

The Claremont City Council held a meeting on Thursday, November 12, 2009, in the Council Chambers of City Hall.

The meeting was called to order by Mayor Cutts at 6:30 p.m.

Mayor Cutts asked for moment of silence to honor those killed at Fort Hood, Texas.

Members of the Council present were:

At-Large Councilor Thomas (Toby) Batchelder, III  
At-Large Councilor Robert Picard  
At-Large Councilor Keith Raymond  
Assistant Mayor Andrew Austin  
Mayor Deborah Cutts  
Ward II Councilor Paul LaCasse  
At-Large Councilor Kyle Messier  
Ward I Councilor Christopher Lewis  
Ward III Councilor Jeffrey Goff

Also present were:

Guy Santagate, City Manager  
Jane Taylor, City Solicitor  
Mary Walter, Finance Director

#### **MAYOR'S NOTES**

##### Stevens High School Student Council Update

None

#### **REPORT OF THE SECRETARY**

**A motion was made by Mr. Batchelder and seconded by Mr. LaCasse to accept the minutes of the October 14, 2009, City Council meeting.**

**Roll Call Vote: Motion carried 9-0.**

#### **APPOINTMENT TO BOARDS AND COMMITTEES**

None

**OLD BUSINESS**

Motion re: Letter of Intent (Proposed CVS Development)

Mr. Goff stepped down due to a potential conflict.

Attorney Linda Connell, McLane Law Firm, representing GB NH2, LLC, (development company for CVS) said the parcel is bounded by Tremont Street and Wall Street. They are almost finished getting all parcels under agreement. Her firm will work with the City on the purchase and sale agreement. This CVS store will be approximately 13,225 square feet. They are here to get the authorization for the City Manager to sign the letter of intent and to authorize the City Manager to sign the purchase and sale agreement. This project requires discontinuance of a portion of Tremont and Meadow Streets to make it one parcel. The sale itself will be voted on at another time.

Mayor Cutts noted, for the record, that she recognized Ms. Connell and Mr. Leedy to speak.

Gordon Leedy, Landscape Architect, Vanasse Hangen Brustlin, said part of the parcel currently has City parking on it. The project will have landscaping and will replace the City parking with two handicap accessible spaces and also 20 spaces on Wall Street will be available for public use and will be owned by the City. Circulation will allow a right turn into the property from Broad Street with an exit on Wall Street. The intersection and the signal will be re-configured. He talked about the parcels that will make up this one property. Parking spaces will be deeded back to the city. There will be a right-of-way for Tremont Street.

Mr. LaCasse asked about relocating the subsurface pipes in Tremont Street and if they will be put onto City property. Mr. Leedy said water, sewer and storm water are part of the design and the location will be part of the engineering design. Public facilities may be relocated or easements given to the City.

Mr. Batchelder asked about access from Broad Street to Water Street. Mr. Leedy said they haven't done that analysis. If warranted, they will work with the City and NH Department of Transportation (DOT).

Mr. Austin asked about the traffic signal. Mr. Leedy said the developer will pay for it and then once installed it belongs to the public.

**A motion was made by Mr. Lewis and seconded by Mr. Raymond to authorize the City Manager or his designees to execute and take all such actions as may be required to enter into a Letter of Intent between the City of Claremont and G.B. New England 2, LLC for development of a CVS Pharmacy building, parking lot and other site improvements on property that includes certain City-owned parcels, identified as Tax Map 120-174, 120-177, 120-166 and 120-165.**

**Roll Call Vote: Motion carried 7-1 with Mr. Picard voting no. Mr. Goff did not vote.**

Mr. Picard said he voted no because the City should not give away land.

