

**Selectmen's Meeting & Public Hearing (Adoption of Local Tax Cap)**  
**Monday, February 25, 2019**

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

**Call to Order:**

Chairman Morgan called the meeting to order at 4:15 PM.

Morgan opened the meeting with the Pledge of Allegiance.

**Attendance by Roll Call:**

Present were Selectmen Richard Morgan, Sandra Martin, and Martha Eldridge.

Morgan made a motion to seal the minutes from the non-public session held pursuant to RSA 91-A:3, II (a) for a personnel matter, and RSA 91-A:3, II (d) for an acquisition. Martin seconded. A unanimous vote was taken.

**Public Input:**

Ash Fischbein questioned the funding of the Ctr. Ossipee Village playground as it has been presented on the Warrant Article. He stated that the original discussion was that surplus would be used to fund the cost of the playground. Morgan responded stating that Fischbein is correct and he intends to amend the funding source on the floor of Town Meeting prior to the Warrant Article being voted on. Morgan suggested that the Economic Development Council (EDC) prepare a plan or conceptual drawing that people can look at to show what \$60,000 in playground equipment will include.

Fischbein also discussed the option of using surplus funds to add to the Sidewalk Capital Reserve Fund opposed to being raised by taxation. Morgan responded that it is the Board of Selectmen's discretion where to pull funding from for a variety of projects and purchases while they try to keep the surplus balance at a healthy and appropriate level.

Martin questioned if the EDC has plans for a bake sale or other fundraising options to help offset the cost of the playground. Fischbein responded that the company they are looking at to purchase the playground equipment from does matching grant funds. Fischbein stated that the EDC is open to community building opportunities such as those suggested to help with other aspects of the project.

**Meeting Minutes:**

Morgan stated that the Board held a non-public session earlier pursuant to RSA 91-A:3, II (a) for a personnel matter, and RSA 91-A:3, II (d) for an acquisition and then made a motion to seal the minutes. Martin seconded. A unanimous vote was taken.

Martin made a motion to approve the minutes from the Work Session & Non-Public Session held on 2/11/2019. Eldridge seconded. Morgan abstained (absent). Majority vote carried.

Martin made a motion to approve the minutes from the Selectmen's Meeting held 2/11/2019. Morgan abstained (absent). Majority vote carried.

**Accounts Payable & Payroll Manifests:**

The Payroll Voucher was submitted for the week ending 2/23/2019 in the amount of \$55,254.67. The Accounts Payable Voucher was submitted for the week ending 2/11/2019 in the amount of

\$49,221.51. The Water & Sewer Accounts Payable Voucher submitted for the week ending 2/11/2019 was in the amount of \$6,292.63. Morgan made a motion to approve and sign the vouchers. Martin seconded. A unanimous vote was taken.

Morgan announced the totals of items approved between meetings to include:

Payroll week ending 2/16/2019	\$ 46,502.87
Accounts Payable week ending 2/11/2019	\$171,519.18
Water & Sewer Accounts Payable week ending 2/11/2019	\$ 3,494.81
Water & Sewer Payroll Reimbursement	\$ 3,203.52
Water & Sewer Warrant for service charges	\$ 143.01
Water & Sewer Warrant for backflow charges	\$ 150.00
Water & Sewer Warrant for haulers	\$ 1,100.00
Water & Sewer Abatement Request	\$ 55.82

### **Review of Red Folder:**

The minutes from the Economic Development Council Meeting held on 2/18/2019 were presented for review.

An Application for a Business Website Link on the Town's Website was received from Deyab Electric. Morgan made a motion to approve the application. Martin seconded. A unanimous vote was taken.

A Boat Agent Agreement between the Town of Ossipee and Melvin Village Marina was presented for signatures. Morgan made a motion to approve and sign the agreement. Martin seconded. A unanimous vote was taken.

An Intent to Cut Timber was received from Ossipee Aggregates for the property located on Map 266, Lot 7 (Route 16). The intent is to cut 20 acres from the 1,318 acre parcel and the logger listed is Greenleaf Products, Inc. The taxes are paid and there is no cemetery noted. Morgan made a motion to approve the intent. Martin seconded. A unanimous vote was taken.

The Board received a memo from Brad Harriman, Public Works Director, reviewing the work to be completed to repair the Mill Hill Bridge which has been closed due to a 2-1/2' diameter hold that opened up in the bridge deck. Harriman estimates a total cost of \$46,985. Morgan commented that this bridge was just noted as the only red-listed bridge on the recent report received from the State of NH. Morgan made a motion to move forward with the repairs. Martin seconded. A unanimous vote was taken.

