly assessed current and potential personal and real property taxes, if any, for such use or occupation and all properly assessed current and potential personal and real property taxes, if any, on structures or improvements added by Franchisee or any other entity using or occupying such property pursuant to this Franchise. Pursuant to the provisions of this Section and subject to the provisions of Section 9.8 (Notice and Opportunity to Cure) herein, "failure of the Franchisee to pay the duly assessed personal and real estate taxes when due shall be cause to terminate said lease or agreement by the Franchising

Authority.” Accordingly, this is a material term of the Franchise and failure to pay duly and properly assessed personal and real property taxes when due shall be cause for Franchising Authority to provide a written notice to Franchisee, pursuant to the provisions of Section 9.8, to show cause by a date certain specified in the notice as to why this Franchise should not be revoked pursuant to Section 9.7 (Revocation of Franchise) of the Franchise. To the extent applicable law provides authority for the Franchising Authority to assess taxes on Franchisee, pursuant to RSA 72:23, I(b), 72:8-a, 73:10 and/or 48-B:4 or otherwise, the Franchising Authority shall be authorized to impose such taxes and Franchisee shall be obligated to pay such properly assessed taxes. However, Franchisee reserves all rights to appeal any assessment of personal or real property taxes. Further, the parties acknowledge that there is a dispute between the parties concerning the applicability of RSA 72:23 to the Cable System. The parties agree to abide by any final decision made by a court of competent jurisdiction after all appeals by either party have been exhausted.

(c) Nothing in this Franchise shall be deemed a waiver or relinquishment of any rights, defenses or claims that Franchisee may have with respect to the application of any law referenced in this Section 2.6 to Franchisee’s services or the operation of its Cable System. Franchisee shall have the right to pass through to Subscribers and to itemize separately on Subscribers’ monthly bills any tax imposed on Franchisee by the Franchising Authority.

ARTICLE 3
SYSTEM SPECIFICATIONS AND CONSTRUCTION

SECTION 3.1 - AREA TO BE SERVED

(a) Franchisee shall make Cable Service available to every residential dwelling unit within the Town where the minimum density is at least twenty (20) dwelling units per aerial mile and forty (40) dwelling units per underground mile providing, however, that any plant extension is measured from the existing Trunk and Distribution System and Franchisee is able to obtain from property owners any necessary easements and/or permits in accordance with the Cable Act. Franchisee shall make service available to multiple dwelling units (MDU) where economically feasible and providing that Franchisee is able to obtain from the property owners any necessary easements, permits and agreements to provide service to said MDU. Subject to the density requirement, Franchisee shall offer Cable Service to all new homes or previously unserved homes located within two hundred feet (200') of Franchisee's distribution cable within thirty (30) days of a written request by an occupant. For non-Standard Installations, Franchisee shall offer said service within ninety (90) days of a Subscriber's request for such aerial installations and one hundred eighty (180) days, weather permitting, of a Subscriber's request for such underground installations.

(b) Installation costs shall conform with the Cable Act. Any dwelling unit within an aerial two hundred feet (200') of the Trunk and Distribution System shall be entitled to a Standard Installation rate in accordance with applicable federal and State laws. For non-Standard Installations (aerial), the first two hundred feet (200') shall be at the standard rate. Underground installations are considered non-Standard Installations. All non-Standard Installations shall be provided at a rate established by the Franchisee in accordance with applicable federal and State laws.

SECTION 3.2 - SUBSCRIBER NETWORK

Franchisee shall maintain a Cable Television System fully capable of carrying a minimum bandwidth of 750MHz.

SECTION 3.3 - SUBSCRIBER NETWORK CABLE DROPS

(a) Franchisee shall maintain the current level of existing active Drops, Outlets and Basic Cable Service, at no charge to the Town, to each Public Building located along the existing cable route as of the Effective Date as designated by the Franchising Authority within the Town and listed in **Exhibit A** attached hereto.

(b) Upon written request by the Franchising Authority, Franchisee shall provide one (1) Standard Installation, Drop, Outlet and Basic Cable Service at no charge to any new Public Buildings and other Town owned Public Buildings along the distribution cable subject to the limitations set forth above. The Franchising Authority or its designee shall consult with a representative of Franchisee to determine the appropriate location for each of such Public Building's respective Outlet prior to requesting that Franchisee install the service.

(c) Nothing in this Section shall require Franchisee to move existing or install additional Drops or Outlets at no charge to those Public Buildings included in **Exhibit A**, or to move existing or install additional Drops or Outlets already installed in Public Buildings pursuant to Subsection (b) above.

(d) The Franchisee shall not be responsible for any internal wiring of such Public Buildings.

SECTION 3.4 - PARENTAL CONTROL CAPABILITY

(a) Pursuant to applicable law, upon request, and at no separate, additional charge, Franchisee shall provide Subscribers with the capability to control the reception of any channel on the Cable System.

(b) The Franchising Authority acknowledges that the parental control capability may be part of a converter box and Franchisee may charge Subscriber for use of said box.

SECTION 3.5 - EMERGENCY ALERT OVERRIDE CAPACITY

Franchisee shall comply with the FCC's Emergency Alert System ("EAS") regulations.

ARTICLE 4
TECHNOLOGICAL & SAFETY STANDARDS

SECTION 4.1 - SYSTEM MAINTENANCE

(a) In installing, operating and maintaining equipment, cable and wires, Franchisee shall avoid damage and injury to trees, structures and improvements in and along the routes authorized by the Franchising Authority, except as may be approved by the Franchising Authority if required for the proper installation, operation and maintenance of such equipment, cable and wires.

(b) The construction, maintenance and operation of the Cable Television System for which this Renewal Franchise is granted shall be done in conformance with all applicable laws, bylaws/ordinances of general applicability, codes and regulations, including, but not limited to, OSHA, the National Electrical Safety Code and the rules and regulations of the FCC as the same exist or as same may be hereafter changed or amended.

(c) Operating and maintenance personnel shall be trained in the use of all safety equipment and the safe operation of vehicles and equipment. Franchisee shall install and maintain its equipment, cable and wires in such a manner as shall not interfere with any installations of the Town or any public utility serving the Town.

(d) All structures and all equipment, cable and wires in, over, under, and upon the Public Ways or public places of the Town, wherever situated or located, shall at all times be kept and maintained in a safe and suitable condition and in good order and repair.

(e) The Signal of any broadcast station carried on the Cable Television System shall be carried without material degradation in quality at all subscribing locations within the limits imposed by the technical specifications of the Cable System and as set forth by the FCC. The Cable System shall be operated and maintained so as to comply with the technical standards set forth in the FCC's rules and regulations as they apply to Cable Television Systems.

(f) Upon written notice from the Franchising Authority, Franchisee shall remedy a general deficiency with respect to the technical standards described herein within two (2) months of receipt of notice and a safety deficiency within twenty-four (24) hours of receipt of notice and shall notify the Franchising Authority when the deficiency has been corrected.

SECTION 4.2 - CABLE LOCATION

(a) In all areas of the Town where all of the transmission and distribution facilities of all public or municipal utilities are installed underground, Franchisee shall install its Cable System underground provided that such facilities are actually capable of receiving Franchisee's cable and other equipment without technical degradation of the Cable System's Signal quality.

(b) In all areas of the Town where public utility lines are aurally placed, if subsequently during the term of Franchisee Renewal such public utility lines are required by local ordinance or State law to be relocated aurally or underground, Franchisee shall similarly relocate its Cable System if it is given reasonable notice and access to the public and municipal utilities facilities at the time that such are placed underground. Any costs incurred by Franchisee for relocating utility poles or trenching for the placement of underground conduits shall be entitled to reimbursement of such relocation costs in the event public or private funds are raised for the project and made available to other users of the Public Way.

(c) Provided Franchisee has at least ninety (90) days' prior written notice concerning the opening of residential subdivision trenching, or of the installation of conduit for the location of utilities, it shall install its cable in such trenching or conduits or may seek permission to utilize alternative trenching or conduits within a comparable time frame. If a substantial quantity of cable is required for a large subdivision and said quantity is not in stock, Franchisee shall be allowed reasonable additional time for said installation. The Franchising Authority, or its designee, shall exercise reasonable efforts to have the Planning Board and developers give timely written notice

of trenching and underground construction to Franchisee. Developer shall be responsible for the digging and back-filling of all trenches.

(d) Nothing in this Section shall be construed to require Franchisee to construct, operate, or maintain underground any ground-mounted appurtenances such as customer taps, line extenders, system passive devices, amplifiers, power supplies, pedestals, or other related equipment.

SECTION 4.3 - REPAIRS AND RESTORATION

Whenever Franchisee takes up or disturbs any Public Way or other improvement of any Public Way or public place, the same shall be replaced and the surface restored in as good condition as possible as before entry as soon as practicable. If Franchisee fails to make such restoration within a reasonable time, the Franchising Authority may fix a reasonable time for such restoration and repairs and shall notify Franchisee in writing of the restoration and repairs required and the time fixed for the performance thereof. Upon failure of Franchisee to comply within the time specified, the Franchising Authority may cause proper restoration and repairs to be made and the expense of such work shall be paid by Franchisee upon written demand by the Franchising Authority. However, prior to such repair or restoration the Town should submit a written estimate to Franchisee of the actual cost of said repair or restoration.

SECTION 4.4 - TREE TRIMMING

Franchisee shall have authority to trim trees upon and overhanging the Public Ways and public places of the Town so as to prevent the branches of such trees from coming in contact with the wires, cables and equipment of Franchisee, in accordance with applicable State law and any Town bylaws/ordinances and regulations.

SECTION 4.5 - BUILDING MOVES

In accordance with applicable laws, Franchisee shall, upon the written request of any Person holding a building moving permit issued by the Town, temporarily raise or lower its wires to permit the moving of the building(s). Franchisee shall be given not less than thirty (30) days' advance written notice to arrange for such temporary wire changes. The cost to raise or lower wires shall be borne exclusively by the Person(s) holding the building move permit.

SECTION 4.6 – PLANT MAPS

Franchisee shall maintain a complete set of plant maps of the Town which will show those areas in which its facilities exist. The plant maps will be retained at Franchisee's primary place of business and will be available to the Franchising Authority for inspection by the Franchising Authority upon written request.

SECTION 4.7 - DIG SAFE

Franchisee shall comply with all applicable "dig safe" provisions, pursuant to RSA 374:51 of the New Hampshire laws.

SECTION 4.8 - DISCONNECTION AND RELOCATION

(a) Franchisee shall, at its sole cost and expense, protect, support, temporarily disconnect, relocate in the same street or other Public Ways, or remove from any Public Ways and public places, any of its property as required by the Franchising Authority or its designee by reason of traffic conditions, public safety, street construction, change or establishment of street grade, or the construction of any public improvement or structure by any Town department acting in a governmental capacity.