Motion re: Purchase, Sale and Development Agreement (Proposed CVS Development)

**A motion was made by Mr. Batchelder and seconded by Ms. Messier to authorize the City Manager or his designees to take all such actions as may be required to negotiate and enter into a purchase and sale and development agreement with G.B. New England 2, LLC for development of a CVS Pharmacy building, parking lot and other site improvements on property that includes certain City-owned parcels, identified as Tax Map 120-174, 120-177, 120-166 and 120-165. Said Agreement to include provisions contained in a certain Letter of Intent negotiated by and between the City and G.B. New England 2, LLC, as well as such additional provisions as may be appropriate and to accept all proceeds related thereto for deposit into the applicable City account.**

**Roll Call Vote: Motion carried 7-1 with Mr. Picard voting no. Mr. Goff did not vote.**

Motion re: Future Road Discontinuation (Proposed CVS Development)

**A motion was made by Mr. Raymond and seconded by Mr. Lewis to authorize the City Manager or his designees to begin the process and take all such actions as may be required for the future discontinuance of such portions of Tremont Street and Meadow Street (also referred to as the Tremont Street Connector or the Tremont Street/Wall Street/Broad Street Connector), as set forth in a certain Letter of Intent and a Purchase and Sale and Development Agreement between the City of Claremont and G.B. New England 2, LLC, for development of a CVS Pharmacy building, parking lot and other site improvements.**

**Roll Call Vote: Motion carried 7-1 with Mr. Picard voting no. Mr. Goff did not vote.**

Mr. Goff returned to the Council table.

Ordinance 511 No Right Turn on Red, Market Basket – Second Reading – Public Hearing

The purpose of this proposed change is to authorize limitation of right turns on red north on Charlestown Road at its intersection with Maple Avenue, south on West Pleasant Street at its intersection with Maple Avenue, and from the exit of the Market Basket shopping plaza into eastbound traffic on Washington Street. The intent of this proposed change is to generally update the provision. The proposed limitation on right turn on red from the Market Basket Shopping Plaza is to reduce traffic and pedestrian conflicts resulting from upgraded crossing signals that will accommodate pedestrians, ATVs (all terrain vehicles) and snowmobiles at this intersection. The proposed ordinance also updates the section by correcting statutory references and deleting limitations that no longer apply.

Enactment of this Ordinance will update the Claremont City Code regarding no right turns on red, help improve the safety of the Washington Street corridor and encourage use of a safe highway crossing by pedestrians, ATVs and snowmobiles. The proposed ordinance is recommended by the Traffic Advisory Committee.

Police Chief Alex Scott said this ordinance cleans up Code language as it pertains to a traffic light that no longer exists at Myrtle and Pleasant; codifies the No Right Turn on Red at Drapers Corner and adds No Right Turn on Red on Washington Street by Market Basket entrance.

Mr. Batchelder read the explanation of proposed action.

**A motion was made by Mr. Batchelder and seconded by Mr. Raymond to adopt Ordinance 511 No Right Turn on Red, Market Basket.**

Mayor Cutts opened the public hearing. No one spoke. She closed it.

At 6:53 p.m., Council was ahead of schedule so Mr. Raymond asked about re-opening this topic later if a citizen came in to speak at the 7:35 p.m. scheduled time. Mr. LaCasse suggested moving the vote to 7:35 p.m. and to move onto New Business. Council concurred.

At 7:55 p.m., Mayor Cutts re-opened the public hearing. No one spoke. She closed it.

**Roll Call Vote: Motion carried 8-1 with Mr. LaCasse voting no.**

Mr. LaCasse said he would rather restrict ATVs than the traffic.

## **NEW BUSINESS**

### Draper's Corner Update

Bruce Temple, Public Works Director, said we are working with NH DOT. It is a municipally managed project. He showed a PowerPoint presentation: Drapers Corner Intersection Improvement Project.

- Project Overview
  - Project began on the 10-year Transportation Improvement Program (TIP)
  - Funded with special appropriations in the Federal transportation funding bill (\$1.75 million)
  - CLD Consulting Engineers of Manchester, NH, is the engineer for the project
  - Project to include new signals on mast arms, additional turn lanes, culvert replacement, aerial utility relocations, and non-participating underground utility upgrade within the project limits
- Showed different views of the intersection including Hillstead Road, Maple Avenue East, West Pleasant Street, Maple Avenue West and Charlestown Road
- NHDOT/Municipally Managed Process – Project Development

