

Draft Minutes

Exeter Board of Selectmen

October 21, 2013

1. Call Meeting to Order

Chairman Don Clement called the meeting to order at 7:00 pm in the Nowak Room of the Exeter Town Offices building. Other members present were Vice Chairman Dan Chartrand, Selectman Frank Ferraro, Selectwoman Julie Gilman, and Selectman Matt Quandt. Town Manager Russell Dean was also present.

2. Public Comment

Selectman Ferraro said he has completed the solar ray analysis and will distribute it and would like to discuss it at a later meeting.

3. Minutes & Proclamations

a. Regular Meeting: September 30, 2013

A Motion was made by Vice Chair Chartrand and seconded by Selectman Quandt to accept the minutes of the September 30 BOS meeting as respectfully submitted by Nicole McCormack, recording secretary. Motion carried – all in favor.

b. Regular Meeting: October 7, 2013

A Motion was made by Vice Chair Chartrand and seconded by Selectman Quandt to accept the minutes of the October 7 BOS meeting as respectfully submitted by Nicole McCormack, recording secretary. Motion carried – all in favor.

No proclamations.

4. Appointments

No appointments.

5. Discussion/Action Items

a. New Business

I. High Street Speed Limit

Jason Proulx, who resides at 154 High Street, talked about his concerns about the excess speed on High Street. He said many cars drive in excess of the posted speed limit. He has a hard time getting out of his driveway because of the fast cars. He has talked to his neighbors and they share the same concerns. He has addressed the issue with Selectwoman Gilman and Mr. Dean, who also share concerns. He would like to see all of High Street reduced to 25 mph.

Tomasen Carey, of High Street, also spoke on the issue. She said the excessive speed has caused too much noise for her to be able to sit on her porch and have coffee. She said people won't go into her driveway because it is too dangerous to pull out. She would like to see a police presence on the street to enforce the speed limit.

Selectwoman Gilman, a High Street resident, agreed with Mr. Proulx. She has heard these complaints from residents for years. She passed these concerns onto the police. Vice Chair Chartrand has sympathy for the neighborhood. He has a concern about High Street being a major part of the Portsmouth Ave detour. He would like to hear from DPW.

Mr. Proulx said when the radar sign was out there was a dramatic difference. He has seen digital signs before and said they have made an impact in other communities. He went on to express concern about the crosswalks, saying it's virtually impossible to cross because of the fast cars.

Selectman Ferraro agrees with Vice Chair Chartrand and would like to hear from DPW and the police chief.

Mr. Dean has been talking to the police chief about this issue. The chief sympathizes with the issue. He said in the 1980's the speed limit was raised from 25 mph to 30 mph. He said the police chief did confirm that the speed trap had an impact.

Selectman Quandt asked what the process is to get the speed reduced. Chairman Clement said they would have to have three hearings. He asked if this counts as the first hearing. Selectman Quandt said it does not because it wasn't announced as a public hearing. Chairman Clement would like to see a formal report from DPW and the police chief. He also could consider this a first hearing. Selectwoman Gilman said the Board has to make a decision first on whether or not they agree to make a change before declaring it a first hearing. Vice Chair Chartrand suggested scheduling a first hearing for the next BOS meeting and get input from DPW and the police chief. Chairman Clement said he's all in favor to schedule a first hearing. He thinks it is reasonable to lower the speed limit. He talked about yield to pedestrian signs and would like input on those. Mr. Dean said DPW and the police chief can give a report before the Board's next meeting. He explained to the public why three hearing are necessary in order to change an ordinance. Selectwoman Gilman agreed with Mr. Proulx on the sidewalk issue, saying they need to pay some attention to making them safer. Chairman Clement said he would schedule a first hearing on the ordinance change for reducing the mph on High Street

and look for more information on the crosswalks. Mr. Proulx said he would like to hear DPW's input on the electronic speed limit signs.

II. Quarterly Financial Report

Doreen Ravell, Finance Director, talked about the quarterly financial report. She wanted to note the new format change, saying general, water and sewer are now presented on separate pages. She went on to say \$65,659 from FEMA and a refund from LCG for \$328,736 were the big added revenues.

Ms. Ravell said everything looks status quo for spending. BOS budget is over and there is a slight overage in legal. Everything else is looking good. In debt service and capital, most of debt service is paid at the end of the third quarter point. She said \$1.8 million has been spent from the general fund. There are still expenses that have not been paid, like paving and the Linden Street and Court Street culverts. Chairman Clement asked if the Linden Street culvert project has begun. Mr. Dean talked about a possible encumbrance.