(b) In requiring Franchisee to protect, support, temporarily disconnect, relocate or remove any portion of its property, the Franchising Authority shall treat Franchisee the same as, and require no more of Franchisee than, any other similarly situated utility.

(c) In either case, Franchisee shall have the right to seek reimbursement under any applicable insurance or government program for reimbursement.

SECTION 4.9 – PROHIBITION AGAINST RESELLING OF SERVICE

No Person shall resell, without the express prior written consent of Franchisee, any Cable Service, program or Signal transmitted over the Cable System by Franchisee.

SECTION 4.10 - EMERGENCY REMOVAL OF PLANT

(a) If, at any time, in case of fire or disaster in the Town, it shall be necessary in the reasonable judgment of the Franchising Authority to cut or move any of the wires, cable or equipment of the Cable Television System, the Town shall have the right to do so without cost or liability, provided, however, that wherever possible the Franchising Authority gives Franchisee written notice and the ability to relocate wires, cable or other equipment.

(b) In either case, Franchisee shall have the right to seek reimbursement under any applicable insurance or government program for reimbursement. All cable operators or public or municipal utility companies shall be treated alike if reimbursed for such costs by the Town.

SECTION 4.11 – STANDBY POWER

The Cable System shall incorporate equipment capable of providing standby powering of the head end for a minimum of forty-eight (48) hours upon failure of the power furnished by the electric utility company unless for reasons of force majeure.

ARTICLE 5
PROGRAMMING

SECTION 5.1 - BASIC CABLE SERVICE

Franchisee shall make available a Basic Cable Service tier to all Subscribers in accordance with 47 U.S.C. 534.

SECTION 5.2 - PROGRAMMING

(a) Pursuant to 47 U.S.C. 544, Franchisee shall maintain the mix, quality and broad categories of Video Programming as set forth in **Exhibit B**. Pursuant to federal law, all Video Programming decisions, excluding PEG Access Programming, are at the sole discretion of Franchisee.

(b) Franchisee shall comply with 76.309(c)(3)(i)(b) of the FCC Rules and Regulations regarding notice of Programming changes as they exist or as they may be amended from time to time.

SECTION 5.3 - REMOTE CONTROLS

Franchisee shall allow Subscribers to purchase remote control devices which are compatible with the converter installed by Franchisee, if any, and allow the use of remotes. Franchisee takes no responsibility for changes in its equipment or services that might render inoperable the remote control devices acquired by Subscribers.

SECTION 5.4 - STEREO TV TRANSMISSIONS

All broadcast Signals that are transmitted to Franchisee's head end in stereo shall be transmitted in stereo to Subscribers.

SECTION 5.5 – CABLE CHANNELS FOR COMMERCIAL USE

Pursuant to 47 U.S.C. 532, Franchisee shall make available channel capacity for commercial use by Persons unaffiliated with Franchisee. Rates for use of commercial access channels shall be negotiated between Franchisee and the commercial user in accordance with federal law.

ARTICLE 6

PEG ACCESS CHANNEL(S)

SECTION 6.1 - PEG ACCESS CHANNEL(S)

(a) Use of channel capacity for Public, Educational and Governmental (PEG) Access Programming shall be provided in accordance with federal law, 47 U.S.C. 531, and as further set forth below. Franchisee does not relinquish its ownership of or ultimate right of control over a channel by designating it for PEG use. A PEG Access User, whether an individual, educational or governmental user, acquires no property or other interest by virtue of the use of a channel so designated, and may not rely on the continued use of a particular channel number, no matter how long the same channel may have been designated for such use. Franchisee shall not exercise editorial control over any public, educational, or governmental use of channel capacity, except Franchisee may refuse to transmit any public access program or portion of a public access program that contains obscenity, indecency, or nudity pursuant to Section 611 of the Cable Act. The Franchising Authority shall be responsible for developing, implementing, interpreting and enforcing rules for PEG Access Channel use.

(b) On the Effective Date, Franchisee shall designate capacity on one (1) channel for a Public, Educational, and Governmental Access Channel to be used for public Video Programming provided by the Franchising Authority or its designee, educational access Video Programming provided by the Franchising Authority or its designated educational institution(s), and/or governmental Video Programming provided by the Franchising Authority. Public, Educational and Governmental Access Channels may not be used to cablecast for-profit, political or commercial fundraising programs in any fashion. Unused capacity may be utilized by Franchisee subject to the provisions set forth in Subsection (e) below.

(c) By December 1, 2010, Franchisee shall provide an Educational Access Channel to be shared by the schools in SAU 16 in the Town of Exeter, fed off the same head end, as they may determine.

(d) By February 1, 2011, Franchisee shall provide capacity on one (1) additional channel for a Public Access Channel to be used for public Video Programming provided by the Franchising Authority or its designee. Any costs associated with construction and activation of said channel, including required head end electronics and any required line extensions shall be a franchise related cost pursuant to Section 6.5, below. A Public Access Channel may not be used to cablecast programs for profit, political or commercial fundraising in any fashion.

(e) In the event the Franchising Authority or other PEG Access User elects not to fully program its channel(s) with original PEG Access Programming, Franchisee may reclaim any unused time on those channels.

SECTION 6.2 - PEG ACCESS CABLECASTING

(a) Throughout the term of this Franchise Agreement, the Town shall maintain its ability to originate "live" Video Programming from the Town Offices, Exeter High School and the Tuck Learning Center/Talbot Gym through separate video return line connections. During the term of this Franchise Agreement, the Franchisee will construct origination locations at the Lincoln Street School Library and Emergency Operations Center. The Town and Franchisee acknowledge that the timing of the activation shall be as mutually agreed between the parties. The Town may designate an additional origination location for the Public Access Channel, after the first (1st) anniversary but before the fifth (5th) anniversary of the Effective Date. If the Town exercises this option after the first anniversary of the Effective Date, but before the third anniversary, the Town and the Franchisee agree that any costs associated with construction of the new Public Access Channel origination location may be passed through to Subscribers pursuant to Section 6.5, below. If the Town exercises this option after the third anniversary of the Effective Date, the Town shall either extend the term of this Franchise Agreement an additional two years, through a written amendment pursuant to Section 10.4, and any costs associated with construction

of the new Public Access Channel origination location may be passed through to Subscribers pursuant to Section 6.5, below, or the Town shall pay such costs in advance. Construction shall be done within twelve (12) months of written notice to Franchisee.

(b) In order that PEG Access Programming and shared SAU 16 Educational Programming can be cablecast over Franchisee's downstream PEG Access Channels, including the shared SAU 16 Educational Access Channel, if elected, all PEG Access Programming shall be modulated, then transmitted from an origination location listed in **Exhibit C** to Franchisee-owned head end or hub-site on a Franchisee-owned upstream channel made available to the Town for its use. At the Franchisee-owned head end, said PEG Access Programming and shared SAU 16 Educational Access Programming shall be retransmitted in the downstream direction on one of the Franchisee-owned Subscriber Network downstream PEG Access Channel(s) or the s or shared SAU 16 Educational Access Channel.

(c) Franchisee shall provide and maintain all necessary switching and/or processing equipment located at its hub-site or head end in order to switch upstream Signals carrying PEG Access Programming and/or shared SAU 16 Educational Access Programming from the location(s) listed in **Exhibit C** to the designated Franchisee-owned Subscriber Network downstream PEG Access Channels or shared SAU 16 Educational Access Channel.

(d) Franchisee shall own, maintain, repair and/or replace any Franchisee-owned head end or hub-site audio and/or video Signal processing equipment. The Town, SAU and/or PEG Access Provider shall own, maintain, repair and/or replace studio and/or portable Modulators and demodulators. The demarcation point between Franchisee's equipment and the Town's, SAU's or PEG Access provider's equipment shall be at the output of the Town's, the SAU's and/or the PEG Access Provider's Modulator(s) at any of the origination locations in **Exhibit C**.

(e) The Franchisee shall maintain the PEG Access Channels and the SAU 16 shared Educational Access Channel, and shall monitor them for technical Signal quality and shall ensure that they are maintained at standards commensurate with those that apply to the Cable System's commercial channels pursuant to FCC technical standards. The Franchising Authority or its

designee shall be responsible for the picture quality of all PEG Access Programming and shared SAU 16 Educational Programming at the demarcation point(s).

(f) If a digital simulcast is available, the PEG Access Channels and shared SAU 16 Educational Access Channel shall be provided in both analog and digital format until such time as the system transitions to all digital. At that time the PEG Access Channels and shared SAU 16 Educational Access Channel will be delivered in digital format only.

SECTION 6.3- PROGRAMMING EXCLUSIVITY AND NON-COMPETITION

The Franchising Authority, or its designee, agrees that it will not use its designated PEG Access Channel(s), equipment, or other facilities to provide for-profit commercial services which have the effect of competing with Franchisee's business. In addition, any Video Programming produced under the provisions of this Article 6 shall not be commercially distributed to a competing Multichannel Video Programming Distributor without the written consent of Franchisee.

SECTION 6.4 – INTERCONNECTION WITH COMPETING CABLE FRANCHISEE

In the event a franchise is issued by the Franchising Authority for a competing franchise and such competing franchisee desires to cablecast the PEG Access Programming originating from a PEG access studio or origination location, the parties agree that the competing franchisee shall maintain its own upstream video return link from the studio or origination location. If PEG Access Programming is originating from Franchisee's hub rather than a studio or origination location, Franchisee shall make the Programming on the PEG Access Channel available to the holder of the additional franchise for cablecasting over its Cable System in the Town upon execution of an interconnection agreement between Franchisee and the holder of the additional franchise.

SECTION 6.5 – FRANCHISE RELATED COST

The Franchising Authority acknowledges that under the Cable Act certain costs, including, but not limited to, costs of Public, Educational and Governmental Access; the cost to construct video return lines from video origination sites; the cost to activate a PEG Channel and the cost of other Franchise requirements may be passed through to the Subscribers in accordance with federal law.

SECTION 6.6 – PEG ACCESS PROGRAMMING INDEMNIFICATION

Without in any way waiving any statutory immunity or the right to assert defenses to liability provided by law, and subject to the provisions of RSA 507-B, or any other law defining the scope of municipal liability in tort, the Franchising Authority and/or the Access Provider shall indemnify the Franchisee for any liability, loss or damage it may suffer due to violation of the intellectual property rights of third parties or arising out of the content of Programming aired on any PEG channel and from claims arising out of the Franchising Authority's rules for or administration of PEG Access Programming.

ARTICLE 7
CUSTOMER SERVICE & CONSUMER PROTECTION

SECTION 7.1 - CUSTOMER SERVICE

Franchisee shall comply with all customer service regulations of the FCC (47 CFR §76.309) as they exist or as they may be amended from time to time, which standards are attached hereto as **Exhibit D** and made a part hereof.