- Design Phase
- Environmental Phase
- Right-of-Way Phase
- Construction Phase
- Showed preliminary design
- Existing Approach Configuration
  - Hillstead Road      Single through and turn lane
  - Maple Avenue East   Single through and turn lane
  - West Pleasant Street   Single through and turn lane
  - Maple Avenue West   Single through and turn lane
  - Charlestown Road    Single through and turn lane
- Proposed Approach Configuration
  - Hillstead Road      Single through and turn lane
  - Maple avenue East    Dedicated left, through and slip
  - West Pleasant Street   Dedicated through/left, dedicated right
  - Maple Avenue West   Dedicated left, through and slip
  - Charlestown Road    Dedicated through/left, dedicated right
- Schedule and funding
  - Engineering, 2007 through 2009      24 Months
  - Right-of-Way, 2009/2010              12-15 Months
  - Construction, 2010 thru 2011        15 Months
- Original budget
  - Professional engineering (PE) \$200,000
  - Right-of-Way (ROW) \$50,000
  - Construction \$494,000
  - Construction \$1,006,000 (80% Feds/20% Local)
- TOTAL \$1,750,000 (\$750,000 Grant; \$1,000,000 80/20 Split)

Mr. Picard asked if a rotary had been ruled out. Mr. Temple said yes.

Mr. Lewis asked about costs to upgrade water and sewer lines at the intersection. Mr. Temple said these costs had not yet been determined.

Mr. Austin asked if the road would be wider. Kurt Beek, Project Engineer, said it would not be much wider. When more ROW research is done, the lines will be more defined. He explained that each of the four major legs of at the intersection will have at least two dedicated lanes. Signal lights will allow turning optimized based on traffic volumes.

Mr. LaCasse asked about the steep slope on the driveway of one of the properties and Mr. Beek said the engineer is working on it, but won't make it steeper.

Mayor Cutts asked about pedestrian access. Mr. Beek said the existing sidewalks will be reconstructed with all new pedestrian crossing signals. Islands will offer relief for pedestrians.

Bernie Folta, Ward, 3, talked about the public session where the roundabout design was previously mentioned and this design. He said he likes roundabouts and asked why this design was chosen versus the roundabout. Mr. Beek said there was a consensus from City Departments and NH DOT to have a fully signalized intersection. There was not much cost difference between the two. With a roundabout, one entire property would have to be taken (purchased).

Acceptance of \$3,516 Bullet Proof Vest Grant from Department of Justice

Police Chief Alex Scott said this is an ongoing grant used to fund 50% of bullet proof vest purchases. The other 50% usually comes from drug forfeiture money. No taxpayer dollars have been used for these purchases for several years. Usable life of a vest is about five years.

**A motion was made by Mr. Batchelder and seconded by Mr. LaCasse to accept the \$3,516 Bullet Proof Vest Grant from the Department of Justice with thanks.**

**Roll Call Vote: Motion carried 9-0.**

Acceptance of Infield Reconstruction Project worth \$12,000 from Claremont Youth Baseball/Softball Association

Jeffrey Coburn, President Claremont Youth Baseball/Softball Association (CYBSA), said they needed field upgrades. Scott Sweet, Sweet Construction, won the bid. Infields were raised and drainage was put in behind the fields. The final cost was \$10,689 and was donated by CYBSA to Parks and Recreation.

**A motion was made by Mr. Raymond and seconded by Mr. Picard to accept the Infield Reconstruction Project worth \$10,689 from Claremont Youth Baseball/Softball Association.**

**Roll Call Vote: Motion carried 9-0.**

Fire and Medical Response Update

Fire Chief Peter Chase introduced Dale Girard, President of Golden Cross Ambulance.

Chief Chase showed a PowerPoint presentation: Emergency Medical Services Update

- Golden Cross Ambulance Service answers over 1,600 requests annually
- Collaboration – last year, 62 requests for ambulance were initially handled by fire personnel, as the city ambulance was already committed and not immediately available.

Mr. Goff asked about the process for sending out an ambulance or fire personnel. Chief Chase said the determination is made through dispatch. Fire Department responds immediately, if needed. The Fire Department is a licensed, non-transport ambulance service.

Mr. Santagate said the bid price was lower this year than the prior contract. Chief Chase gave credit to Mr. Girard and his operation. Because of the collaboration between the City and Golden Cross, we have been able to lower costs over the last two agreements. Mr. Santagate asked if Golden Cross is related to the hospital. Mr. Girard said they are separate.