An Application for a Business Website Link on the Town's Website was received from Local Presence. Morgan made a motion to approve the application. Martin seconded. A unanimous vote was taken.

A Timber Tax Warrant in the amount of \$481.88 was presented for signatures. Morgan made a motion to approve and sign the warrant. Martin seconded. A unanimous vote was taken.

An Application for Veterans Credit was presented for review. The Assessor has determined that the applicant meets all requirements for the credit and recommends its approval. Morgan made a motion to approve the application. Martin seconded. A unanimous vote was taken.

An Application for Veterans Credit was presented for review. The Assessor has determined that the applicant meets all requirements for the credit and recommends its approval. Morgan made a motion to approve the application. Martin seconded. A unanimous vote was taken.

Morgan commented that the application deadline for the Veteran's Credit is April 15. The Town adopted the All Veteran's Tax Credit which enables all veterans able to provide proof of service to receive a \$500.00 tax credit.

An Application for the All Veterans Credit was presented for review. The Assessor has determined that the applicant meets all requirements for the credit and recommends its approval. Morgan made a motion to approve the application. Martin seconded. A unanimous vote was taken.

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A Request for a Clerical Abatement was received for the property located on Map 23, Lot 7, Sub Lot 005 (110 Nichols Road). The request in the amount of \$398.00 is due because the camper was removed prior to April 1 and should not have received a tax bill. Morgan made a motion to approve the request. Martin seconded. A unanimous vote was taken.

A Request for a Clerical Abatement was received for the property located on Map 14, Lot 8 (2220 Route 16). The request in the amount of \$455.00 is due because the property was taken by the Town through a Tax Collector's Deed. Morgan made a motion to approve the request. Martin seconded. A unanimous vote was taken.

A Request for a Clerical Abatement was received for the property located on Map 80, Lot 9 (189 Route 16). The request in the amount of \$245.00 is due because the property was taken by the Town through a Tax Collector's Deed. Morgan made a motion to approve the request. Martin seconded. A unanimous vote was taken.

A Request for a Clerical Abatement was received for the property located on Map 130, Lot 12, Sub Lot 134 (700 Route 16). The request in the amount of \$196.00 is due because the camper sold and the incorrect owner was billed. A Supplemental Tax Warrant will be issued to the new owner. Morgan made a motion to approve the request. Martin seconded. A unanimous vote was taken.

A Supplemental Tax Warrant in the amount of \$196.00 was presented for signatures. Morgan made a motion to approve and sign the warrant. Martin seconded. A unanimous vote was taken.

A Request for an Abatement was received from Billy Velardo, Jr. for the camper located on Map 130, Lot 12, Sub Lot 39 (700 Route 16). The Assessor recommends denying the request because the taxpayer claims the camper is assessed for more than market value but has not provided compelling evidence. Morgan made a motion to deny the request. Martin seconded. A unanimous vote was taken.

A Request for a Clerical Abatement was received for the property located on Map 104, Lot 14004, Sub Lot X (1 Terrace Pines Road). The request in the amount of \$161.00 is due because the camper was not on site as of 4/1/2018 and should not have received a tax bill. Morgan made a motion to approve the request. Martin seconded. A unanimous vote was taken.

A Supplemental Tax Warrant in the amount of \$4.00 was presented for signatures. Morgan made a motion to approve and sign the warrant. Martin seconded. A unanimous vote was taken.

The Board received a letter from the Conservation Commission recommending the reappointment of Tim Otterbach for a 3-year term. The Board also received a letter from Krystal Eldridge requesting appointment to the Conservation Commission. Morgan stated that there were already two elected officials serving on multiple boards which required Eldridge to resign from the Conservation Commission when she was appointed as an Alternate to the Planning Board last year. Morgan stated that Eldridge enjoyed being on the Commission and would like the opportunity to serve again. Morgan made a motion to appoint Eldridge to the Conservation Commission for a term of 3-years. Martin seconded. A unanimous vote was taken. Morgan suggested a letter be written to Otterbach informing him that he would need to resign his position on the Planning Board in order to be reappointed to the Conservation Commission.

An Application for Current Use was received from Coldan Farm for the property located on Map 252, Lot 41 (Goldsmith Road). The application is to put 4 acres into current use assessment. Morgan made a motion to approve and sign the application. Martin seconded. A unanimous vote was taken.

A Contract for Use of Facilities was received from the 4H Leadership Team requesting use of the Bub Avery Memorial Gymnasium on 4/10/2019. The schedule has been verified by Craig Brady, Recreation Director, and the applicable deposit has been received. Morgan made a motion to approve the contract. Martin seconded. A unanimous vote was taken.