SECTION 7.2 - CONSUMER COMPLAINT

(a) The Franchisee shall establish a procedure for resolution of complaints by Subscribers. Franchisee shall notify Subscribers of its procedures in accordance with federal law.

(b) Upon reasonable notice, the Franchisee shall expeditiously investigate and resolve all complaints regarding the quality of service, equipment malfunctions and similar matters.

(c) Except as limited by federal law or FCC regulations concerning privacy, the Franchisee shall comply with the provisions of NH RSA 53-C:3-e, as it may be amended, regarding Subscriber complaints. Nothing herein shall be deemed to require Franchisee to maintain records of oral complaints which can be handled to the Subscriber's satisfaction in the course of the initial conversation in which the complaint is made or does not require technical field response.

(d) In the event that a Subscriber is aggrieved, the Franchising Authority or its designee(s) shall be responsible for receiving and acting upon such Subscriber complaints and/or inquiries, subject to Subscriber privacy laws as follows:

(i) Upon the written request of the Franchising Authority or its designee(s), the Franchisee shall, within ten (10) business days after receiving such request,

provide a report to the Franchising Authority with respect to any complaint. Such report shall provide a full explanation of the investigation, finding and corrective steps taken by the Franchisee.

- (ii) Should a Subscriber have an unresolved complaint regarding cable television operations, the Subscriber shall be entitled to file his or her complaint with the Franchising Authority or its designee(s), who shall have primary responsibility for the continuing administration of this Renewal Franchise and the implementation of complaint procedures. The Subscriber shall thereafter meet jointly with the Franchising Authority or its designee(s) and a representative of the Franchisee within thirty (30) days of the Subscriber's filing of his or her complaint in order to fully discuss and resolve such matter.

(e) Notwithstanding the foregoing, if the Franchising Authority or designee(s) determines it to be in the public interest, the Franchising Authority or its designee(s) may investigate any multiple complaints or disputes brought by Subscribers arising from the operations of the Franchisee.

(f) In the event that the Franchising Authority, or its designee(s), finds a pattern of multiple unresolved Subscriber complaints, the Franchising Authority or its designee(s) and the Franchisee shall discuss, in good faith, possible amendments to the Franchisee's procedures for the resolution of complaints.

SECTION 7.3 - SERVICE INTERRUPTIONS

In the event that Franchisee's service to any Subscriber is completely interrupted for twenty-four (24) or more consecutive hours, Franchisee will grant such Subscriber a pro rata credit or rebate upon request, on a daily basis, of that portion of the service charge during the next consecutive billing cycle, or at its option, apply such credit to any outstanding balance then

currently due. In the instance of other individual Subscriber service interruptions, credits shall be applied as described above after due notice to Franchisee from the Subscriber.

SECTION 7.4 - SUBSCRIBER TELEVISION SETS

Franchisee shall not engage directly or indirectly in the business of selling or repairing television sets; provided, however, that Franchisee may make adjustments to television sets in the course of normal maintenance.

SECTION 7.5 - PROTECTION OF SUBSCRIBER PRIVACY

Franchisee shall comply with all applicable federal and State privacy laws and regulations, including 47 U.S.C. 551 and regulations adopted pursuant thereto as they exist or as they may be amended from time to time, which regulations are attached hereto as **Exhibit E** and made a part hereof.

SECTION 7.6 – PROPRIETARY INFORMATION

Notwithstanding anything to the contrary set forth in this Franchise, Franchisee shall not be required to disclose information which it reasonably deems to be proprietary or confidential in nature. The Franchising Authority agrees to treat any information disclosed by Franchisee as confidential and only to disclose it to those employees, representatives, and agents of the Franchising Authority who have a need to know in order to enforce this Franchise and who shall agree to maintain the confidentiality of all such information. Franchisee shall not be required to provide Subscriber information in violation of 47 U.S.C. 551 or any other applicable federal or State privacy law. For purposes of this Section, the terms “proprietary or confidential” include, but are not limited to, information relating to the Cable System design, customer lists, marketing plans, financial information unrelated to the calculation of Franchise Fees or rates pursuant to FCC rules, or other information that is reasonably determined by Franchisee to be competitively

sensitive. In the event that the Franchising Authority receives a request under a State “sunshine,” public records or similar law for the disclosure of information Franchisee has designated as confidential, trade secret or proprietary, the Franchising Authority shall notify Franchisee of such request and cooperate with Franchisee in opposing such request.

SECTION 7.7 - EMPLOYEE IDENTIFICATION CARDS

All of Franchisee’s employees, including repair and sales personnel, and contractors entering private property shall be required to carry an employee identification card approved by Franchisee and bearing a picture of said employee. If such employee(s) cannot produce such a photo identification card and, as a result, is not admitted to a Subscriber’s home, such visit shall be deemed to be a missed service visit by the Franchisee. All of Franchisee’s and/or its contractors’ or subcontractors’ vehicles performing work on the Cable System in the Town shall be placarded with proper identification making them readily identifiable.

SECTION 7.8 – MONITORING

Neither Franchisee nor its designee nor the Franchising Authority nor its designee shall, without a court order, tap, monitor, arrange for the tapping or monitoring, or permit any Person to tap or monitor, any cable, line, Signal, input device, or Subscriber Outlet or receiver for any purpose without the prior written authorization of the affected Subscriber or user, unless otherwise required by applicable law, provided, however, that Franchisee may conduct system-wide or individually addressed “sweeps” solely for the purpose of verifying system integrity, checking for illegal taps, controlling return-path transmission, billing for pay services or monitoring channel usage in a manner not inconsistent with the Cable Act. Franchisee shall report to the affected parties any instances of monitoring or tapping of the Cable Television System, or any part thereof, of which it has knowledge, whether or not such activity has been authorized by Franchisee.

Franchisee shall not record or retain any information transmitted between a Subscriber or user and any third party except as required for lawful business purposes.

SECTION 7.9 – POLLING

No poll or other upstream response of a Subscriber or user shall be conducted or obtained unless: 1) the program of which the upstream response is a part contains an explicit disclosure of the nature, purpose and prospective use of the results of the poll or upstream response, or 2) the program has an informational, entertainment or educational function which is self-evident. Franchisee or its designees shall release the results of upstream responses only in the aggregate and without individual references.

ARTICLE 8
PRICES & CHARGES

SECTION 8.1 - PRICES AND CHARGES

(a) All rates, fees, charges, deposits and associated terms and conditions to be imposed by Franchisee or any affiliated Person for any Cable Service as of the Effective Date shall be in accordance with applicable FCC's rate regulations currently codified at 47 CFR Sections 76.1602, 1603, and 1609, as may be amended from time to time, which regulations are attached hereto as **Exhibit D** and made a part hereof. Before any new or modified rate, fee, or charge is imposed, Franchisee shall follow the applicable FCC and State notice requirements and rules and notify affected Subscribers, which notice may be by any means permitted under applicable law. Nothing in this Renewal Franchise shall be construed to prohibit the reduction or waiver of charges in conjunction with promotional campaigns for the purpose of attracting or retaining Subscribers.

ARTICLE 9
REGULATORY OVERSIGHT

SECTION 9.1 - INDEMNIFICATION

Franchisee shall indemnify, defend and hold harmless the Franchising Authority, its officers, employees, and agents from and against any liability or claims resulting from property damage or bodily injury (including accidental death) that arise out of Franchisee's construction, operation, maintenance or removal of the Cable System, including, but not limited to, reasonable attorney's fees and costs, provided that the Franchising Authority shall give Franchisee written notice of its obligation to indemnify and defend the Franchising Authority within timely (best efforts of ten (10) business days) receipt of a claim or action pursuant to this Section. If the Franchising Authority determines that it is necessary for it to employ separate counsel, the costs for such separate counsel shall be the responsibility of the Franchising Authority.

SECTION 9.2 - INSURANCE

(a) Franchisee shall carry insurance throughout the term of this Renewal Franchise and any removal period with an insurance company authorized to conduct business in New Hampshire satisfactory to the Franchising Authority protecting, as required in this Renewal Franchise, Franchisee and listing the Town as an additional insured against any and all claims for injury or damage to Persons or property, both real and personal, caused by the construction, installation, operation, maintenance or removal of its Cable System. The amount of such insurance against liability for damage to property shall be no less than One Million Dollars (\$1,000,000) as to any one occurrence. The amount of such insurance for liability for injury or death to any Person shall be no less than One Million Dollars (\$1,000,000). The amount of such insurance for excess liability shall be Five Million Dollars (\$5,000,000) in umbrella form. The policy will contain a

provision that the Franchising Authority will receive thirty (30) days' written notice prior to any cancellation.

(b) Franchisee shall carry insurance against all claims arising out of the operation of motor vehicles and general tort or contract liability in the amount of One Million Dollars (\$1,000,000). The policy will contain a provision that the Franchising Authority will receive thirty (30) days' written notice prior to any cancellation.

(c) All insurance coverage, including Workers' Compensation, shall be maintained throughout the period of this Renewal Franchise. All expenses incurred for said insurance shall be at the sole expense of Franchisee. The policy will contain a provision that the Franchising Authority will receive thirty (30) days' written notice prior to any cancellation.

(d) Franchisee shall provide Franchising Authority with certificate(s) of insurance for all policies required herein upon renewal of policies.

SECTION 9.3 - PERFORMANCE BOND

(a) Franchisee has submitted and shall maintain throughout the duration of this Renewal Franchise and any removal period a performance bond in the amount of Twenty--Five Thousand Dollars (\$25,000) running to the Town with a surety company satisfactory to the Franchising Authority to guarantee the following terms:

- (i) satisfactory compliance with the provisions of this Franchise Agreement;
- (ii) restoration of the Public Ways and other improvements in accordance with this Franchise;
- (iii) the indemnification of the Town as provided in Section 9.1; and
- (iv) the satisfactory removal of the Cable System pursuant to Section 9.10.

Pursuant and subject to the provisions of Section 9.8 (Notice and Opportunity to Cure) herein, the Town may draw upon this bond for the purpose of curing any deficiency or breach by

Franchisee of the terms stated in this Section 9.3. This right to draw upon this bond shall not in any way impede or impair the right of the Franchisee to appeal the basis for such action.

(b) The total amount of the bond shall be forfeited in favor of the Town in the event:

- (i) Franchisee abandons the Cable System or any part thereof at any time during the term of this Franchise; or
- (ii) Franchisee fails to purchase and maintain insurance as required by this Franchise; or
- (iii) Franchisee fails to perform its obligations under this Franchise or in any way violates the terms of this Franchise.