Vice Chair Chartrand asked if the legal includes the 91-A lawsuit. Ms. Ravell said she does not have all the invoices for that yet.

Ms. Ravell went on to say water funds are 77% collected or \$1.78 million in revenue. Selectman Ferraro asked if the revenues included receivables and Ms. Ravell answered no. She said sewer is at 71% collected, saying the new vactor truck has not yet been expensed. They are at 68% spent for total expenditures. The revolving fund for ambulance is at 80% collected. The lease for the ambulance has been paid and the fund is at 71% spent. The recreation revolving fund has projected \$413,000 total revenue. The cable TV fund is at \$63,000 collected. She went on to read numbers from water/sewer and said she would email those numbers to the Board, as this sheet was not included in the packet.

Selectman Ferraro said at the last Water/Sewer Committee meeting, which was the week prior, the committee expressed concern about the one huge outstanding account. He said something needs to be done. Chairman Clement said it is difficult to address without costing the town more money. He said the Board should have a non-public session about it. Selectman Quandt agreed it would be appropriate to have a non-public session.

Ms. Ravell talked about the property tax analysis. She said as of September 30 93% of all tax bills sent in May have been collected. From December 31, 2012 until September 30, 2013, property taxes in arrears have decreased an outstanding 64%. Vice Chair Chartrand thanks Ms. Ravell and Mr. Dean for all their hard work.

III. 2012 Audit Update

Mr. Dean said he received the 2012 Financial Statements two weeks ago, and for the first time in several years the town received an entirely clean opinion. He thanked all

involved in making that possible. It is the town's goal to maintain this opinion. Chairman Clement said they have come a long way since 2009. The books have been balanced well. Statements of deficiency have cleared up. He is proud of all involved. Vice Chair Chartrand asked if "clean" meant there are no letters of deficiency. Mr. Dean said there is still one material weakness that needs to be taken care of, but all financial records are "clean".

IV. Fund Balance Discussion

Mr. Dean said DRA sets the tax rate this time of the year. The town decides how much of the fund balance to apply to the rate. The recommendation for this year is to apply \$596,063 to reduce taxes. This includes a \$328,736 LGC turn back and a surplus from 2012 from the EMS Fund of 95% of \$236,472. Last year there was a GAAP adjusted general fund unassigned fund balance of \$170,712. The recommendation is to use 25% of that amount to leave some general fund unassigned fund balance. If the \$596,063 is applied to this year's rate, the projected tax rate will be within a few cents of \$7.83 per \$1,000. Mr. Dean is waiting to hear on the other components of the rate such as the schools. The county will be up slightly that is a known. There will also be another Health Trust turn back in February 2014. The EMS surplus will drop in 2014 as well due to the ambulance lease payments.

A Motion was made by Selectman Ferraro and seconded by Selectman Quandt to apply \$596,063 from the EMS surplus, LGC turn back, and other fund balance to reduce the upcoming tax rate. Motion carried – all in favor.

V. Fuel Contract

Mr. Dean said every year the fuel contract is reexamined in the town. Maintenance said there is an opportunity to lock in \$2.89/gallon. Mr. Dean said they actually budgeted for a higher rate. If they lock in at this rate they will be in better shape and be able to cut some money out of the 2014 budget request. There was discussion about the possibility of a lower rate coming along.

A Motion was made by Selectman Quandt and seconded by Vice Chair Chartrand to allow the Maintenance Department to lock in to an as low as possible fixed rate for 12 months. Motion carried – all in favor.

VI. RSA 79-E Recommendations & Discussion

Mr. Dean gave a quick explanation of 79-E, saying it is a community tax relief incentive statute. He said the EDC has been looking at this. The statute has been around for a while. A town meeting would be required to adopt it and voters need to approve it. If the BOS is in support of it, they would have to figure out which districts it would apply to. Mark Magnilo, a UNH intern, did a lot of great work on this. The EDC voted to forward 11 districts to the BOS for approval.

Mr. Manganiello talked about the statute. He went over the application process and how it works, which involves the owner of a qualifying structure intending to rehab their property. The owner would then apply to BOS for the tax relief incentive. It is advertised as up to a five year tax relief. Chairman Clement asked if the approval process can be a case by case process for each applicant. Mr. Manganiello replied yes.

Mr. Dean said 79-E has been used very successfully. The town would benefit from this statute. Chairman Clement commented that this is rehab of an existing structure. Mr. Dean went through the appeals process. Vice Chair Chartrand said this gives the ability to get developers to invest more money in the town.