Mr. Picard asked how long Mr. Girard's family has been doing this. Mr. Girard said his family has been in emergency medical service for 31 years.

Mr. Raymond asked about coordination of services. Chief Chase discussed the critical care protocol for response.

Chief Chase gave a Fire Department Services Update.

- Fire Department personnel respond to approximately 1,000 emergency calls annually. They have the ability to draw resources from three fire mutual aid systems.
- Driven by State fire codes, criteria has been developed for fire suppression and detection systems
  - Systems are important in the Mill District
- Residential fire safety inspection program involves over 1,000 rental units and a multitude of other facilities
- Fire personnel inspect and complete preventative maintenance to equipment
- Personnel complete nearly all the maintenance of the 12,000 square foot fire station
  - 1917 building
- Responsible for 16 traffic signalized intersections involving \$1.5 million worth of equipment including over 600 lighted fixtures
- Municipal Fire alarm system
  - Connected to 95 individual fire alarm systems
  - This generates \$200 a year in monitoring fees
- Continuing Education
  - Ongoing process
  - Fire safety programs offered to numerous groups, agencies and students
- Fire grant management programs has produced several hundred thousand dollars in equipment
  - Equipment would normally have been purchased with operating money if not for the grants
  - Success rate is approximately 25%
- Other emergency services
  - Hazardous material release control, facility air quality monitoring, technical rescue from confined spaces, below grade, rescue from heights, water and ice rescue and emergency medical care
  - Fire Department carries a rating of four from the Insurance Services Office or ISO (scale 1-10 with 1 being the highest rating)
    - Means lower homeowner insurance
- Non-Emergency Services

- New construction plans review and inspection of residential, commercial, industrial, health care, assembly and educational occupancies, plans review and acceptance testing of fire suppression and detection systems, underground storage tank removal compliance and several public fire prevention and education programs

Ms. Messier asked how we could qualify for a rating of three. Chief Chase said there are many things involved: water, facilities, personnel and equipment. We lost points because dispatch is staffed with only one person, there should be two. We lost points on staffing at the Fire Department.

Mr. Lewis asked about mutual aid. Chief Chase said there are three mutual aid systems and they cover to Brattleboro, VT; Lyme, NH; Bradford, NH and about 30 miles into Vermont.

Mr. Picard asked about the fire on Lee Street, off Maple Avenue that has not been cleaned up. Chief Chase will follow up.

#### **CITIZEN'S FORUM**

David Putnam and Mike Satzow spoke representing the School Building Committee. They thanked the New Community Center for Claremont group (N3C) for their offer to step aside until after the vote for the revitalization of Stevens High School. This will allow the community to focus on the school. Mr. Satzow said the revitalization is necessary for Stevens to maintain its accreditation. Mr. Putnam complimented the Fire Chief for his participation in the School Reinvestment Committee and bringing in his expertise about life safety and fire codes. The School Building Committee will make a presentation to the Council at a later date. There will be three warrant articles: \$22-23 million for the school building, \$1.5 million for bio heat plant and other options.

Mr. Santagate thanked them for coming. N3C has raised about 40 cents on the dollar (private funds) for the new community center. They understand the importance of the School's March vote. They will do back shop planning, but will not compete with the school and will renew efforts after the March vote. Mr. Putnam said there are three important legs to a community (school is one). If this bond fails, they will have to keep bringing it back otherwise the school will lose accreditation. Mr. Satzow said the school bond must pass in March; the costs are lower now. A revitalized school will attract younger families to Claremont and that will expand the labor force in Claremont. With younger families, there will be a need for a new community center. Mayor Cutts extended thanks to N3C and invited Messrs. Putnam and Satzow to come back again.

#### Acceptance of Painting of Monadnock Park Field House Worth \$3,600 from Revered Painting

Scott Hausler, Parks and Recreation Director, said Dave Bourque from Revered did the painting.