(c) The Town may not draw upon this bond until the provisions and procedures of Section 9.8 (Notice and Opportunity to Cure) have been met. The Town may draw upon this bond and may otherwise recover any and all penalties due to the Town and any and all damages, losses, costs, and expenses suffered or incurred by the Town resulting from the failure of Franchisee to comply with one or more provisions of this Section 9.3. Such losses, costs and expenses shall include, but not be limited to, reasonable attorney's fees and other legal, consulting and auditing expenses. Nothing herein shall be deemed to permit the Town to collect more than the sums that it is due. The Town may not recover these sums from multiple parties.

(d) Franchisee shall not reduce the amount or cancel said bond or materially change the terms of said bond from the provisions of Section 9.3(a) herein without the Franchising Authority's prior written consent, which consent shall not be unreasonably withheld.

SECTION 9.4 - FRANCHISE FEE

(a) Franchisee shall pay a Franchise Fee to the Town, throughout the term of this Renewal Franchise equal to three percent (3%) of Franchisee's Gross Annual Revenue for the first year of the term of this Franchise. On the first (1st) anniversary, the Franchise Fee shall be four percent (4%) of Franchisee's Gross Annual Revenue. On the second (2nd) anniversary of the

Effective Date, the Franchise Fee shall be five percent (5%) of Franchisee's Gross Annual Revenue. The Franchising Authority shall designate the fund(s) to which the Franchisee Fees shall be deposited.

(b) The Franchisee's payments to the Town shall be made on a quarterly basis forty-five (45) days after close of each calendar quarter. The first and last payments shall be prorated, if necessary. The Franchisee agrees to advance One Hundred Twenty-Five Thousand Dollars (\$125,000) of the Franchise Fees within sixty (60) days of the Effective Date, to be recovered by Franchisee from Subscribers through payment of a Franchise Fee that shall be separately itemized on their bills during the first four quarters of the Renewal Franchise. If the total amount is not recovered during that period the Franchisee reserves the right to continue recovery during the second and subsequent years of the Renewal Franchise. Likewise, if additional Franchise Fees are owed for the first (1st) four (4) quarters of the Renewal Franchise, Franchisee shall make that true-up payment within forty-five (45) days of the close of the fourth (4th) calendar quarter.

(c) Each payment shall be accompanied by a statement certifying the factual basis for payment, including a breakdown by category of Franchisee's Gross Annual Revenue upon which such payment is based.

(d) In accordance with Section 622(b) of the Cable Act, Franchisee shall not be liable for a total financial commitment pursuant to this Renewal Franchise and applicable law in excess of five percent (5%) of its Gross Annual Revenue; provided, however, that said five percent (5%) shall include any funding provided pursuant to Section 9.4(a) herein and any amounts included in the term "Franchise Fee" pursuant to Section 622(g)(1) of the Cable Act (47 U.S.C. §542(g)), but shall not include (i) interest due herein to the Franchising Authority because of late payments; and (ii) any other exclusion to the term "Franchisee Fee" pursuant to Section 622(g)(2) of the Cable Act (47 U.S.C. §542(g)(2)).

(e) At any time during the life of this Renewal Franchise, the Franchising Authority may, as needed to verify the information provided hereunder, upon reasonable belief and after notice and an opportunity by the Franchisee to be heard, inspect and subject to independent audit,

at the Franchising Authority's expense, the financial records of Franchisee insofar as they apply to the calculation of (i) Gross Annual Revenues in the Town, and (ii) Franchise Fees paid to the Franchising Authority; provided, however, that if the Franchising Authority has a reasonable belief or reasonably should have such a belief of a need to verify information, it must exercise its right to inspect and audit within one (1) year of such Franchise Fee payment.

(f) No acceptance of any payment shall be construed as an accord that the payment is, in fact, the correct amount, nor shall acceptance of payment be construed as a release of (1) any claim the Franchising Authority may have for further or additional sums payable under provisions of this Franchise; or (2) any other claim whatsoever.

(g) The Franchising Authority agrees to protect any proprietary information supplied to it in accordance with Section 7.6.

SECTION 9.5 - REPORTS

Franchisee shall maintain for public inspection all records required by the FCC and as specified in 47 CFR §76.305 in the manner prescribed therein.

SECTION 9.6 - EQUAL EMPLOYMENT OPPORTUNITY

Franchisee is an Equal Opportunity Employer and shall comply with applicable FCC regulations with respect to Equal Employment Opportunities.

SECTION 9.7 - REVOCATION OF FRANCHISE

Upon written notice, the Franchise issued hereunder may, after due process pursuant to opportunity to cure (Section 9.8) and public hearing held by the Franchising Authority, and

subject to any other rights available to Franchisee, be revoked by the Franchising Authority for any of the following reasons:

(a) For failure to file and maintain the performance bond as described in Section 9.3 (Performance Bond) or to maintain insurance as described in Section 9.2 (Insurance);

(b) For repeated failure to maintain Signal quality pursuant to the standards provided for by the FCC;

(c) For any transfer or assignment of the Renewal Franchise without prior notice to the Franchising Authority in violation of Section 9.9 herein; and

(d) For repeated failure to comply with the material terms and conditions of this Renewal Franchise.

SECTION 9.8 - NOTICE AND OPPORTUNITY TO CURE

(a) In the event that the Franchising Authority has reason to believe that Franchisee has defaulted in the performance of any or several provisions of this Renewal Franchise, except as excused by force majeure, the Franchising Authority shall notify Franchisee in writing, by certified mail, of the provision or provisions of which the Franchising Authority believes Franchisee may have been in default and the details relating thereto. Franchisee shall have ninety (90) days from the receipt of such notice to:

(i) respond to the Franchising Authority in writing, contesting the Franchising Authority's assertion of default and providing such information or documentation as may be necessary to support Franchisee's position; or

(ii) cure any such default (and provide written evidence of the same) or, in the event that by nature of the default such default cannot be cured within such ninety (90) day period, take reasonable steps to cure said default and diligently continue such efforts until said default is cured. Franchisee shall report to the Franchising Authority, in writing, by certified mail, at forty-five

(45) day intervals as to Franchisee's efforts, indicating the steps taken by Franchisee to cure said default and reporting Franchisee's progress until such default is cured.

(b) In the event that (i) Franchisee fails to respond to such notice of default, and/or (ii) Franchisee fails to cure the default or to take reasonable steps to cure the default within the required ninety (90) day period, the Franchising Authority or its designee shall promptly schedule a public hearing no sooner than fourteen (14) days after written notice, by certified mail, to Franchisee. Franchisee shall be provided reasonable opportunity to offer evidence, question witnesses, if any, and be heard at such public hearing.

(c) Within thirty (30) days after said public hearing the Franchising Authority shall issue a written determination of its findings. In the event that the Franchising Authority determines that Franchisee is in such default, the Franchising Authority may determine to pursue any lawful remedy available to it.

(d) In the event that (i) the Franchising Authority fails to issue a written reply within thirty (30) days accepting or rejecting Franchisees' response pursuant to Section 9.8(a) above, and/or (ii) the Franchising Authority fails to issue a written acknowledgement after Franchisee's notice that it cured said default pursuant to Section 9.8(b) above, and/or (iii) the Franchising Authority fails to schedule a public hearing no later than thirty (30) days of sending a written notice consistent with Section 9.8(c) above, and/or (iv) the Franchising Authority fails to issue a written determination within thirty (30) days after the public hearing pursuant to Section 9.8(d) above, then the issue of said default against Franchisee by the Franchising Authority shall be considered null and void.

SECTION 9.9 - TRANSFER OR ASSIGNMENT

This Renewal Franchise shall not be transferred or assigned without the prior written consent of the Franchising Authority, which consent shall not be arbitrarily or unreasonably withheld. No consent shall be required, however, for (i) a transfer in trust, by mortgage, hypothecation, or by assignment of any rights, title, or interest of Franchisee in the Franchise or in

the Cable System in order to secure indebtedness, or (ii) a transfer to an entity directly or indirectly owned or controlled by Comcast Corporation. Within thirty (30) days of receiving a request for consent, the Franchising Authority shall, in accordance with FCC rules and regulations, notify Franchisee in writing of the additional information, if any, it requires to determine the legal, financial, and technical qualifications of the transferee or new controlling party. If the Franchising Authority has not taken action on Franchisee's request for consent within one hundred twenty (120) days after receiving such request, consent shall be deemed given.

SECTION 9.10 - REMOVAL OF SYSTEM

Upon termination of this Franchise Renewal or of any renewal hereof by passage of time or otherwise, Franchisee shall remove its supporting structures, poles, transmission and distribution systems and other appurtenances from the Public Way and other public and private places in, over, under, or along which they are installed and shall restore the areas to their original condition. If such removal is not completed within six (6) months of such termination, the Franchising Authority or property owner may deem any property not removed as having been abandoned.

SECTION 9.11 - INCORPORATION BY REFERENCE

(a) All presently and hereafter applicable conditions and requirements of federal, State and local laws, including but not limited to the rules and regulations of the FCC and the State of New Hampshire, as they may be amended from time to time, are incorporated herein by reference to the extent not enumerated herein. All such general laws, rules and regulations, as amended, shall control the interpretation and performance of this Renewal Franchise to the extent that any provision of this Renewal Franchise conflicts with or is inconsistent with such laws, rules or regulations.

(b) Should the State of New Hampshire, the federal government or the FCC require Franchisee to perform or refrain from performing any act the performance or non-performance of which is inconsistent with any provisions herein, the Franchising Authority and Franchisee will thereupon, if they determine that a material provision herein is affected, modify any of the provisions herein to reflect such government action.

SECTION 9.12- NO THIRD PARTY BENEFICIARIES

Nothing in this Renewal Franchise is intended to confer third-party beneficiary status on any member of the public to enforce the terms of this Renewal Franchise.

SECTION 9.13 - ANNUAL TOWN REVIEW AND REPORT

At the Town's written request the Franchisee will attend an annual meeting with the Board of Selectmen or their designee to review compliance with the terms of this Franchise and matters of interest to either party. No later than thirty (30) days prior to such meeting either party may submit a list of items to be reviewed.

Additionally, Franchisee shall submit an annual report in the form attached as **Exhibit F** on or before the anniversary of the Effective Date.

ARTICLE 10
MISCELLANEOUS

SECTION 10.1 - SEVERABILITY

If any Section, Subsection, sentence, clause, phrase or other portion of this Renewal Franchise is, for any reason, declared invalid in whole or in part, by any court, agency, commission, legislative body, or other authority of competent jurisdiction, such portion shall be deemed a separate, distinct and independent portion. Such declaration shall not affect the validity of the remaining portions hereof, which other portions shall continue in full force and effect.