A Contract for Use of Facilities was received from Cristina Aleman requesting use of the Bub Avery Memorial Gymnasium on 4/13/2019 for a birthday party. The schedule has been verified by Craig Brady, Recreation Director, and the applicable deposit has been received. Morgan made a motion to approve the contract. Martin seconded. A unanimous vote was taken.

A Contract for Use of Facilities was received from Jessi O'Blenes requesting use of the Bub Avery Memorial Gymnasium on 4/6/2019 for a birthday party. The schedule has been verified by Craig Brady, Recreation Director, and the applicable deposit has been received. Morgan made a motion to approve the contract. Martin seconded. A unanimous vote was taken.

A Contract for Use of Facilities was received from the Rodney A. White, Sr. VFW Auxiliary #8270 requesting use of the Bub Avery Memorial Gymnasium on 9/21/2019 for a Penny Sale. The schedule has been verified by Craig Brady, Recreation Director, and the applicable deposit has been received. Morgan made a motion to approve the contract. Martin seconded. A unanimous vote was taken.

A Selectmen's Deed for the property located on Map 80, Lot 9 (189 Route 16) was presented for signatures. White stated that this property was sold to the backup bidder from the tax auction last fall and the Power of Attorney on file authorizing Attorney Sager to execute the deeds on behalf of the Town expired on 12/31/2018. Morgan made a motion to sign the deed. Martin seconded. A unanimous vote was taken.

Morgan announced that the final (MS-737) Proposed Budget and Town Warrant are available for review.

The Lord Scholarship Fund Reports for the period ending 12/31/2018 were received from the University of New Hampshire.

The Highway Department Work Logs were received for the weeks ending 2/16/2019 and 2/23/2019.

Programming updates were received from Charter Communications.

The Board received a letter from the State of NH DOT requesting information related to a bridge repair on the northbound side of an abandoned rail trail on Route 28.

The Board received a letter from the Lakes Region Planning Commission offering their services in updating the Town's Hazard Mitigation Plan which is due to be updated in August 2020.

The Board received a copy of an amendment request for an Alteration of Terrain Permit for Westward Shores Cottages & RV Resort located at 110 Nichols Road from SFC Engineering.

The Board received a Notice of Decision from the Planning Board acknowledging a conditional approval granted for a Site Plan Review Amendment to add an outdoor pool and playground area at Westward Shores Cottages & RV Resort (110 Nichols Road).

Morgan announced Meet the Candidates Night will take place on Monday, 3/4/2019 at 6:30 PM at the Town Hall.

The Consent Calendar Agenda was received from the meeting of the Governor and Executive Council held on 2/20/2019.

The Board received an Application for Property Tax Exemption pursuant to RSA 72:81 from Revive Ossipee, LLC. Morgan requested the application be tabled for further review.

**Water & Sewer Red Folder:**

The Payroll Reimbursement Request for the week ending 2/23/2019 was submitted in the amount of \$5,272.54. Morgan made a motion to sign the request. Martin seconded. A unanimous vote was taken.

**Old Business:**

None presented.

**New Business:**

None presented.

Morgan announced the passing of a former long-term employee of the Highway Department, Russell Whiting. Morgan stated that Whiting worked for the Town for twenty years and passed along his condolences to the family.

Martin thanked the Police Department for their prompt response to the threat that took place at the elementary school last week. She stated she was proud of how the situation was handled.

Martin announced that after some research conducted, it was found that Hartley Well re-drilled the well at Constitution Park in 1994 and it supplies 30 gallons per minute which is adequate supply for an irrigation system with the right sized pump.

White announced that several movie theater posters from the Pineland Theater (now Town Hall) were donated to the Town by Gary Wallace and they have been preserved and framed to display. Morgan requested a thank you letter be sent to Gary Wallace.

**Public Input #2:**

Wayne Eldridge, Water & Sewer Supervisor, presented a quote to add a coating over the water lines to help with discolored water when the system is flushed. Discussion ensued. Morgan requested Eldridge review the quote with Harriman.

**Non-Public Session:**

Not applicable.

The next meeting will take place on Monday, March 4, 2019 at 4:15 PM.

**Public Hearing:**

Morgan opened the Public Hearing at 5:00 PM. Morgan then read the Public Notice aloud. He stated that the Tax Cap question was submitted as a Petitioned Warrant Article and asked if any of the petitioners were present to advocate for it. No one presented.