**A motion was made by Mr. Raymond and seconded by Ms. Messier to accept the Painting of Monadnock Park Field House worth \$3,600 from Revered Painting with thanks.**

**Roll Call Vote: Motion carried 9-0.**

Approval to Apply for Fire Department SAFER Grant

Chief Chase said this grant would allow the City to hire new fire fighters. The positions are fully funded for two years with no cap; includes salary and benefits. The third year, the municipality is required to maintain the positions. During the first two years, the municipality is not allowed to reduce staffing. The Feds would pay for two positions. The City is required to pick up the third year only. This does not require governmental approval to apply. They are anticipating 5,000 applicants with only 200 awards. This has the City Manager's support to apply. Chief Chase asked for Council approval.

Mr. Batchelder asked how much it costs for a firefighter including benefits. Chief Chase said approximately \$60,000 annually depending on health insurance coverage.

Mr. Austin asked if we are turned down for two positions, is there a chance to fill one. Chief Chase said they are looking to have us meet National Fire Protection Agency minimum standards and that would require two more people.

Mr. Austin said it is hard to impose on a Council three years down the road. He asked Ms. Walter what it would cost taxpayers. Ms. Walter said she was unsure, but it may be 20 cents per thousand.

**A motion was made by Mr. Austin and seconded by Mr. Lewis to approve applying for the Fire Department SAFER Grant.**

Mr. Lewis hopes the City has a greater population, so will need those positions.

Mayor Cutts asked when we would hear the results. Chief said 90 days after the application period is closed, they will start to award the grants until the money is gone.

**Roll Call Vote: Motion carried 7-2 with Messrs. Picard and LaCasse voting no.**

Mr. Picard said it doesn't sunset so it's a no vote. Mr. LaCasse said this is a bad way to add personnel. If we are going to keep personnel, they should be added to the budget.

Resolution 2009-16 Stop Sign Mill Road – Public Hearing

Chief Scott said Mill Road goes behind the Peterson Building to the Common Man Restaurant. The Stop sign will be placed on Mill Road where it intersects with Water Street.

**A motion was made by Mr. Raymond and seconded by Mr. Austin to adopt Resolution 2009-16 Stop Sign Mill Road.**

Mr. Raymond read the resolution into the record.

Mayor Cutts opened the public hearing. No one spoke. She closed it.

**Roll Call Vote: Motion carried 9-0.**

## **BUDGET**

**A motion was made by Mr. LaCasse and seconded by Mr. Picard to tentatively approve the City budget of \$14,789,093, until the public hearing.**

Mr. LaCasse thinks Mr. Santagate has done a great job with the budget and he doesn't see where any changes can be made.

Ms. Messier agreed this is a good budget, although it is good for the community to hear what department heads have to say about their budgets. Mr. Austin agreed with Ms. Messier. He would like to go through the process.

**A motion was made by Mr. LaCasse and seconded by Mr. Picard to move the question.**

**Roll Call Vote: Motion to move the question carried 7-2 with Mr. Goff and Mayor Cutts voting no.**

**Roll Call Vote: Motion to approve the City budget failed 2-7 with Mr. Batchelder, Mr. Raymond, Mr. Austin, Ms. Messier, Mr. Lewis, Mr. Goff and Mayor Cutts voting no.**

### Welfare

**2009 Final Approved - \$346,251.00; 2010 Department Request - \$399,326.00; Manager's Proposal - \$376,826.00**

Mr. Santagate read the letter he sent to the Council about the budget. Anticipated budget is \$14,789,093 which is a decrease from 2009 of \$133,798. Budget has been level funded starting in 2006. We've had major increases in expenses including: \$139,500 increase of 8.3% in health rates; \$38,545 extra impact of downshifting of state contribution to Fire and Police retirement; \$201,200 City share of Drapers Corner project (state share is about \$1 million); \$17,000 increase of 7.8% in Client Services in Welfare; \$130,620 additional week of payroll costs in 2010 (53 pay weeks). In order to level fund this budget, it was necessary to make cuts of \$780,665 over the 2009 approved budget. If we had not done this, the increased expenditures coupled with the loss of revenue would have increased the City portion of the 2010 tax rate by more than \$1 per thousand.

Department heads made a lot of requests; he didn't disagree with them however, we couldn't fund them on the backs of the taxpayers. One exception is the Welfare office, because state law says Welfare budget has to be funded. We cut back in other discretionary areas.