SECTION 10.2 - FORCE MAJEURE

If for any reason of force majeure Franchisee is unable in whole or in part to carry out its obligations hereunder, said Franchisee shall not be deemed in violation or default during the continuance of such inability. Unless further limited elsewhere in this Renewal Franchise, the term "force majeure" as used herein shall have the following meaning: strikes; acts of God; acts of public enemies; orders of any kind of the government of the United States of America or of the State of New Hampshire or any of their departments, agencies, political subdivisions, or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; tornados; fires; hurricanes; volcanic activity; storms; floods; washouts; droughts; arrests; civil disturbances; explosions; partial or entire failure of utilities; unavailability of materials and/or essential equipment; environmental restrictions or any other cause or event not reasonably within Franchisee's control.

SECTION 10.3 - NOTICES

(a) Every notice to be served upon the Franchising Authority shall be delivered or sent by certified mail (postage prepaid) to the following address or such other address as the Franchising Authority may specify in writing to Franchisee:

Town of Exeter
Attn: Town Manager
10 Front Street
Exeter, NH 03833

(b) Every notice served upon Franchisee shall be delivered or sent by certified mail (postage prepaid) to the following address or such other address as Franchisee may specify in writing to the Franchising Authority:

Comcast Cable Communications, Inc.
Attn: Director, Government & Community Relations
55 Concord Street
North Reading, MA 01864

with copies to:

Comcast Cable Communications, Inc.
Attn: Vice President, Government Relations
676 Island Pond Road
Manchester, NH 03109

Comcast Cable Communications, Inc.
Attn: Government Affairs
One Comcast Center
Philadelphia, PA 19103

(c) Delivery of such notices shall be equivalent to direct personal notice, direction or order, and shall be deemed to have been given at the time of receipt.

SECTION 10.4 - ENTIRE AGREEMENT

This instrument contains the entire agreement between the parties, supersedes all prior agreements or proposals except as specifically incorporated herein, and cannot be changed without written amendment following publication of the proposed amendment in a manner consistent with the publication and notice provisions of RSA Chapter 43.

SECTION 10.5 - CAPTIONS

The captions to Sections throughout this Renewal Franchise are intended solely to facilitate reading and reference to the Sections and provisions of the Renewal Franchise. Such captions shall not affect the meaning or interpretation of the Renewal Franchise.

SECTION 10.6 - WARRANTIES

Franchisee warrants, represents and acknowledges that as of the Effective Date of this Franchisee Renewal:

(a) Franchisee is duly organized, validly existing and in good standing under the laws of the State;

(b) Franchisee has the requisite power and authority under applicable law and its by-laws and articles of incorporation and/or other organizational documents, is authorized by resolutions of its Board of Directors or other governing body, and has secured all consents which are required to be obtained as of the date of execution of this Franchise Renewal to enter into and legally bind Franchisee to this Franchise Renewal and to take all actions necessary to perform all of its obligations pursuant to this Franchise Renewal;

(c) this Franchise Renewal is enforceable against Franchisee in accordance with the provisions herein; and

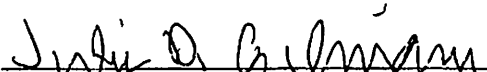
(d) there is no action or proceeding pending or threatened against Franchisee which would interfere with performance of this Franchise Renewal.

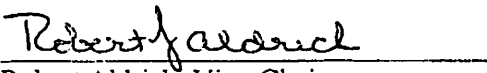
SECTION 10.7 - APPLICABILITY OF RENEWAL FRANCHISE

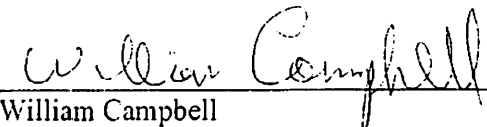
All of the provisions in this Renewal Franchise shall apply to the Town, Franchisee, and their respective successors and assigns.

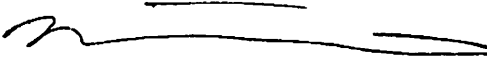
WITNESS OUR HANDS AND OFFICIAL SEAL, THIS 22^d DAY OF
November 20 10.

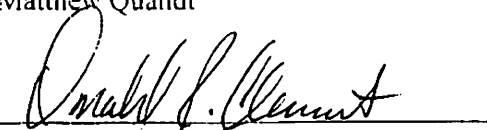
TOWN OF EXETER By: its Board of Selectmen


Julie Gilman, Chair


Robert Aldrich, Vice-Chair


William Campbell


Matthew Quandt


Donald Clement

COMCAST OF MAINE/NEW HAMPSHIRE, INC.
By:

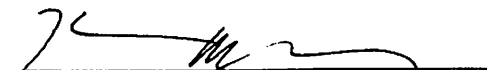

Kevin M. Casey
President
North Central Division

EXHIBIT A

PUBLIC BUILDINGS ON THE CABLE SYSTEM

Municipal Buildings:

Town Parks and Recreation	32 Court Street
Exeter Library	1 Founders Park
Public Works Office	13 Newfields Road
Emergency Operations Center/Police and Fire Departments	20 Court Street
Town Offices	10 Front Street
Town Hall	____ Front Street
District Warehouse	7 Watson Brook Road

Public School Buildings:

Tuck Learning Campus	30 Linden Street
Seacoast School of Technology	40 Linden Street
SAU 16 Office	24 First Street
District Warehouse	7 Watson Brook Road
Developmental Pre-School Program	13 School Street
Lincoln School	25 Lincoln Street
Main Street School	40 Main Street
Exeter High School	1 Blue Hawk Drive

EXHIBIT B

PROGRAMMING

Franchisee shall provide the following broad categories of Video Programming:

- News Programming;
- Sports Programming;
- Public Affairs Programming;
- Children's Programming;
- Entertainment Programming; and
- Local Programming.

EXHIBIT C

VIDEO RETURN ORIENTATION LOCATIONS

Public School Buildings:

Exeter High School
Seacoast School of Technology
Lincoln Street School
Tuck Learning Center/Talbot Gym

1 Blue Hawk Drive
40 Linden Street
25 Lincoln Street
30 Linden Street

Municipal Buildings:

Town Offices
Emergency Operations Center/Fire Department

10 Front Street
20 Court Street

EXHIBIT D
CUSTOMER SERVICE REGULATIONS

Code of Federal Regulations 47 CFR §76.309

(a) A cable franchise authority may enforce the customer service standards set forth in paragraph (c) of this section against cable operators. The franchise authority must provide affected cable operators ninety (90) days written notice of its intent to enforce the standards.

(b) Nothing in this rule should be construed to prevent or prohibit:

(1) A franchising authority and a cable operator from agreeing to customer service requirements that exceed the standards set forth in paragraph (c) of this section;

(2) A franchising authority from enforcing, through the end of the franchise term, pre-existing customer service requirements that exceed the standards set forth in paragraph (c) of this section and are contained in current franchise agreements;

(3) Any State or any franchising authority from enacting or enforcing any consumer protection law, to the extent not specifically preempted herein; or

(4) The establishment or enforcement of any State or municipal law or regulation concerning customer service that imposes customer service requirements that exceed, or address matters not addressed by the standards set forth in paragraph (c) of this section.

(c) Effective July 1, 1993, a cable operator shall be subject to the following customer service standards:

(1) Cable system office hours and telephone availability--

(i) The cable operator will maintain a local, toll-free or collect call telephone access line which will be available to its subscribers 24 hours a day, seven days a week.

(A) Trained company representatives will be available to respond to customer telephone inquiries during normal business hours.

(B) After normal business hours, the access line may be answered by a service or an automated response system, including an answering machine. Inquiries received after normal business hours must be responded to by a trained company representative on the next business day.

(ii) Under normal operating conditions, telephone answer time by a customer representative, including wait time, shall not exceed thirty (30) seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds. These standards shall be met no less than ninety (90) percent of the time under normal operating conditions, measured on a quarterly basis.

(iii) The operator will not be required to acquire equipment or perform surveys to measure compliance with the telephone answering standards above unless an historical record of complaints indicates a clear failure to comply.

(iv) Under normal operating conditions, the customer will receive a busy signal less than three (3) percent of the time.

(v) Customer service center and bill payment locations will be open at least during normal business hours and will be conveniently located.

(2) Installations, outages and service calls. Under normal operating conditions, each of the following four standards will be met no less than ninety-five (95) percent of the time measured on a quarterly basis:

(i) Standard installations will be performed within seven (7) business days after an order has been placed. "Standard" installations are those that are located up to 125 feet from the existing distribution system.

(ii) Excluding conditions beyond the control of the operator, the cable operator will begin working on "service interruptions" promptly and in no event later than 24 hours after the interruption becomes Known. The cable operator must begin actions to correct other service problems the next business day after notification of the service problem.

(iii) The "appointment window" alternatives for installations, service calls, and other installation activities will be either a specific time or, at maximum, a four-hour time block during normal business hours. (The operator may schedule service calls and other installation activities outside of normal business hours for the express convenience of the customer.)

(iv) An operator may not cancel an appointment with a customer after the close of business on the business day prior to the scheduled appointment.

(v) If a cable operator representative is running late for an appointment with a customer and will not be able to keep the appointment as scheduled, the customer will be contacted. The appointment will be rescheduled, as necessary, at a time that is convenient for the customer.

(3) Communications between cable operators and cable subscribers--

(i) Refunds--Refund checks will be issued promptly, but no later than either--

(A) The customer's next billing cycle following resolution of the request or thirty (30) days, whichever is earlier, or

(B) The return of the equipment supplied by the cable operator if service is terminated.

(ii) Credits--Credits for service will be issued no later than the customer's next billing cycle following the determination that a credit is warranted.

(4) Definitions--

(i) Normal business hours--The term "normal business hours" means those hours during which most similar businesses in the community are open to serve customers. In all cases, "normal business hours" must include some evening hours at least one night per week and/or some weekend hours.

(ii) Normal operating conditions--The term "normal operating conditions" means those service conditions which are within the control of the cable operator. Those conditions which are not within the control of the cable operator include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, and severe or unusual weather conditions. Those conditions which are ordinarily within the control of the cable operator include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or upgrade of the cable system.

(iii) Service interruption--The term "service interruption" means the loss of picture or sound on one or more cable channels.

Regulations Re: Notifications

Sec. 76.1602 Customer service--general information.

(a) A cable franchise authority may enforce the customer service standards set forth in paragraph (b) of this section against cable operators. The franchise authority must provide affected cable operators 90 days written notice of its intent to enforce standards.

(b) Effective July 1, 1993, the cable operator shall provide written information on each of the following areas at the time of installation of service, at least annually to all subscribers, and at any time upon request:

- (1) Products and services offered;
- (2) Prices and options for programming services and conditions of subscription to programming and other services;
- (3) Installation and service maintenance policies;
- (4) Instructions on how to use the cable service;
- (5) Channel positions of programming carried on the system; and
- (6) Billing and complaint procedures, including the address and telephone number of the local franchise authority's cable office.