Morgan stated that he will not support the adoption and reviewed the process by which the Town's budget is zero based and as transparent as possible with each department having 20-40 various line items that receive a thorough review by both the Selectmen and Budget Committee. He stated that increases in health insurance and wages bound by the collective bargaining agreement ratified at Town Meeting make a tax cap difficult without having to reduce services offered by the Town. He stated that Town Meeting has the authority to appropriate what they see fit and decisions are often made by emotion which is not the best process. He continued that he is confused by how a tax cap will work and be helpful.

Morgan then further reviewed the process of how the Selectmen work with Department Heads to determine what wants and needs can be afforded. That in conjunction with controlling the growth to be sustained by revenues is how the Town tax rate has been able to be reduced.

Alison Hayford questioned if the tax cap can be voted out once it is put in effect. Morgan confirmed. He then added that it makes sense for an SB2 but not so much for a Town Meeting form of government. The Board of Selectmen have no authority to spend what is not approved at Town Meeting and the tax cap would hinder the ability of the Budget Committee and Governing Body to justify the expenditures.

Kathy Hart stated that Town Meeting attendance is often low leaving the 100 or so attending a lot of power. The Town of Ossipee would benefit by SB2. Morgan responded that the deliberative sessions in SB2 do not have much more attendance and often as few as 20 people can sway a vote and alter the budget up to 10%.

Francis Lord questioned if the question will be by ballot. Morgan confirmed and stated that it will be voted on at Town Meeting. Lord questioned if the petitioners have been approached to find out why they are in favor. Morgan responded that many are the same that signed the petition submitted to the School District which resulted in a change in the cap to 25% at the deliberative session. Morgan stated that the petition was circulated in angst by several Budget Committee members concerned with the tax rates.

Joy Gagnon questioned if the tax cap will affect the School District. Morgan responded that only the Town budget would be affected. Morgan then added that the cap ties to the previous years' amount raised and that varies from year to year based on what equipment needs replacement. The larger purchases are often mitigated through the use of Capital Reserve Funds but not always the factor. Without stifling growth, decisions need to be made.

Maria Moulton questioned if the tax cap passes, will it affect the 2019 budget? Morgan responded that it would not be in effect until the next budget cycle. He then stated the Budget Committee arbitrarily cut figures from the larger department budgets to accomplish a bottom line. He discussed the negative effect this has on the operation of a department such as highway which is already on track to be over budget in its salt and sand line item. The budget presented is already tight stating that out of \$6 million, normally no more than \$250,000 is left at the end of the year. That money is then turned over to the unreserved fund balance (surplus) which can be used in an emergency or to offset the tax rate. Morgan added that the Selectmen halt discretionary spending starting in September to ensure the budget expenditures are necessary.

Morgan commented that the Town has not borrowed to purchase a vehicle in 10-15 years and has no long-term debt. The budget process in place works.

Gagnon expressed concern for those trying to manage their personal budgets. Morgan reviewed the various segments of the total tax rate.

Roland Millette questioned if it is a policy to put a self-imposed cap on spending. Morgan responded that it is not a written policy but rather standard procedure. He then reviewed the monthly finance meetings that are held between the Board of Selectmen, Town Administrator, Finance & Benefits Administrator, Treasurer, and Town Clerk/Tax Collector where finances are constantly reviewed. Morgan stated that department heads have 3 months to watch spending and prepare for the upcoming budget cycle, a 6 month process altogether.

Martin suggested everyone review the pie chart of the tax rate breakdown to see how small the Town portion actually is.

A question was raised as to whether the Fire Precincts go through the same budget process. Louise Sutherland, West Ossipee Fire Representative, confirmed.

Gagnon questioned whether a normal tax increase will fall within the percentage proposed. Morgan reviewed how the tax rate is calculated. Gagnon questioned if the reassessment of properties will help. Morgan responded that the tax cap is on the amount to be raised by taxation not just on the operating budget. Francis Burke stated that Ossipee Mountain Road just received a review from the assessors and questioned if that will happen again this year. Morgan responded that they were completing their cyclical data verification. The reassessment will be done using a comparison to actual sales that have taken place.

Morgan urged all to attend Town Meeting on Wednesday, March 13.

Ed Comeau questioned the revaluation process. Morgan responded that the Department of Revenue has oversight over the assessments and spot check for uniformity. Anyone who disagrees with their assessment has the right to appeal to the Board of Tax and Land Appeals or the Superior Court.

**Adjournment:**

Being no further input, Morgan made a motion to adjourn. Martin seconded. A unanimous vote was taken.

Adjourned at 5:42 PM.

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Richard H. Morgan, Chairman

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Sandra P. Martin

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Martha B. Eldridge

To be approved 3/4/2019