Brandon Stauber spoke, asking which portion of the tax rate this would apply to. Mr. Manganiello answered it would apply to all four tax rates. Chairman Clement asked how this would benefit the Town of Exeter. Vice Chair Chartrand said it would increase the commercial real estate tax base.

Mr. Dean said this has piqued a lot of interest. He has seen some reaction to this. Interest may translate into applications. It is important to have a program to reel in potential development. Chairman Clement said the Board should make a determination whether to go forward with putting this on the ballot and what eligible districts should apply. The Board all agreed that they would like to learn more about the districts. Mr. Stauber thinks they should look at the districts with a broad spectrum. Chairman Clement said this will go on the agenda again at the next BOS meeting for further discussion.

VII. Property Tax Agreements

Mr. Dean said property tax payment agreements have to be approved by the BOS. This would only be applicable under limited circumstances. BOS has to give the green light to do these out of the tax office. Selectman Ferraro asked if both forms presented where for consideration of should they pick on or the other. Mr. Dean said one has more detail but they are essentially the same. Selectman Quandt asked if they have done pre-deeding payment plans before and Mr. Dean answered very few. Vice Chair Chartrand said he is comfortable with post-deed. Selectman Ferraro also thinks it should be post and have a 90-day payback period.

Mr. Dean said the purpose of this is to give people the opportunity to know they have 90 days to buy back the property. He said they will work out particulars with individuals who are interested in this then present those to the BOS. The Board agreed to approve this. Mr. Dean said the next time the Board sees this is when a case is presented to them.

b. Old Business

i. Fund Balance Policy

Mr. Dean went over the reasons to have a Fund Balance Policy, including it sets a target to meet and auditors like to see a policy. He included a memo in the packet to this effect. He mentioned the tax rate is not set until October-November of each year. Pertaining to the Minimum Level of Unassigned Fund Balance, Selectman Quandt asked if 5-17% was the maximum. Mr. Dean said no, that is just a target. Vice Chair Chartrand asked where they are in the process. Mr. Dean suggested the Board could make a motion to adopt. Selectman Ferraro asked if the definitions in the audit report are the same as in this policy. Mr. Dean answered yes.

A Motion was made by Vice Chair Chartrand and seconded by Selectman Quandt to adopt the new Fund Balance Policy as presented in draft form. Motion carried – Quandt, Gilman, Clement, Chartrand yes, Ferraro nay.

6. Regular Business

a. Bid Openings/Surplus Declarations

None.

b. Tax, Water/Sewer Abatements & Exemptions

None.

c. Permits and Approvals

None.

d. Town Manager's Report

Mr. Dean talked about the following:

- The office is very busy with the end of the year approaching
- The new Assistant Engineer started last week
- There will be a tour of the town facilities Saturday, October 26 at 1 which will be the equivalent of a site walk. Everyone is welcome.
- October 23 will be the all-day Budget meeting

e. Legislative Update

None.

f. Selectmen's Committee Reports

Selectman Ferraro reported Zoning Ordinance Review Committee met and there are 4-6 potential zoning changes being discussed. Also, Water/Sewer met and talked about abatements and the over 90-day receivables. Planning Board met, there is vacant land on Portsmouth Ave and they talked about a proposal for a small commercial building to go in there.

Vice Chairman Chartrand reported 10/8 EDC met and pushed for the 79-E proposal TO BOS. 10/16 was a budget subcommittee meeting.

Selectwoman Gilman reported Heritage Committee and HDC were cancelled. She said movies can now be shown at Town Hall so there will be one Saturday at 2.

Selectman Quandt had nothing to report.

Chairman Clement reported Conservation Committee met. They reviewed a grant from the green infrastructure project. He gave kudos to Kristen Murphy for all her work, saying it was an impressive turnout. He also reminded everyone of the upcoming Halloween Parade.

j. Correspondence

Chairman Clement talked about the following correspondence:

- A letter from Jennifer Perry to the EPA
- A letter from Andrew Stollar praising Exeter's staff
- A warrant from Rockingham County
- A letter to Mr. Berkenbush from the Sportsmen's Club

7. Review Board Calendar

Chairman Clement said the next BOS meeting will be November 4, 2013. At that time the Board will have a public hearing on the High Street issue. There will also be discussion on 79-E. There will be a non-public session on the outstanding sewer bill. He also reminded everyone of the all-day Budget meeting 10/23.

A Motion was made by Vice Chair Chartrand and seconded by Selectman Quandt to adjourn the meeting at 9:40 pm. Motion carried – all in favor.

Respectively submitted,

Nicole McCormack
Recording Secretary