

FINAL MINUTES  
BOARD OF SELECTMEN MEETING MINUTES

December 7, 2009

**1. Call Meeting to Order**

Chairman William Campbell convened the Board for a Non Public Collective Bargaining Session at 6:15 pm and then reconvened the meeting at 7:00 pm in the Nowak Room of the Town Office Building. Mr. Campbell introduced the other members of the Board: Mr. Bob Eastman, Ms. Julie Gilman, Mr. Bobby Aldrich, Mr. Matt Quandt and Town Manager Russ Dean.

**2. Public Comment - None.**

**3. Minutes and Proclamations**

**a. Proclamation: Human Rights Day**

Mr. Aldrich read the Proclamation on International Human Rights Day (see copy attached) which is December 10, 2009. Mr. Campbell thanked Mr. Aldrich for the reading and invited Ms. Andrews, a representative from Amnesty International to come forward to the microphone and speak. Ms. Andrews invited anyone hearing her message to come and do the work of Amnesty International and announced that she had pamphlets and information with her for anyone interested.

**b. Proclamation: Seacoast Local**

Mr. Aldrich then read the Proclamation on Buy Local First Week 2009 (see copy attached) which is December 7 thru December 13, 2009. Mr. Campbell invited anyone from Seacoast Local to speak but no one came forward.

**c. Non Public Session Minutes of October 26, 2009**

**Mr. Aldrich moved to approve the Non Public Session Minutes of October 26, 2009. Ms. Gilman seconded. Vote: Unanimous.**

**d. Regular Session Minutes of November 16, 2009**

Mr. Aldrich proposed corrections to the draft minutes of the Board of Selectman Meeting of November 16, 2009. On page 2 under the Finance Director's report it should be corrected to read that the town tax rate decreased by 3 cents instead of the new tax rate decreased by 3 cents. The whole tax rate didn't decrease, just the town's portion. Also the word council is spelled incorrectly several times. Ms. Gilman had a question regarding how abstentions & nay votes are recorded. The motion at the top of page 4 (COLA discussion) was amended to indicate that Mr. Aldrich had voted nay.

**Mr. Aldrich moved to approve the minutes of November 16, 2009 as amended. Ms. Gilman seconded. Vote: Unanimous.**

**e. Regular Session Minutes of November 23, 2009**

Mr. Aldrich pointed out that the word "these" in the first line of the first paragraph under 6A should be changed to "the" and the word "the" before "further" in the first line of paragraph 3 under 6A should be deleted.

**Mr. Aldrich moved to approve the minutes of November 23, 2009 as amended. Mr. Eastman seconded. Vote: Unanimous. Ms. Gilman abstained from the vote.**

**f. Regular Session Minutes of December 1, 2009**

**Mr. Eastman moved to approve the minutes of December 1, 2009. Ms. Gilman seconded. Vote:**

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**Unanimous. Mr. Quandt abstained from the vote.**

**4. Appointments – None.**

**5. Department Reports – None.**

**6. Discussion/Action Items**

**a. Bid Opening: Water Street Interceptor Project (ARRA Funds/SRF Funds)**

Mr. Campbell opened the 3 sealed bids for the Water Street Interceptor Project. All 3 included bid bonds and acknowledged receipt of Addendum 1. The 3 bids were:

Brown Industrial Group, Berwick, ME	\$ 504,490
Jamco Excavators LLC, South Hampton, NH	\$ 497,025
Northeast Earth Mechanics, Pittsfield, NH	\$ 772,205

Following the bid opening, Mr. Campbell requested the wishes of the Board.

**Ms. Gilman motioned to return the bids to the Department of Public Works for their review and recommendation. Matt Quandt seconded. Vote: Unanimous.**

Mr. Eastman asked what the dollar amount was decided previously at the special town meeting in May for this project. Mr. Campbell advised that the figure was \$ 380,000 discussed in the meeting of May 27th and commented that all of these are overbids. Mr. Dean stated that the Department of Public Works will review the bids and give a presentation at a later date that will include possible alternatives.

**b. 2010 Budget Department Review**

Mr. Campbell asked if there were any suggested changes or comments to the Board of Selectman Budget for 2010. Mr. Eastman responded that he would like some discussion about reducing the amount for Line 18, Account # 8050 entitled Special Expense.