(c) Subscribers shall be advised of the procedures for resolution of complaints about the quality of the television signal delivered by the cable system operator, including the address of the responsible officer of the local franchising authority.

Sec. 76.1603 Customer service--rate and service changes.

(a) A cable franchise authority may enforce the customer service standards set forth in paragraph (b) of this section against cable operators. The franchise authority must provide affected cable operators 90 days written notice of its intent to enforce standards.

(b) Customers will be notified of any changes in rates, programming services or channel positions as soon as possible in writing. Notice must be given to subscribers a minimum of thirty (30) days in advance of such changes if the change is within the control of the cable operator. In addition, the cable operator shall notify subscribers 30 days in advance of any significant changes in the other information required by Sec. 76.1602.

(c) In addition to the requirement of paragraph (b) of this section regarding advance notification to customers of any changes in rates, programming services or channel positions, cable systems shall give 30 days written notice to both subscribers and local franchising authorities before implementing any rate or service change. Such notice shall state the precise amount of any rate change and briefly explain in readily understandable fashion the cause of the rate change (e.g., inflation, change in external costs or the addition/deletion of channels). When the change involves the addition or deletion of channels, each channel added or deleted must be separately identified. For purposes of the carriage of digital broadcast signals, the operator need only identify for subscribers, the television signal added and not whether that signal may be multiplexed during certain dayparts.

(d) A cable operator shall provide written notice to a subscriber of any increase in the price to be charged for the basic service tier or associated equipment at least 30 days before any proposed increase is effective. The notice should include the name and address of the local franchising authority.

(e) To the extent the operator is required to provide notice of service and rate changes to subscribers, the operator may provide such notice using any reasonable written means at its sole discretion.

(f) Notwithstanding any other provision of part 76 of this chapter, a cable operator shall not be required to provide prior notice of any rate change that is the result of a regulatory fee, franchise fee, or any other fee, tax, assessment, or charge of any kind imposed by any Federal agency, State, or franchising authority on the transaction between the operator and the subscriber.

Note 1 to Sec. 76.1603: Section 624(h) of the Communications Act, 47 U.S.C. 544(h), contains additional notification requirements which a franchising authority may enforce.

Note 2 to Sec. 76.1603: Section 624(d)(3) of the Communications Act, 47 U.S.C. 544(d)(3), contains additional notification provisions pertaining to cable operators who offer a premium channel without charge to cable subscribers who do not subscribe to such premium channel.

Note 3 to Sec. 76.1603: Section 631 of the Communications Act, 47 U.S.C. 551, contains additional notification requirements pertaining to the protection of subscriber privacy.

Sec. 76.1619 Information on subscriber bills.

(a) Effective July 1, 1993, bills must be clear, concise and understandable. Bills must be fully itemized, with itemizations including, but not limited to, basic and premium service charges and equipment charges. Bills will also clearly delineate all activity during the billing period, including optional charges, rebates and credits.

(b) In case of a billing dispute, the cable operator must respond to a written complaint from a subscriber within 30 days.

(c) A cable franchise authority may enforce the customer service standards set forth in this section against cable operators. The franchise authority must provide affected cable operators 90 days written notice of its intent to enforce standards.

EXHIBIT E
PRIVACY LAWS

47 USC § 551. Protection of subscriber privacy

(a) Notice to subscriber regarding personally identifiable information; definitions

(1) At the time of entering into an agreement to provide any cable service or other service to a subscriber and at least once a year thereafter, a cable operator shall provide notice in the form of a separate, written statement to such subscriber which clearly and conspicuously informs the subscriber of—

(A) the nature of personally identifiable information collected or to be collected with respect to the subscriber and the nature of the use of such information;

(B) the nature, frequency, and purpose of any disclosure which may be made of such information, including an identification of the types of persons to whom the disclosure may be made;

(C) the period during which such information will be maintained by the cable operator;

(D) the times and place at which the subscriber may have access to such information in accordance with subsection (d) of this section; and

(E) the limitations provided by this section with respect to the collection and disclosure of information by a cable operator and the right of the subscriber under subsections (f) and (h) of this section to enforce such limitations.

In the case of subscribers who have entered into such an agreement before the effective date of this section, such notice shall be provided within 180 days of such date and at least once a year thereafter.

(2) For purposes of this section, other than subsection (h) of this section—

(A) the term “personally identifiable information” does not include any record of aggregate data which does not identify particular persons;

(B) the term “other service” includes any wire or radio communications service provided using any of the facilities of a cable operator that are used in the provision of cable service; and

(C) the term “cable operator” includes, in addition to persons within the definition of cable operator in section 522 of this title, any person who

(i) is owned or controlled by, or under common ownership or control with, a cable operator, and

(ii) provides any wire or radio communications service.

(h) Collection of personally identifiable information using cable system

(1) Except as provided in paragraph (2), a cable operator shall not use the cable system to collect personally identifiable information concerning any subscriber without the prior written or electronic consent of the subscriber concerned.

(2) A cable operator may use the cable system to collect such information in order to—

(A) obtain information necessary to render a cable service or other service provided by the cable operator to the subscriber; or

(B) detect unauthorized reception of cable communications.

(c) Disclosure of personally identifiable information

(1) Except as provided in paragraph (2), a cable operator shall not disclose personally identifiable information concerning any subscriber without the prior written or electronic consent of the subscriber concerned and shall take such actions as are necessary to prevent unauthorized access to such information by a person other than the subscriber or cable operator.

(2) A cable operator may disclose such information if the disclosure is—

(A) necessary to render, or conduct a legitimate business activity related to, a cable service or other service provided by the cable operator to the subscriber;

(B) subject to subsection (h) of this section, made pursuant to a court order authorizing such disclosure, if the subscriber is notified of such order by the person to whom the order is directed;

(C) a disclosure of the names and addresses of subscribers to any cable service or other service, if—

(i) the cable operator has provided the subscriber the opportunity to prohibit or limit such disclosure, and

(ii) the disclosure does not reveal, directly or indirectly, the—

(I) extent of any viewing or other use by the subscriber of a cable service or other service provided by the cable operator, or

(II) the nature of any transaction made by the subscriber over the cable system of the cable operator; or

(D) to a government entity as authorized under chapters 119, 121, or 206 of title 18, except that such disclosure shall not include records revealing cable subscriber selection of video programming from a cable operator.

(d) Subscriber access to information

A cable subscriber shall be provided access to all personally identifiable information regarding that subscriber which is collected and maintained by a cable operator. Such information shall be made available to the subscriber at reasonable times and at a convenient place designated by such cable operator. A cable subscriber shall be provided reasonable opportunity to correct any error in such information.

(e) Destruction of information

A cable operator shall destroy personally identifiable information if the information is no longer necessary for the purpose for which it was collected and there are no pending requests or orders for access to such information under subsection (d) of this section or pursuant to a court order.

(f) Civil action in United States district court; damages; attorney's fees and costs; nonexclusive nature of remedy

(1) Any person aggrieved by any act of a cable operator in violation of this section may bring a civil action in a United States district court.

(2) The court may award—

(A) actual damages but not less than liquidated damages computed at the rate of \$100 a day for each day of violation or \$1,000, whichever is higher;

(B) punitive damages; and

(C) reasonable attorneys' fees and other litigation costs reasonably incurred.

(3) The remedy provided by this section shall be in addition to any other lawful remedy available to a cable subscriber.

(g) Regulation by States or franchising authorities

Nothing in this subchapter shall be construed to prohibit any State or any franchising authority from enacting or enforcing laws consistent with this section for the protection of subscriber privacy.

(h) Disclosure of information to governmental entity pursuant to court order

Except as provided in subsection (c)(2)(D) of this section, a governmental entity may obtain personally identifiable information concerning a cable subscriber pursuant to a court order only if, in the court proceeding relevant to such court order—

(1) such entity offers clear and convincing evidence that the subject of the information is reasonably suspected of engaging in criminal activity and that the information sought would be material evidence in the case; and

(2) the subject of the information is afforded the opportunity to appear and contest such entity's claim.

EXHIBIT F

FORM OF ANNUAL REPORT FOR EXETER FOR _____(YEAR)

Location of and hours of Payment Center:

Location of and hours of Customer Service Office:

Customer Service Telephone Number:

Location of Headend (Reception Facility):

Franchise Fee Paid: \$ _____

Contact Person to Service Unresolved Customer Complaints:

Updated Labor/Material Costs (if applicable) for installation over 200 feet from existing plant:

Upon written request from the Franchising Authority, Franchisee shall also provide the following:

Customer Service Statistics:

- a) Number of reports of system outages and response time for such outages:
- b) A summary of written complaints and brief description re: resolution of such complaints:



AGREEMENT BETWEEN THE TOWN OF EXETER, NH AND COMCAST

Whereas, this Agreement is between Comcast of Maine/New Hampshire, Inc. ("Comcast") and the Board of Selectmen of Exeter, New Hampshire (the "Issuing Authority"), in its role as statutory Issuing Authority, regarding the existing Institutional Network (the "I-Net"), as more fully delineated below; and

Whereas, representatives from Comcast and the Issuing Authority have been negotiating in good faith regarding the existing I-Net as described in the Cable Television License effective November 13, 1994 (the "Prior License"); and,

Whereas, this Agreement shall be effective concurrently with the execution date (the "Effective Date") of the Exeter Cable Television Renewal License (the "Renewal License"); and

NOW THEREFORE, the Issuing Authority and Comcast mutually agree to completely resolve said I-Net and video return capability issues as follows:

Article 1: Comcast Video Return Fiber/Coaxial Rebuild Responsibility

No later than twelve (12) months from the Effective Date of the Exeter Cable Television Renewal License, Comcast will rebuild/replace using fiber/coaxial technology the existing Video Return Line connecting the existing EXTV Channel 22 Studio located at Exeter Town Offices, 10 Front Street, Exeter, New Hampshire to the Comcast headend. Comcast will also construct two (2) new origination sites connecting them to the Town Offices video return line: The Lincoln Street Elementary School located at 25 Lincoln Street and the Exeter Public Safety Complex located at 20 Court Street. The Digital Communications studio located at the Seacoast School of Technology, 40 Linden Street, Exeter, New Hampshire will also be connected to an existing return line at that same location. The existing outdoor cable connections at the Tuck Learning Campus, located at 30-40 Linden Street, will be rewired and relocated to a central, indoor location. The location of this indoor panel will be determined by Comcast and SAU #16 personnel. The cost of the above construction items will not be passed through to Exeter subscribers.

Article 2: Future Obligations

Subject to the provisions herein, the Issuing Authority agrees that upon completion of the work described in Article 1 or twelve (12) months after the execution of this agreement,

whichever is earlier, Comcast shall have no further responsibility for operating or maintaining the existing I-Net. Until and through that time, Comcast shall continue to operate and maintain the existing video return site at Exeter Town Offices.

