

*Salem Charter  
Commission  
June 2, 2022*

**The Derry  
Experience**

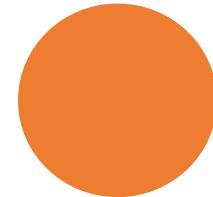


# Derry at a Glance

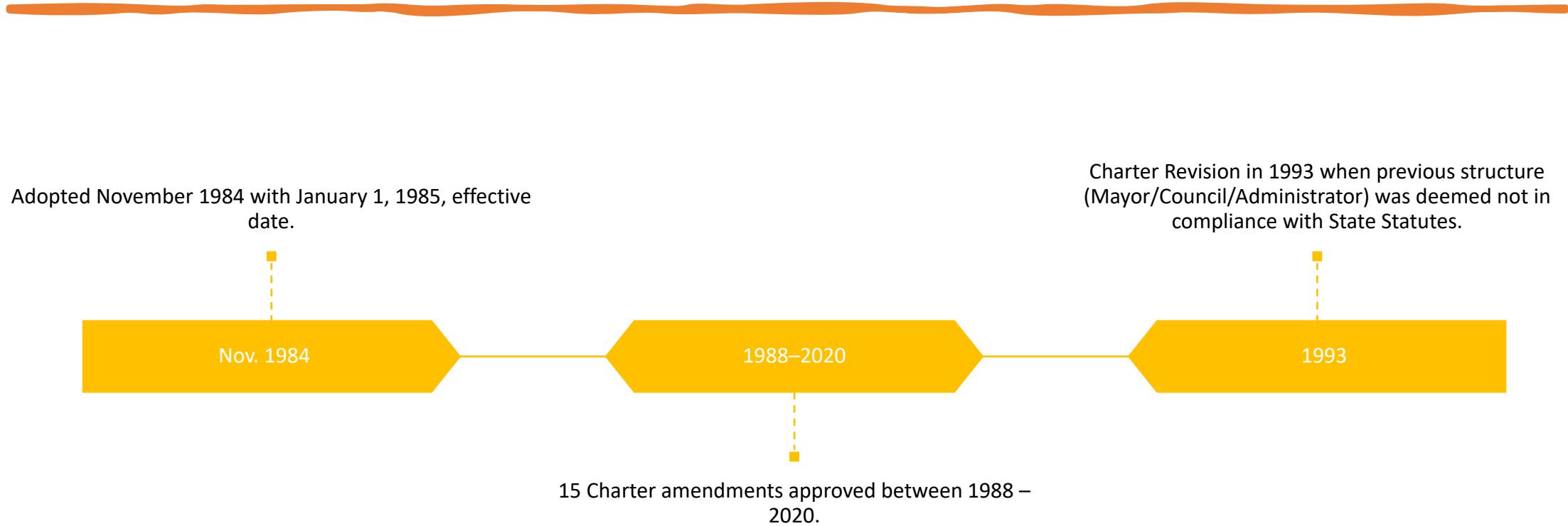
Population: 33,482 – largest Town and 4<sup>th</sup> largest community in State

Single Town School District independent of Town government

Pinkerton Academy – private, provides Grades 9-12 education



# Derry Town Charter - History



# Derry Town Charter

## Current Structure

- RSA 49-D:3 I structure – Town Council is governing and legislative body.
  - Similar to a city form of government – Derry and Durham have adopted
  - Regardless of title, must have CAO with Town Manager RSA 37 powers and duties
- 7 Councilors – 4 elected by District and 3 at large
  - Staggered, three-year terms (3/2/2)
- Council Chair elected annually by Councilors

# Derry Town Charter - Highlights

- Council adopts the annual budget by May 31 or Administrator's proposed budget is deemed to have been adopted. (Article 9)
- Council may approve Supplemental Appropriations during the fiscal year – 2/3 approval of entire Council required. (Article 9)
- Council actions adopted by ordinance (Article 6)
- Council confirms direct reports to the TA (Article 8)
- Capital Improvements Plan responsibility of TA, with input from PB. (Article 9)

# Derry Town Charter Highlights

- Citizen petitions at different levels (Article 3)
  - Individual Petitions – Town Council action discretionary
  - Group Petitions – At least 100 signatures; Council must hold public hearing and act upon the petition
  - Initiative Petitions – Signatures must be at least 20% of votes cast at last regular Town election.
    - Council passes measure without alteration
    - Council schedules special Town election
  - Referendum Petitions – Same procedure as Initiative; “protest petition”
    - Measure being protested may be suspended
    - Council may vote to repeal action
    - If not repealed, must bring issue forward to special Town election

# Derry Town Charter Highlights

## Tax Cap on Town portion of Tax Rate (Article 9)

- Based upon changes to the Northeast CPI-U for the preceding calendar year.
- Overrides available:
  - Debt Service
  - State or Federal Mandates
  - General Override

| <b>Implementation of Town Charter Section 9.4 (A)</b> |             |                |
|---|-------------|----------------|
| <b>Prior Year Tax Rate (FY 22 - 2021)</b>             |             | <b>\$ 7.22</b> |
| <b>CPI Adjustment per Section 9.4 (A)</b>             | <b>5.9%</b> | <b>\$ 0.43</b> |
| Northeast Region CPI-U for CY2021                     |             |                |
| <b>Authorized Tax Rate for FY23 - 2022</b>            |             | <b>\$ 7.65</b> |
| <b>Projected 2022 Town Tax Rate</b>                   |             | <b>\$ 7.43</b> |
| <b>Projected Tax Rate Adjustment</b>                  | <b>2.9%</b> | <b>\$ 0.21</b> |

# Derry Town Charter - Consequences

- Town government becomes a truly representative government
- Town can react more readily to opportunities and challenges
  - Supplemental Appropriation authority
  - Ordinance (including zoning changes) throughout the year
- Additional oversight on senior staff appointments
- Higher threshold on citizen petitions
- Budget expectations under Tax Cap
- Supermajority required for critical issues (2/3 of entire Council)
  - Supplemental Appropriation
  - Emergency Ordinances
  - Tax Cap Override