**Mr. Eastman moved to amend Line 18 of the Board of Selectman Budget for 2010 to \$ 3,000.00. Mr. Aldrich seconded. Vote: Unanimous**

**Mr. Alrich moved to accept the amended Total Board of Selectman Budget for 2010 of \$ 20,949.00. Mr. Eastman seconded. Vote: Unanimous.**

Mr. Campbell then invited discussion on the Town Manager Budget for 2010. Mr. Eastman recommended dealing with Line 0111 first which is Salary / Wages for the town manager's administrative assistant. The town manager recommended budget had recommended that this be a full time position in 2010 and the Budget Committee had recommended that it stay part time. Mr. Aldrich asked if the number \$ 34,673 was correct for 30 hours and Ms. Ravell, Finance Director confirmed that it was. Discussion ensued about increasing the hours to 34 per week. Mr. Dean stated that anything over 34 per week required membership in the retirement and benefits programs. Ms. Ravell advised that the salary for 34 hours would be \$ 33,132. The part time line also includes \$ 5,000 for the recording secretary. Mr. Campbell was concerned about the effect on the budget if the hours were increased to 34 and stated that he was interested in keeping the 2010 budget as close to that of 2009 as possible.

**Mr. Aldrich moved to accept an amended Town Manager Salaries / Wages PT Line Total of \$ 38,132.00 and to zero out the Town Manager Salaries / Wages FT Line Total. Mr. Eastman**

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**seconded. Vote: Unanimous Mr. Campbell was out of the room for the vote.**

Mr. Aldrich suggested a split in the town manager salary into 3 separate lines to create a more accurate picture of the town manager's pay: base of \$ 98,761 which is the number in the contract, special merit incentive of up to \$ 1,975 and expenses reimbursable under the contract of up to \$ 1,200. The total of the 3 lines is \$ 101,936. Changes were made to the FICA, Medicare and Retirement Lines to reflect the removal of the FT administrative position as follows: FICA new total: \$ 8,684, Medicare new total: \$ 2,031 and Retirement new total of \$ 9,227 for a new Benefits Total of: \$ 46,188.

**Mr. Aldrich moved to accept an amended Town Manager Salaries Total of \$ 140,068.00. Mr. Eastman seconded. Vote: Unanimous. Mr. Campbell was out of the room for this vote.**

**Mr. Aldrich moved to accept an amended Town Manager Benefits Total of \$ 46,118.00. Mr. Eastman seconded. Vote: Unanimous. Mr. Campbell abstained.**

**Mr. Alrich moved to accept an amended Town Manager Budget Total for 2010 of \$ 201,186.00. Mr. Eastman seconded. Vote: Unanimous. Mr. Campbell abstained.**

Mr. Campbell then invited discussion on the Town Office Budget for 2010. Mr. Eastman stated that he would like to add back the receptionist position but felt that the vacation replacement figure of \$ 6,551 was too high. He suggested a vacation replacement figure of \$ 2,832. Ms. Ravell, finance director, clarified that the vacation replacement figure includes sick pay. Ms. Gilman wanted to know what happens if they go low on this figure and exhaust the money during the year. Mr. Dean said that if the funds were exhausted then the options would include leaving the station unmanned, turning on the automated voice system or getting an employee from another department to cover. Mr. Campbell noted that only \$ 1,175 had been extended so far this year for vacation replacement. Ms. Ravell stated that the figure will increase substantially because much vacation time will be taken this month. Mr. Campbell suggested changing the number to \$ 4,551 which would be the same as that in the 2009 budget and this met with approval from the rest of the Board.

**Mr. Quandt moved to accept a new Town Office Salaries Total of \$ 45,509. Mr. Eastman seconded. Vote: Unanimous**

Adjustments were made to the benefits lines with assistance from Ms. Ravell to reflect the changes made to the salaries line resulting in a new total of \$ 15,936.00

**Mr. Eastman moved to accept a new Town Office Benefits Total of \$ 15,936. Mr. Quandt seconded. Vote: Unanimous**

Ms. Gilman pointed out that there had been prior discussion about sharing the receptionist position with the Finance Department and this current action maintains it as a full-time position when it may actually be part-time. Mr. Eastman stated that the job descriptions for both the receptionist and assessing clerk need to be looked at and rewritten to expand the scope of their work and allow them to be utilized in other areas. Mr. Aldrich stated that there definitely needs to be further discussion of their roles and responsibilities. Mr. Aldrich also mentioned that the assessor had previously stated that he could give up some of his assessing clerk's hours to assist in the Finance Dept. Mr. Eastman agreed that there is no reason why employees cannot be trained to work in other departments. Mr. Campbell said that this was a discussion for another time.

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**Mr. Aldrich moved to accept a new Town Office Total of \$ 75,245.00. Mr. Eastman seconded. Vote: Unanimous.**

Ms. Ravell stated that the water / sewer offsets line changes to negative 44,241 as a result of previous changes.