This Agreement is hereby agreed to by the Exeter Board of Selectmen, as Issuing Authority, and Comcast of Maine/New Hampshire, Inc.:

BY: Timothy G. Murnane, Vice President
Government and Community Investment,
Greater Boston Region

Date: _____

BY: Julie Gilman, Chairman
Exeter, New Hampshire Board of Selectmen

Date: _____

BY: Robert Aldrich, Vice-Chairman
Exeter, New Hampshire Board of Selectmen

Date: _____

BY: Donald Clement, Clerk
Exeter, New Hampshire Board of Selectmen

Date: _____

BY: William Campbell
Exeter, New Hampshire Board of Selectmen

Date: _____

BY: Matt Quandt
Exeter, New Hampshire Board of Selectmen

Date: _____



Russ Dean <rdean@exeternh.gov>

TTHM - DES SRF loan application

Jennifer Mates <jmates@exeternh.gov>

Wed, Oct 25, 2017 at 8:37 AM

To: Russell Dean <rdean@exeternh.gov>

Cc: Matt Berube <mberube@exeternh.gov>, Jennifer Perry <jperry@exeternh.gov>

Hi Russ,

The DES SRF loan application requires that the BOS authorize submitting the application and designate an authorized representative to sign documents. See attached form. Only the first part of the document is needed for the BOS meeting. Authority to borrow is based on the town vote. Can this be put on the 10/30/17 agenda? I included a motion on the attached form for the selectmen to use.

Aquagenics is in the final design phase for the improvements (primary disinfection UV and secondary disinfection chloramines). Siting of a new, small structure to house the UV disinfection equipment is required at the surface water treatment plant. The survey for the new building is underway. We are putting together the NHDES SRF loan fund application for this project now. Jennifer will be at the budget committee meeting the following Monday, which will include a discussion on this project. She will be able to answer any additional questions there, too.

Thanks,

Jen

Jennifer Mates, P.E.
Assistant Town Engineer
Public Works Department
13 Newfields Road
Exeter, NH 03833
(603) 418-6431
jmates@exeternh.gov

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 **2A_authority_municipal.doc**
208K



Water Division/Drinking Water and Groundwater Bureau
 Drinking Water State Revolving Fund (DWSRF)
FORM 2A: AUTHORITY TO BORROW – PUBLIC ENTITIES
 RSA 486:14,I(a)&(c)/Env-Dw 1100



The warrant article/resolution must indicate the authority to raise, appropriate, and spend the requested funds, and must include the full loan amount.

Part 1: AUTHORITY TO FILE AND DESIGNATION OF AUTHORIZED REPRESENTATIVE

WHEREAS, the Town of Exeter after thorough consideration of the nature of its drinking water system needs, hereby determines that the construction of certain works, generally described as Surface Water Treatment Plant Upgrade for DBPs is desirable and in the public interest, and to that end, it is necessary to apply for assistance from the State Revolving Fund (SRF); and

WHEREAS, the Applicant has examined and duly considered the provisions of RSA 486:14 and the New Hampshire Code of Administrative Rules Chapter Env-Dw 1100, which relate to loans from the State Revolving Fund and deems it to be in the public interest to file a loan application and to authorize other actions in connection therewith;

NOW, THEREFORE, BE IT RESOLVED BY the Board of Selectmen, the governing body of said Applicant, as follows:

1. That the person holding the position of Town Manager, currently held by Russell Dean, is hereby designated as the Authorized Representative of the Applicant for the purpose of filing an application for a loan in accordance with New Hampshire Code of Administrative Rules Chapter Env-Dw 1100, furnishing such information, data, and documents pertaining to the applicant for a loan as may be required; and otherwise to act as the authorized representative of the Applicant in connection with this application and if such loan be made, is the designated Authorized Representative of the Applicant responsible for furnishing such information, data, and documents pertaining to disbursements for the loan.
2. That if such loan is made, the Applicant agrees to repay the loan as stipulated in the loan agreement.
3. That a certified copy of this resolution is included as part of the application to be submitted for a loan.

dwgbinfo@des.nh.gov or phone (603) 271-2513
 PO Box 95, Concord, NH 03302-0095
 www.des.nh.gov

4. That persons holding the following position(s) at the time of loan execution are authorized to sign the loan agreement binding the Applicant to the terms and conditions of the loan.

Town Manager

5. That if such loan is made, the Applicant agrees to make provisions for assuring proper and efficient operation and maintenance of the facilities after completion of the construction thereof.

VOTED:

At a meeting of the Exeter Board of Selectmen held on _____, 2017, the motion by Selectman _____, "to enter into a loan agreement with the NH Department of Environmental Services in an amount up to \$1,500,000.00 to the Town of Exeter and to authorize the Town Manager, Mr. Russell Dean, to sign paperwork associated with such agreement on behalf of the Town", was seconded by Selectman _____, and approved by a vote of _____ for the motion and _____ against the motion.

I certify that said vote has not been amended or repealed and remains in full force and effect as of the date of this Certification and that Andrea Kohler is the Town Clerk of the Town of Exeter.

ATTEST:

Date: _____

dwgbinfo@des.nh.gov or phone (603) 271-2513
PO Box 95, Concord, NH 03302-0095
www.des.nh.gov

Part 2: CERTIFYING AUTHORIZATION TO BORROW

I, the undersigned, the duly qualified and acting Town Clerk
(TITLE OF OFFICER)

of the Town of Exeter
(APPLICANT)

herein called the Applicant and keeper of the records of the Applicant, including the journal of the proceedings of the Town of Exeter
(GOVERNING BODY OF THE APPLICANT)

herein called the Governing Body do hereby certify:

1. That the attached resolution is a true and correct copy of the resolution as finally adopted at a meeting of the Governing Body held on the 16 day of March, 2017, and duly recorded in my office;
2. That said meeting was duly convened and held in all respects in accordance with law and to the extent required by law, due and proper notice of such meeting was given; and a legal quorum was present throughout the meeting; and a legally sufficient number of members of the governing body voted in the proper manner and for the adoption of said resolution; that all other requirements and proceedings under the law incident to the proper adoption or passage of said resolution including publication, if required, have been duly fulfilled, carried out, and otherwise observed; and that I am authorized to execute this certificate;
3. That if an impression of the seal has been affixed below, it constitutes the official seal of the Applicant and this Certificate is hereby executed under such official seal; but if no seal has been affixed, the Applicant does not have an official seal;

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 20____.

If the Applicant has an official seal, impress here.

(seal)

(signature of officer)

Andrea Kohler
(print name of officer)

Town Clerk
(title of officer)

dwgbinfo@des.nh.gov or phone (603) 271-2513
PO Box 95, Concord, NH 03302-0095
www.des.nh.gov



Water Division/Drinking Water and Groundwater Bureau
Drinking Water State Revolving Fund (DWSRF)
FORM 2A: AUTHORITY TO BORROW – PUBLIC ENTITIES



RSA 486:14,I(a)&(c)/Env-Dw 1100

The warrant article/resolution must indicate the authority to raise, appropriate, and spend the requested funds, and must include the full loan amount.

Part 1: AUTHORITY TO FILE AND DESIGNATION OF AUTHORIZED REPRESENTATIVE

WHEREAS, the Town of Exeter after thorough consideration of the nature of its drinking water system needs, hereby determines that the construction of certain works, generally described as Surface Water Treatment Plant Upgrade for DBPs is desirable and in the public interest, and to that end, it is necessary to apply for assistance from the State Revolving Fund (SRF); and

WHEREAS, the Applicant has examined and duly considered the provisions of RSA 486:14 and the New Hampshire Code of Administrative Rules Chapter Env-Dw 1100, which relate to loans from the State Revolving Fund and deems it to be in the public interest to file a loan application and to authorize other actions in connection therewith;

NOW, THEREFORE, BE IT RESOLVED BY the Board of Selectmen, the governing body of said Applicant, as follows:

1. That the person holding the position of Town Manager, currently held by Russell Dean, is hereby designated as the Authorized Representative of the Applicant for the purpose of filing an application for a loan in accordance with New Hampshire Code of Administrative Rules Chapter Env-Dw 1100, furnishing such information, data, and documents pertaining to the applicant for a loan as may be required; and otherwise to act as the authorized representative of the Applicant in connection with this application and if such loan be made, is the designated Authorized Representative of the Applicant responsible for furnishing such information, data, and documents pertaining to disbursements for the loan.
2. That if such loan is made, the Applicant agrees to repay the loan as stipulated in the loan agreement.
3. That a certified copy of this resolution is included as part of the application to be submitted for a loan.

dwgbinfo@des.nh.gov or phone (603) 271-2513
PO Box 95, Concord, NH 03302-0095
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4. That persons holding the following position(s) at the time of loan execution are authorized to sign the loan agreement binding the Applicant to the terms and conditions of the loan.

Town Manager

5. That if such loan is made, the Applicant agrees to make provisions for assuring proper and efficient operation and maintenance of the facilities after completion of the construction thereof.

VOTED:

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I certify that said vote has not been amended or repealed and remains in full force and effect as of the date of this Certification and that Andrea Kohler is the Town Clerk of the Town of Exeter.

ATTEST:

Date: _____

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PO Box 95, Concord, NH 03302-0095
www.des.nh.gov

Part 2: CERTIFYING AUTHORIZATION TO BORROW

I, the undersigned, the duly qualified and acting Town Clerk
(TITLE OF OFFICER)

of the Town of Exeter
(APPLICANT)

herein called the Applicant and keeper of the records of the Applicant, including the journal of the proceedings of the Town of Exeter
(GOVERNING BODY OF THE APPLICANT)

herein called the Governing Body do hereby certify:

1. That the attached resolution is a true and correct copy of the resolution as finally adopted at a meeting of the Governing Body held on the 16 day of March, 2017, and duly recorded in my office;
2. That said meeting was duly convened and held in all respects in accordance with law and to the extent required by law, due and proper notice of such meeting was given; and a legal quorum was present throughout the meeting; and a legally sufficient number of members of the governing body voted in the proper manner and for the adoption of said resolution; that all other requirements and proceedings under the law incident to the proper adoption or passage of said resolution including publication, if required, have been duly fulfilled, carried out, and otherwise observed; and that I am authorized to execute this certificate;
3. That if an impression of the seal has been affixed below, it constitutes the official seal of the Applicant and this Certificate is hereby executed under such official seal; but if no seal has been affixed, the Applicant does not have an official seal;

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 20____.

If the Applicant has an official seal, impress here.

