

The Claremont City Council held a meeting on Wednesday, August 22, 2012, in the Council Chambers of City Hall.

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

Members of the Council present were:

At-Large Councilor Keith Raymond
Ward I Councilor Victor Bergeron
Ward III Councilor Nicholas Koloski
Assistant Mayor Andrew Austin
Mayor James Neilsen, IV
At-Large Councilor Christopher Irish
Ward II Councilor Roger Formidoni
At-Large Councilor Kyle Messier
At-Large Councilor Thomas Burnham

Also present were:

Mary Walter, Finance Director/Acting City Manager
Jane Taylor, City Solicitor

MAYOR'S NOTES

Stevens High School Student Council Update

None

Mayor Neilsen mentioned the fire that had occurred in the afternoon at 3 Brookside Avenue and that we are very fortunate to have the Fire Department personnel that we have.

Mr. Burnham talked about the fire that had previously occurred at Sullivan Street; the Fire Department responded quickly and was able to save a portion of that house. They do a good job.

Mr. Bergeron mentioned that today is Councilor Raymond's birthday.

CITIZEN'S FORUM

No one spoke.

NEW BUSINESS

Educational/Informational Session on Fiscal Year Conversion

Ms. Walter showed a PowerPoint presentation about Quarterly Billing and My Property Tax Bill.

- Quarterly Billing and My Property Tax Bill
- Annual Tax Payment Comparison (Based on \$150,000 house at estimated tax rate of \$34.40 assuming no increase)

| Semi-Annual | | | | | | | | | | | | | |
|--------------------|---------|-----|---------|---------|-----|-----|---------|-----|-----|---------|-----|---------|------------|
| Due Dates | Jan | Feb | Mar | Apr | May | Jun | Jul 1 | Aug | Sep | Oct | Nov | Dec 1 | Total Paid |
| 2012 | | | | | | | \$2,580 | | | | | \$2,580 | \$5,160 |
| Quarterly | | | | | | | | | | | | | |
| Due Dates | Jan 2 | Feb | Mar 31 | Apr 1 | May | Jun | Jul 1 | Aug | Sep | Oct 1 | Nov | Dec | Total Paid |
| 2013 | | | | \$1,290 | | | \$1,290 | | | \$1,290 | | | \$3,870 |
| 2014 | \$1,290 | | \$1,290 | | | | \$1,290 | | | \$1,290 | | | \$5,160 |
| 2015 | \$1,290 | | \$1,290 | | | | \$1,290 | | | \$1,290 | | | \$5,160 |

- Estimated Payments for 2013-2014, 18-Month Budget with Fiscal Year Change and Quarterly Billing
- How Will Credits and Exemptions be Handled
 - Credits and exemptions will not change for the homeowner. If the credit/exemption was applied semi-annually it will now be credited in quarterly increments. If the credit/exemption was applied annually it will still be applied annually.
- Water and Sewer bills are typically billed out in February and August of each year so the transition to quarterly billing does not create issues in scheduling or extra traffic in the office.
- What Happens Next
 - Council would need to accept the ordinance for first reading tonight and have a second reading and public hearing at the September council meeting.
 - If the ordinance passes, property owners would receive a bill representing ¼ of their 2012 bill that would be due April 1, 2013 instead of ½ of their bill due July 1, 2013.

Ms. Walter said NH Department of Revenue Administration (DRA) is okay with the timeline that was presented to them for the transition.

Councilors had a discussion about the change to the fiscal year, mostly asking questions for clarification on the number and amount of bills/payments.

Ms. Walter said for the Council's information that we have started taking credit card payments in Central Collections.

Mayor Neilsen asked about missing the quarterly payments. Ms. Walter said residents have 30 days to pay the tax bill. After that, they are charged 12% interest on that quarter's amount. People can pre-pay if they wish.

Councilors reported having heard no negative comments.

There was discussion about the Tax Anticipation Note (TAN) and with the change to a July-June fiscal year budget that there will be less reliance on TANs which will save money by not having to pay interest.

Mr. Irish asked about the collection rate. Ms. Walter said it is generally 97%, but sometimes it is in the 70s depending on how timely the tax bills get out. With the economy, we are probably down to 85%. Moody's wants to see us at 93% or higher.

Mr. Austin asked why this change had not happened before now. Ms. Walter explained that before now we had not been able to fund it. The layoffs and increased school budget contributed to our ability to change now.

Mr. Koloski asked about maintaining current staffing and being able to send out quarterly bills with the staff we have. Ms. Walter said we would send out two bills a year with two quarterly bills in each. As for the Deputy Tax Collector vacancy, an employee has given notice that she is moving and we are advertising to fill that position. This is not a new position.

Mayor Neilsen asked if any citizen wanted to speak. No one came forward.

Ordinance 529 Fiscal Year Conversion – First Reading

The purpose of this proposed change is to change the City's fiscal year to a July 1 through June 30 budget cycle and allow for quarterly billing and collection of property taxes.

Enactment of this Ordinance will result in the City's budget cycle being synchronized with the state budget cycle and provide the opportunity for improved cash flow and less reliance on tax anticipation notes (TAN).

A motion was made by Mr. Bergeron and seconded by Mr. Irish to adopt Ordinance 529 Fiscal Year Conversion on first reading.

Mr. Bergeron read the explanation of proposed action into the record.

Roll call vote: motion carried 9-0.

CITY MANAGER'S REPORT

Ms. Walter said the phone system will be coming online soon and the new website is about six weeks away.

FUTURE AGENDA ITEMS AND DIRECTIVES

Mayor Neilsen talked about the annual evaluation of the City Manager. He passed out a sample process to Councilors and asked them to look at it.

Ms. Taylor cautioned Councilors against discussing specific employee matters in a public meeting. Mayor Neilsen said this would be about developing the process.

Mr. Irish will e-mail the previously used evaluation form to Council Clerk Dorée Russell to be distributed to the rest of the Council, also for review.

Mr. Bergeron asked to schedule a strategy session with the City Manager next month. Mayor Neilsen said goals and objectives are part of the process in the handbook. Mr. Bergeron said setting goals and priorities will help with the budget process.

There was a discussion that future meetings should not go as long as the last meeting (ended around 12:30 a.m.). It discourages the public from attending.

Mr. Irish asked to have on the September agenda an item about crafting the agenda. For October, he suggested giving a list of budget questions to Ms. Walter early enough to allow time for her to research the answers for the meeting. Mayor Neilsen said Councilors can stop by City Hall to leave questions with Staff to be answered at the meeting. Ms. Walter said to send the questions to Ms. Russell.

Ms. Walter noted that some communities set a time limit for meetings and then it is up to the Council to vote to extend the meeting or to table it to another date.

Messrs. Irish and Burnham asked to have proposed change to Council Rules on the next agenda.

CONSULTATION WITH LEGAL COUNSEL

None

ADJOURNMENT

At 7:18 p.m., a motion was made by Mr. Burnham and seconded by Mr. Raymond to adjourn.

Voice vote: motion carried 9-0.

Respectfully Submitted,

Dorée M. Russell
Clerk to the Council