**Mr. Aldrich moved to accept a new Town Manager and Town Office Total of \$ 232,190.00. Mr. Eastman seconded. Vote : Unanimous.**

The Finance Director Doreen Ravell then made a powerpoint presentation (see copy attached) on the needs of the Finance Department. She stated that she continues to seek 2 new staff positions, a staff account and a water & sewer clerk, even though the Budget Committee hasn't supported this. The town has been out of compliance with GASB 34 since 2003 and the town's auditors are not at all pleased. The auditors have identified several gaps and weaknesses. There is a lack of internal controls whenever you have the same individual billing and collecting, which is currently the situation in the water and sewer department. Exeter is currently receiving the lowest possible opinion from its auditors and this can damage its bond rating. Ms. Gilman mentioned that this fact has been in the town report for several years now.

Mr. Dean stated that the town lacks the staff to produce its own financial statements and spends more for audits and consultant assistance to prepare for and handle audits than usual. The town's finance department is understaffed by as much as double when measured against comparable towns. These are two cited deficiencies that really need to be addressed. Mr. Aldrich stated that \$ 44,000.00 has been spent on consultants so far this year and it has no offset.

The total salaries and benefits cost of the proposed staff accountant position and tax & water/sewer clerk would be \$ 68,000.00 and \$ 56,000.00, respectively. Ms. Ravell stated that 50% of the tax & water/sewer clerk and 25 % of the staff accountant would be offset by the water & sewer department. Mr. Aldrich pointed out that if both positions were approved then there would be no need for the temporary or consultant costs currently in the budget. Mr. Dean stated that he felt there would be value added gain to the town by adding these positions. It would strengthen the finance department, improve the town's audits and improve how the outside world views the town.

Mr. Campbell was hesitant to commit to adding a full time position at this point as he felt that there are critical things in the DPW budget as well and he would prefer to continue the temporary help / consultants at this time. Mr. Eastman stated that he will support a full time staff accountant because he feels that it is very much needed. He pointed out that if the individual was hired for April 1<sup>st</sup> of next year, the salary cost would be reduced by 25%. If hired for July 1<sup>st</sup>, the cost could be cut by 50%.

Mr. Eastman stated that he has a problem with what is going on in the Finance Department. The Board had denied the Finance Department's request earlier this summer to add a permanent part time staff this year, but the Finance Department has another person currently working in that office. Mr. Dean stated that it is a temporary position. Mr. Aldrich stated that there had been Board support for temporary assistance. Mr. Eastman disapproved of the way in which the recent hiring had been done and said that the Deputy Tax Collector position that was filled last year was never advertised. Mr. Dean strongly stated that it was advertised, resumes were received and reviewed and several people were interviewed. Ms. Ravell then stated to Mr. Eastman that she doesn't appreciate the accusation regarding the hiring practices.

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**Mr. Aldrich moved to accept a new Finance Salaries Total of \$ 162,557.00 which includes a 9 month staff account position. Ms. Gilman seconded. Vote: 3 Ayes – Mr. Aldrich, Ms. Gilman, Mr. Eastman, 2 Nays – Mr. Campbell, Mr. Quandt Motion carries 3-2.**

Mr. Quandt stated that he did not think it was the year to be increasing staff and encouraged the finance department to look at some of the options brought up by the General Government Subcommittee such as going to a biweekly pay period.

Ms. Ravell calculated the changes to the benefits lines as a result of the previous change.

**Mr. Aldrich moved to accept a new Benefits Total for Finance of \$ 83,562.00. Ms. Gilman seconded. Vote: Unanimous**

**Mr. Aldrich moved to accept a new General Expenses Total of \$ 58,250.00. Mr. Eastman seconded. Vote: Unanimous**

Ms. Ravell stated that the new water/sewer offsets number was negative \$ 61,530.00.

**Mr. Aldrich moved to accept a new Finance Department Budget Total of \$ 242,839. Ms. Gilman seconded. Vote: Unanimous**

Mr. Campbell then invited discussion on the Treasurer Budget for 2010.

**Mr. Aldrich moved to accept the Treasurer Total as is at \$ 9,542.00. Mr. Eastman seconded. Vote: Unanimous.**

Mr. Campbell then invited discussion on the Tax Collection Budget for 2010.