(seal)

(signature of officer)

Andrea Kohler
(print name of officer)

Town Clerk
(title of officer)

dwgbinfo@des.nh.gov or phone (603) 271-2513
PO Box 95, Concord, NH 03302-0095
www.des.nh.gov

OCT 26 2017

Received

Tonry Farm
314 Exeter Road
Hampton Falls, NH 03844

October 24, 2017

Exeter Selectmen
10 Front Street
Exeter, NH 03833

RE: SIGNS

Dear Selectpersons:

Last year you approved the placing of the Tonry Christmas Tree signs on the end of Route 88, conditional on obtaining yearly approval. This letter is to request that you allow us to place the same sign in the same location as last year. This year we will not be placing our sign throughout the fall weekends but would like to have it up from November 24th through December 24th.

Thank you for your consideration. Should you have any questions please feel free to contact me at 603-770-6157.


Sincerely,

A handwritten signature in black ink, appearing to read 'Abigail Tonry', with a long, sweeping tail on the final letter.

Abigail Tonry

Memo

To: Russell Dean, Town Manager
From: Justin Pizon, Assistant Fire Chief
cc:
Date: 10/18/2017
Re: Voluntary Address Changes - Spruce Street



Please find the attached application for a voluntary change of address. The owners of 3 ½ Spruce Street have requested their address be changed to 3 Spruce Street.

This change is consistent with the State of New Hampshire E911 recommended best practices. Per Town ordinance chapter 14, the Board of Selectmen must approve or reject this request. Once the Board of Selectmen have acted, I will notify the appropriate parties.

Thank you for your time,

Justin

DATE 10/18/2017

MAP 63 LOT 68

TOWN OF EXETER NH

**APPLICATION FOR
VOLUNTARY
CHANGE OF ADDRESS**


NAME OF OWNER: Sandy and Sean McDermott

MAILING ADDRESS 3 1/2 Spruce Street

LOCATION OF PROPERTY: 3 1/2 Spruce Street

APPLICATION IS FOR CHANGE OF ADDRESS NUMBER FROM: 3 1/2 Spruce Street

TO: 3 Spruce Street FOR EMERGENCY RESPONDERS TO EASILY LOCATE THE
PROPERTY.

Signature of property owner(s): 

Board of Selectmen: Approval Rejected

Explanation: 3 1/2 is not a state recognized address. Update address to conform to E911 best practices.

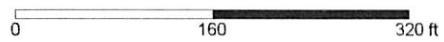
Date recommended by E911 / /

Date adopted by Board of Selectmen / /

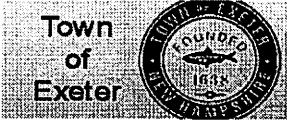


- Parcels
- NH Highways
- Interstate
- US Highway
- State Highway
- Town Boundary
- Abutting Towns
- Streets (Updated September)
- Misc Streams
- Parcel Streams
- Open Water
- Buildings

The data shown on this site are provided for informational and planning purposes only. The Town and its consultants are not responsible for the misuse or misrepresentation of the data.



Printed on 10/18/2017 at 08:55 AM



Russ Dean <rdean@exeternh.gov>

Appointee to NH Seacoast Commission on Long-Term Goals and Requirements for Drinking Water

John Mullen <moon1044@gmail.com>

Fri, Oct 27, 2017 at 1:49 PM

To: ncppcullen@comcast.net, wmanzi@seabrooknh.org, rdean@exeternh.gov, m.joyal@doover.nh.gov

Cc: troache@rpc-nh.org

Pursuant to State of New Hampshire House of Representative HB 431, Chapter 138:1, Laws of 2017 (RSA 485-F:5) in August of this year you were asked to appoint an individual from your organization to be a member of the Seacoast Commission on Long-Term Goals and Requirements for Drinking Water. As of this date we have not received a notice of appointment.

The Commission will study long term goals and requirements for drinking water in the seacoast area. Therefore, your input and participation is essential in order to fully explore the issues related to drinking water in the seacoast. Per that newly adopted statute the commission shall:

- Utilize and expand upon existing studies to plan for seasonal or drought supply issues
- Prepare and discuss mutual aid between seacoast towns for firefighting.
- Prepare and discuss mutual aid agreements for emergency or replacement drinking water supply where contaminated.
- Create a centralized planning group to encourage coordination and support between towns
- Evaluate threats to groundwater quality due to environmental issues.
- Monitor possible new emerging contaminant threats to groundwater and drinking water quality.

Our next meeting will be Monday, November 13, 2017 at 1:00 PM at some location in the seacoast area yet to be determined.

You can respond to me via email of your appointee and contact information. However, I would appreciate if you would send a formal correspondence of your appointee to the following state officials:

House of Representatives Speaker Shawn N. Jasper

NH State House, Room 311

107 North Main Street, Concord, New Hampshire, 03301

Senate President Charles W. Morse

NH State House, Room 302

107 North Main Street, Concord, New Hampshire, 03301

10/27/2017

Town of Exeter, NH Mail - Appointee to NH Seacoast Commission on Long-Term Goals and Requirements for Drinking Water

House Majority Leader Richard W. Hinch

NH State House, Room 313

107 North Main Street, Concord, New Hampshire, 03301

House Democratic Leader Stephen J. Shurtleff

NH State House, Room 307

107 North Main Street, Concord, New Hampshire, 03301

House Clerk Paul C. Smith

NH State House, Room 317

107 North Main Street, Concord, New Hampshire, 03301

We look forward to having your appointee join our commission and to proceed with its duties ahead.

John A. Mullen, Jr.

NH State Representative

Chair, Seacoast Commission of Long-Term Goals and Requirements for Drinking Water



HB431.docx

16K

OCT 20 2017

Received



CASA

Court Appointed Special Advocates
FOR CHILDREN

NEW HAMPSHIRE

800.626.0622

www.casanh.org

BOARD of DIRECTORS

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CHAIRMAN
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& Retirement Group, Inc.

Jerry Howard
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Ellen Koenig
NH Women's Foundation &
Nonprofit Consultant

Bryan Lord
New Ventures Advisors, LLC.

Linda Lovering
Lovering Volvo

Denise McDonough
Anthem Blue Cross Blue Shield

Benjamin Oleson
Town of Lancaster, NH

Maria Proulx
Anthem Blue Cross Blue Shield

Alan Reische
Sheehan, Phinney, Bass + Green

Chief Nick Willard
Manchester Police Department

Marcia R. Sink
PRESIDENT & CEO

October 16, 2017

Town of Exeter
10 Front St
Exeter, NH 03833-2792



Dear Town Selectmen,

Thank you very much for your most recent gift to CASA of New Hampshire. Your generous contribution means the world to the children served by our dedicated volunteers every day.

Your gift ensures that NH's most vulnerable children experience stability, kindness and hope for a better life. Through your donation, our volunteer advocates receive the training and support they need in order to provide a voice for abused and neglected children.

This fiscal year, **more than 760** cases involving **1258 children** have been served through the work of our advocates— a case load which has increased **22% from last year**.

To see more figures and statistics, as well as success stories, please visit our newly-updated website at www.casanh.org.

Through your donation, our volunteers are really changing lives. Your support will make a difference for so many of New Hampshire's children.

Thank you.

Gratefully,

Marcia Sink
President and CEO

P.S.: The demand for CASA advocates is greater than ever – please help us spread the word. If you are not an active CASA already, consider becoming one yourself. For more information visit casanh.org/volunteer.

BERLIN (603) 752-9670 **COLEBROOK** PO Box 24, Colebrook, NH 03576 (603) 237-8411

DOVER PO Box 205, Dover, NH 03821 (603) 617-7115 **KEENE** 39 Central Square, Room 303, Keene, NH 03431 (603) 358-4012

MANCHESTER PO Box 1327, Manchester, NH 03105 (603) 626-4600 **PLYMOUTH** 258 Highland Street, Plymouth, NH 03264 (603) 536-1663



CASA

Court Appointed Special Advocates
FOR CHILDREN

New Hampshire

CASA of New Hampshire

PO Box 1327

Manchester, NH 03105

603-626-4600

www.casanh.org

Tax ID: 02-0432242

CHARITABLE CONTRIBUTION RECEIPT

Date of Receipt: 10/11/2017

Receipt # 34540

Donor's Name: Town of Exeter

Donor's Address: 10 Front St
Exeter, NH 03833-2792

Payment Method: Business Check

Amount of Contribution: \$125.00

Receipt Amount: \$125.00

Authorized Signature:

** No goods or services were provided in exchange for this gift.

Thank you for your generosity. We appreciate your support!

OCT 20 2017

Received

October 16, 2017

2017 Board of Directors

Irving Canner, President

Judy George, Vice President

Judith Clark, Secretary

Ken George, Treasurer

Diane Charney

Eric Flaim

Meghan Foley

Eileen Joyce-Coute

Susan Hess

Norlaila Miller

John Potter

Nancy Seesman

Town of Exeter
Board of Selectmen
10 Front Street
Exeter, NH 03833

Dear Members of the Board,

We cannot thank you enough for your recent gift of \$375 on September 28, 2017. You make it possible for Seacoast Family Promise to support homeless families and their children as they do the work necessary to return to stable housing.

On behalf of the families whose lives you have touched, thank you from the bottom of our hearts.

Sincerely,



Pati Frew-Waters
Executive Director



P.S. Please take a minute and visit the Seacoast Family Promise Facebook page and website to learn more about what we do and the families you help!



OCT 26 2017

Received

568 Portsmouth Avenue • P.O. Box 676 • Greenland, NH 03840 • Phone/Fax 603.436.4989 • www.newgennh.org

September 01, 2017

Town of Exeter
Mr. Russell Dean, Town Manager
10 Front Street
Exeter, NH 03833

Dear Mr. Dean,

Thank you for generous donation in the amount of \$1,000 to New Generation. Your support provides homeless pregnant women, mothers and their children a warm bed, family meals around the dinner table, professional and results-oriented case management and parenting education. This support has changed the lives of hundreds of women who embrace the New Generation program and work towards their ultimate goal of financial freedom, self-confidence, positive family relationships and a loving environment for their children. Take it from one of our former residents who shared her story in front of hundreds of guests at our annual auction this year.

*"I thought that it would never happen. I became an independent individual. I was always so insecure, but I learned what I was capable of. I do not know what I would have done without New Generation. I mean that. It's a **miracle** that I found this place!"*

At New Generation, we believe in miracles since we see them all the time. We see them in a newborn baby's eyes and a toddler's first steps. We see them in all of the women who break the cycle of poverty and leave New Generation prepared to care for themselves and their family. With your support, we will see even more miracles.

Thank you for believing in us.

Warmly,



Meg Downey, MSW

FOR YOUR TAX INFORMATION	
Tax ID# 02-0409655	
No goods or services of any kind were provided in exchange for this gift.	
Amount: \$1000.00	
Check Date: July 28, 2017	
Check #:00038853	