Mr. Santagate said the Welfare budget is up 9% \$30,500; 15% of that is direct services (i.e. rent and prescriptions). Rent is up \$10,000; Health Services is up \$6,000.

Ms. Walter said we are in the middle of open enrollment for health insurance, so there are changes to some budgets. Welfare has a Health Insurance increase of \$6,726. The new tentative budget is \$383,552.00. The increases she will bring to the Council will be offset by additional revenues, so there won't be a change to the original budgeted amount submitted.

**A motion was made by Mr. Raymond and seconded by Mr. Austin to tentatively accept the Welfare budget of \$383,552.00.**

Mr. Goff talked about Welfare Director Suzanne Carr's budget estimates. Ms. Carr thinks her figures are close to reality. She has seen an 80% increase in applications over last year. Mr. Santagate said he will watch this budget closely. Ms. Walter said it is difficult for most departments to spend their budgets down to zero so there will be some money left over to move into the Welfare budget, if needed.

**Roll Call Vote: Motion carried 8-1 with Mr. Goff voting no.**

Mr. Goff said he has concerns about this budget.

#### Library

**2009 Final Approved - \$434,023.00; 2010 Department Request - \$458,227.00; Manager's Proposal - \$446,999.00**

Mr. Santagate said this budget is up \$13,000, 3%; made up mostly in salary and benefits; Health Insurance is up \$4,000, 8%.

Mike Grace, Librarian, said he can live with this budget.

Mr. Raymond complimented Mr. Grace for serving over 300 patrons per day on this budget.

Mr. Goff asked about internet service and the computer replacement schedule.

Ms. Walter said she had locked in fuel oil prices at \$2.03 per gallon (tanker price). So, fuel costs in a lot of the budgets will be down.

**A motion was made by Mr. Goff and seconded by Mr. Batchelder to tentatively accept the Library budget of \$446,999.00.**

**Roll Call Vote: Motion carried 9-0.**

Assessing

**2009 Final Approved - \$204,796.00; 2010 Department Request - \$201,691.00; Manager's Proposal - \$200,981.00**

Mr. Santagate welcomed Dan Langille as the City's new certified Assessor. This budget is down almost 2%. We are still committed to valuing 20% of the properties per year in Claremont in order to value all properties every five years as required by law. We are able to do it in house. There is a part-time person budgeted for office clerical. The budget has been reduced by \$4,000. This year they had 500 hearings after the revaluation.

Mr. Goff asked about salary expenses. Mr. Santagate indicated the department had a reduction of one person and they would add resources when needed.

**A motion was made by Mr. Austin and seconded by Mr. LaCasse to tentatively accept the Assessing budget of \$200,981.00.**

**Roll Call Vote: Motion carried 9-0.**

Elections & Registrations

**2009 Final Approved - \$7,400.00; 2010 Department Request - \$12,400.00; Manager's Proposal - \$12,400.00**

Ms. Walter said this is up 67.5%, \$5,000; there are two elections in 2010 versus one in 2009. The voting machines are working well.

**A motion was made by Mr. Raymond and seconded by Mr. LaCasse to tentatively accept the Elections budget of \$12,400.00.**

**Roll Call Vote: Motion carried 9-0.**

Mr. Santagate said the next budget meeting will be Saturday, November 14<sup>th</sup>, 9:00 a.m., in Council Chambers followed by a public hearing on November 19<sup>th</sup>.

**CITY MANAGER'S REPORT**

Mr. Santagate brought up the 2008 audit report.

Mr. Picard thinks the audit should be noted in the December agenda and that would give him time to review it.

**A motion was made by Mr. Picard and seconded by Mr. LaCasse to put the 2008 audit report on the December agenda.**

Mr. Santagate said he is not asking for Council to do anything. The audit report came in last week.

Mayor Cutts agreed with Mr. Picard that it would be nice to read this and then have an update, but she was okay with having it presented at this meeting.