Mr. Aldrich asked and received confirmation that the \$ 68,776 figure is for 2 positions. Mr. Campbell suggested a \$ 20,000 temporary help figure instead. Ms. Gilman brought up the previous discussions regarding the idea of job sharing some of the receptionist and assessing clerk duties with finance and asked if that would affect how the different departments are charged for that. Mr. Quandt stated that according to his understanding it is not possible for an individual from assessing to work in tax collection. Mr. Eastman confirmed that as correct, but said that a receptionist could work on water & sewer billing. There was some discussion about the auditor's cited need to keep billing and collection separate. There are other town departments where billing and collection are not separated, such as the Fire Department and Parks & Rec. Mr. Eastman suggested separating water and sewer billing and collection by moving Ms. Murphy, who is currently the town meter reader, to the Department of Public Works and having her do billing from there while collections would continue at the town office. Mr. Dean said that Mr. Eastman's suggestion was one possible model, but that there would be other ways to solve the problem. Ms. Ravell stated that the only way that water shut-offs were able to be done right now was due to the temporary help they currently have in the Finance Department and these shut-offs were long overdue. Ms. Ravell stated that the tax and water/sewer department collects 39 million dollars in annual revenue and that it doesn't seem logical to piecemeal parts of this job between departments in a haphazard fashion. Ms. Gilman agreed and also indicated concern for the fact that the billing and collection are currently being handled by the same individual.

**Mr. Aldrich moved to accept a new Tax Collection Salaries Total of \$ 64,742 which includes a 9 month full time water & sewer clerk position and the temporary help line to be zeroed out. Ms.**

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**Gilman seconded. Vote: Ayes: Mr. Aldrich, Ms. Gilman, Mr. Eastman Nay: Mr. Campbell, Mr. Quandt.** Mr. Quandt stated that he felt that adding 2 positions was a guarantee for a default budget. Mr. Aldrich stated that the numbers do not have to be finalized until the second Tuesday of January. They can always go back and make changes if needed.

**Mr. Aldrich moved to accept a new Tax Collection Benefits Total of \$ 46,605.00. Ms. Gilman seconded. Vote: Unanimous.**

**Mr. Aldrich moved to accept a new General Expenses Total of \$ 18,675.00. Mr. Eastman seconded. Vote: Unanimous.**

Ms. Ravell stated that the new water & sewer offsets total would be negative \$ 55,674.00

**Mr. Aldrich moved to accept a new Tax Collection Total of \$ 74,349.00. Mr. Eastman seconded. Vote: Unanimous.**

Mr. Campbell then invited discussion on the Assessing Department Budget for 2010.

There was some discussion about job sharing and the need to review the responsibilities of the assessing clerk so that the job description can be rewritten to keep the positions full time.

**Mr. Eastman moved to accept an amended Salary/Wages for the Assessing Clerk of \$ 41,662.00. Ms. Gilman seconded. Vote: Unanimous**

**Mr. Aldrich moved to accept a new Assessing Salaries Total of \$ 121,267.00. Ms. Gilman seconded. Vote: Unanimous**

**Mr. Aldrich moved to accept a new Assessing Benefits Total of \$ 64,869.00. Mr. Eastman seconded. Vote: Unanimous.**

Mr. Aldrich questioned the amounts of \$ 6,000 for Mapping (Line # 5460) and \$ 4,200 for Reevaluation (Line # 5480) primarily because year to date figures for 2009 for these items indicate very little actually spent on these. Reevaluation expenditures to date are only \$ 600.00. It also appears that the figure of \$ 1,400.00 for Education / Training may be high since year to date 2009 only a little over \$ 100.00 has been spent.

The town assessor, Mr. DeVitorri, was present and responded that the mapping Line # 5460 is for map maintenance which includes a yearly contract and GPS data collection which is dependent on the number of parcels. Reevaluation includes \$ 2,000.00 for independent appraisals, \$ 1,200 for recalibrating tables and \$ 1,000.00 for fieldwork.

**Mr. Aldrich moved to accept an amended Assessing General Expenses Total of \$ 18,475.00 which includes an amended Reevaluation figure of \$ 2,500.00 and an amended Education / Training figure of \$ 1,000.00. Mr. Eastman seconded. Vote: Unanimous.**

**Mr. Aldrich moved to accept a new Assessing Total of \$ 204,611.00. Ms. Gilman seconded. Vote: Unanimous.**

Mr. Campbell then invited discussion on the Trustee of Trust Funds budget for 2010.

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**Mr. Aldrich moved to accept the Trustee of Trust Funds budget as is at \$ 891.00. Mr. Eastman seconded. Vote: Unanimous**

Mr. Campbell then invited discussion on the Town Moderator Total for 2010. The amount was amended slightly to include FICA and Medicare.

