

Budget Committee Public Hearing

Thursday, November 2, 2017

These minutes were recorded by Ellen White, Town Administrator. The Public Hearing was held in the Bub Avery Memorial Gymnasium at Town Hall.

Attendance:

Joseph Goss, Chairman; Louise Sutherland, West Ossipee Fire Rep; Rick Morgan, Selectmen's Rep; Steve Mosier; Marie McConarty, Ctr. Ossipee Fire Rep; Lynne Parker, Ossipee Corner Fire Rep; Donna Gridley; Jonathan Smith, and Ellen White, Town Administrator. Kathleen Maloney was absent. There were approximately 20 additional people in the audience.

Call to Order:

Chairman Goss called the hearing to order at 5:30 PM. Goss opened the hearing with a request to Pledge Allegiance to the Flag.

Purpose:

Goss read the Public Notice for the Public Hearing followed by the Warrant Article that will be presented for vote at the Special Town Meeting.

Goss stated the purpose of the hearing is to discuss the Warrant Article and budget for the Special Town Meeting and requested all questions be on the topic. Goss then requested Morgan speak on behalf of the purchase.

Morgan stated that a Public Information Night was held on Monday, 11/2/2017 that lasted for 2-1/2 hours for discussion, questions, and answers related to the purchase of Camp Sokokis for a Town Beach. He stated that the Town lost access to Ossipee Lake back in the 1950's and has been seeking an ideal location for one since. The Town was able to gain access to Lone Pine Beach off Long Sands Road but it does not have a suitable parking area or swimming area due to its location at the mouth of the channel. Morgan stated he approached the campground owners a few years ago to plant the idea when rumor hit that they would be looking to sell in the near future. Several meetings later, the idea to sell to the Town came to fruition and the agreement to purchase the land and buildings for its appraised value of \$1.2 million has been executed. Morgan reviewed the topographic map presented by White Mountain Survey to outline the parcels included in the purchase and the direct access to the beach by way of Gretchen Road. Morgan stated that the two parcels on the Hodsdon Shore Road side of the lake contain 200' of beach frontage.

Public Input:

John Franco spoke in support of the purchase but believes it should be self-funded. He has developed a plan to do so and is available to discuss with anyone interested.

John Hood asked if anyone was interested in what Mr. Franco is presenting for an idea. Goss responded that it does not have to do with the Warrant Article being discussed. Franco questioned the purpose of the hearing as being a time to discuss the funding of the bond related to the purchase. McConarty questioned whether the funding being proposed could be brought up during the Town Meeting. Morgan responded that Mr. Franco is proposing a fee that is a policy decision that can be adopted by the Board of Selectmen and the issue is that the process is already underway to fund the purchase through a bond and there is no time to reverse course. The permission granted by the Court is to hold the Special Town Meeting pursuant to Warrant Article presented. Morgan stated that he is opposed to collecting fees to use the beach but it would be a matter of convincing a majority of the Board of Selectmen to create a fee collection for the beach. Goss reiterated that it would be a policy decision not a budgetary decision. Franco responded that he became

involved in learning about the beach purchase late in the summer and felt there were alternative ways to fund it.

Morgan discussed the financial decisions that are made for the Town utilizing the finance team comprised of the Board of Selectmen, Town Administrator, Town Clerk/Tax Collector, Finance & Benefits Administrator and Town Treasurer. The Fund Balance (surplus), cash flow, and expenditures are reviewed thoroughly on a regular basis. Morgan stated the Town has a healthy surplus which enabled them to reduce the bond amount while still maintaining a healthy balance well within the DRA guidelines.

Franco stated that he was disturbed to find that other alternative methods were not considered for the purchase. Morgan responded that the community has many opportunities where the cost/burden is shared by all and it would be hard to convince people to pay an additional fee to use a facility such as a ballfield. Franco stated that the Town of Madison charges a \$25.00 annual fee for a beach pass. The revenue could be used to offset the overall cost.

Katy Meserve explained that the issue at hand is that the Town does not have \$1.2 million to make the purchase. How the Town chooses to pay the bond payment in the future is determined at the Annual Town Meeting but the Town has to bond money to acquire the property now.

Goss stated the method of the payment has nothing to do with the Warrant Article discussion.

Franco stated that you may get more yes voters with a plan to repay the bond. Meserve responded that the Governing Body cannot make a decision for the future. Morgan stated that because the bond issue is in excess of \$100,000.00, it requires a 2/3 majority vote. He added that there is no pre-payment penalty in NH so if the voters choose to use surplus or other methods to reduce the bond term each year, they have that right.

Harry Merrow noted the surplus balance was only \$1,200 when he started as Selectmen 25 years ago. Morgan stated the balance was \$500,000.00 10-years ago and it has since grown to \$1.147 million with more to be added this year. Money is taken out of surplus annually to offset the tax rate and make other purchases such as police cruisers and highway trucks.

Franco stated that he realizes he was late with the information but still finds it hard to believe that we're entering into a purchase that we don't know how we are going to pay for it. Morgan responded that the Selectmen cannot spend what has not been approved by Town Meeting. He added that if facilities are to be added in the future, those related expenses can be included in a Warrant Article to improve Town or Recreation facilities to be voted on at Town Meeting.

Sylvio Laplante questioned the recommended level of surplus. Morgan responded that it is to be 5-7% of the operating budget. Laplante then questioned if additional funds can be voted to be taken from surplus at Town Meeting. Morgan affirmed.

Goss brought the hearing back on topic.

Morgan stated that the bond term and interest rate will be determined once it goes out to bid following voter approval.

Lynne Parker spoke in favor of the purchase stating the Town has no long-term debt and it is to our advantage to act now.

Being no further input, Goss made a motion to close the public hearing. Sutherland seconded. A unanimous vote was taken.

Goss requested a vote on the purchase of land and buildings in the amount of \$1,200,000.00 with \$1,000,000.00 being bonded, and \$200,000.00 coming from surplus. McConarty made a motion to accept the purchase. Smith seconded. A unanimous vote was taken. The MS-737-SP budget form was distributed for signatures.

Adjournment:

Being no further input, Parker made a motion to close the Public Hearing. Smith seconded. A unanimous vote was taken.

Adjourned at 6:55 PM.

Joseph Goss, Chairman

To be approved 11/9/2017