**Roll Call Vote: Motion failed 2-7 with Mr. Batchelder, Mr. Raymond, Mr. Austin, Ms. Messier, Mr. Lewis, Mr. Goff and Mayor Cutts voting no.**

Ms. Walter said the audit includes the Water and Sewer Enterprise Funds, the two Tax Incremental Finance Districts, the Trust Funds, Tolles Home and the Claremont Development Authority. There is slightly over \$2 million in the Fund Balance. There were no findings in the 2008 audit. GASB (Governmental Accounting Standards Board) 34 (Fixed Assets for Government Entities) was a compliance issue and was to become effective December 31, 2006, at an estimated cost of \$25,000 to \$40,000 by our previous auditors. She and her staff worked on it from that time and implemented it in 2008 at no additional cost to the City. The GASB has issued another compliance requirement (GASB 45) which has to do with post employment benefits. The City must account for the additional costs in benefits that are paid for retirees to obtain health insurance for the same cost as current employees. The City currently has about 110 employees and 85 retirees on the health insurance plan. GASB 45 says the additional costs have to be shown in the audit. The City will be required to hire an actuarial service to calculate this cost. In 2010, the City will look at the cost to determine if we move forward with this recommendation.

Ms. Walter talked about the single audit which is required anytime the City receives more than \$500,000 in state or federal funds. The City has received over \$17 million in grants over the past nine years. The audit firm told us that last year we were the first municipality they remembered having a clean single audit (no findings or recommendations) and we have repeated that this year.

Ms. Walter talked about the Management Letter where the audit firm presents management with their list of items requiring attention. We received no findings; we only received a recommendation to evaluate whether we want to implement GASB 45 or not. We can ask the auditing firm to come to the Council in the future, if Council desires.

Mr. Santagate said the purpose of the audit is to be adversarial in nature. They seek out weaknesses in the process that is followed. We try to avoid anything called a material weakness. He noted there were no findings in this year and in the prior year. He doubts this will be duplicated in the future. In the Management Letter to the Mayor and City Council, the auditors did not identify any deficiencies considered material weaknesses. In the Annual Financial Statement under Financial Highlights, the unreserved fund balance for the general fund on a

GAAP basis was a deficit of \$ (748,577). However, unreserved fund balance (rainy day account) on a tax rate setting basis was \$2,029,492.

Mr. Raymond asked about the unreserved fund balance in 2000. Ms. Walter said it was \$4,304.

Mayor Cutts likes to hear about the grants from department heads.

Ms. Walter said the auditors can come to the Council at no extra fee. Mayor Cutts asked if Council wanted them on the December agenda. No one made that request.

Ms. Walter said she would post both the budget and the audit on the City's website.

### **FUTURE AGENDA ITEMS AND DIRECTIVES**

Mr. Austin asked about Myrtle Street parking. Mr. Santagate will make sure it is on the Traffic Advisory Committee agenda.

Mr. Goff asked about looking at the downtown parking situation after the first of the year. Mr. Santagate said that if people have to walk one block, it is an issue, but when the City grows, it will become less of an issue. There are small areas of parking on North and Broad Streets. Outside of the garage, the City has created 100 or so parking spaces, but maybe the City needs to do a better job of letting people know where they are. Mr. Goff said the perception is that there is a parking crunch. Mr. Santagate said there are spaces outside City Hall that allow for all day parking.

Mr. Lewis asked about overnight parking in the "bull pen." He asked to hear from Public Works Director Bruce Temple about the problems with snow removal there and is it still needed since the parking garage is open. Ms. Walter said it can be brought up during the Public Works budget discussion.

Mr. LaCasse asked Ms. Taylor for a legal opinion on the duties of the Mayor and City Manager. Ms. Taylor referred him to the Charter and state law. Mr. LaCasse asked about how a Councilor can ask questions of the City Manager.

### **COMMITTEE REPORTS**

#### Master Plan Committee

None

### **CONSULTATION WITH LEGAL COUNSEL**

None

**ADJOURNMENT**

**At 10:16 p.m., a motion was made by Mr. Goff and seconded by Mr. Austin to adjourn.**

**Roll Call Vote: Motion carried 6-3 with Mr. Picard, Mr. LaCasse and Mayor Cutts voting no.**

Respectfully Submitted,

Dorée M. Russell  
Clerk to the Council