**Mr. Aldrich moved to accept an amended Town Moderator Total of \$ 931.00. Mr. Eastman seconded. Vote: Unanimous.**

### **7. Regular Business**

#### **a. Accounts Payable and Payroll Manifests**

**Mr. Aldrich moved to approve the weekly Payroll warrant of December 2, 2009, in the amount of \$ 157,580.72. Mr. Quandt seconds. Vote: Unanimous.**

**Mr. Aldrich moved to approve an Accounts Payable warrant dated December 4, 2009, in the amount of \$ 697,422.12. Mr. Eastman seconds. Vote: Unanimous.**

Big Ticket items: Bradford Ski for Rec Program \$ 7,360.00, Dennis K. Burke (DPW Fuel Pumps) \$ 13,596.00, Exeter School District \$ 589,000+, Melanson & Heath (audit) \$ 7,000.00, Mosquito Control Program \$ 8,000.00, Water & Wells Study \$ 32,000.00+

Mr. Campbell announced that next week's meeting will be a special Budget works session devoted solely to the budget. It will be televised. Topics covered will be: cable TV, HR, Parks & Recreation, Library, town clerk, debt service, special events, legal, police and fire. On the 21<sup>st</sup> the Department of Public Works, water & sewer funds and warrant articles will be discussed.

#### **b. Budget Updates - None.**

#### **c. Deeds / Easements**

1. Limited Warranty Deed (see attached)

**Mr. Quandt moved to accept the Limited Warranty Deed. Ms. Gilman seconded. Vote: Unanimous**

2. Release Deed Parkway Development Corp (see attached)

**Ms. Gilman moved to accept. Mr. Quandt seconded. Vote: Unanimous. Mr. Aldrich abstained.**

#### **d. Tax Abatements & Exemptions - None.**

#### **e. Water / Sewer Abatements – None.**

#### **f. Permits**

There is one application for use of town facility by the Oyster River players for January 3-10, 2010, May 8-16, 2010 and July 3-11, 2010. Mr. Dean had researched these dates and all is well.

**Mr. Quandt moved to approve the permit. Ms. Gilman seconds. Vote: Unanimous**

#### **g. Town Manager's Report**

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Mr. Dean wanted to thank the Chamber of Commerce and all who helped for organizing the Festival of Trees. It was an amazing event and went off really well. Also a thank you to the holiday parade committee. Mr. Dean commented that a lot of work goes on behind the scenes in order to get the holiday parade organized.

### **h. Selectmen's Committee Reports**

Ms. Gilman said that there will be a Heritage Commission meeting on Wednesday. They have been contacted by the River Study Committee to initiate a section 106 review, which would investigate the cultural heritage. They are also interested in whether the Heritage Commission can take on some of the fundraising portion for the project which is estimated at \$ 40,000 +.

They have been contacted by the Rollins Farm Trustees regarding a piece of property at the corner of Hampton Road and 101D. The last owner had died and left the property to her cats. The trust has now been broken and the trustees are looking for help from the town to preserve the buildings and maybe make some money off the land, which is at least a 10 acre site. The house and wheelwright shop are in almost original condition.

Mr. Aldrich advised that there will be a Conservation Commission meeting here tomorrow night. Also the Arts committee meets next week on Thursday across the street in the town hall.

Mr. Quandt had nothing to report.

Mr. Eastman had nothing to report.

### **i. Correspondence**

Mr. Campbell advised that the town has received a comment from the Mitchell Municipal Group, which is the town's new lawyers. (see copy attached)

## **8. Second Public Comment**

Gerry Hamel, Little Pine Lane, agrees with Mr. Campbell on the new positions. He asked if there had been consideration given to the logistics of the office space setup needed to accommodate the new positions being proposed since the town is tight on space. Mr. Dean assured him that it had been considered.

Brian Griset asked for clarification on how many new positions had been added. Mr. Dean responded that it was two positions. He stated that he found this disturbing and does not believe that the demand is that severe. Even though town population has increased computers have made things easier since less calculations are now done manually.

Ms. Gilman said that the Board would take his comments under advisement.

Mr. Dean stated that the cost of the Munismart upgrade was \$ 60,000.00 not \$ 200,000.00

Jim Knight, Oak Street, wanted to know when the legal opinion Mr. Campbell read earlier would be available for public record. He was handed a copy.

Mr. Campbell asked for a motion to go to Non Public Session for litigation and consideration of a tax abatement.



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**Mr. Aldrich motioned to go to Non Public Session for litigation and consideration of an abatement exemption. Ms. Gilman seconds. Vote : Unanimous.**

**10. Non-Public Session**

**11. Adjournment**

**Mr. Eastman motioned to adjourn at ; seconds, Vote:**

Respectfully submitted,

Jennifer Mancinelli  
Recording Secretary