

**OFFICE OF SELECTMEN
6 HOLLAND STREET
PO BOX 139
MOULTONBOROUGH, NH 03254**

**Selectmen's Summer
Informational Meeting**

July 22, 2010

MINUTES

Present: Moderator: Mel Borrin; Selectmen: Joel R. Mudgett, Chairman, Karel A. Crawford, James F. Gray; Carter Terenzini, Town Administrator.
Absent: Edward J. Charest, Betsey L. Patten (both with prior notice).

I. CALL TO ORDER: The Town Moderator, Mel Borrin called the meeting to Order at 4:00 P.M.

II. PLEDGE OF ALLEGIANCE:

The Moderator gave an overview of the meeting designed to provide our non-resident taxpayers an opportunity to hear information and ask questions they are not otherwise able to do during the rest of the year. He asked the 50± in attendance for a show of hands of how many were non-residents and six responded.

1. Cristina Ashjian – Chair for the Heritage Commission announced the Community Landmarks Tour of 5 noteworthy properties on August 8th.
2. Jared Vartanian, of Vachon, Clukay & Company PC gave an overview of the 2009 audit. He said it was another good year for the Town. The only change from last year was that GASB-45 is now in place for Moultonborough. In not quantifying the Other Post Employment Benefit liability for the access to health care that the Town provides our retirees it gives us an adverse opinion. Other than this, it's a clean or "unqualified" audit. He did note that most towns of our size that deals with did not meet that requirement either. Our Fund Balance (unreserved) is \$2.2 million which is a very good position and this is after using \$1 million to reduce the tax rate. Fred Van Magness asked Mr. Vartanian about the Management Letter and was informed there was none issued this year. He reported it was improved over last year. Where they found a lack of systems it was noted in an Internal Controls Letter, but again there was no problem noted. Carter noted that we are looking for a cost effective software program to quantify the OPEB liability of the health insurance implied subsidy perhaps using the one that the town of Bow is using if they find it effective. A question was asked about the health of our pension fund and it was noted that the Town does not maintain its own pension system, but are a part of the New Hampshire Retirement System.
3. Paul McKenney of Vision Appraisal gave a presentation on the current update of values. He explained that the difference between a mass appraisal and fee appraisal, and the methodology used. He said Moultonborough's property values are coming back. He said that Moultonborough does not see the swings or shocks as we do an update each year. Mr. McKenney observed that most towns are seeing their values come back. A member of the audience asked if Vision makes adjustments for water quality. Mr. McKenney said that if sales show it impacts the values we pick it up that way. Moultonborough has many neighborhoods so sales samples can be small. Fred Van Magness said that he does

not think a lot of these issues have been brought into play accurately. His land value went up 29% yet the sale cited was more than a mile away. Mr. Van Magness stated that Vision isn't geared to valuing land as well as valuing building. He expressed that all the area land values went up 29% which is grossly unfair and one sale does not make a valid analysis. Mr. Van Magness said that they were anticipating one sale this year (which was down) would be taken into consideration, but it was thrown out as an "unqualified" sale. He said ask anyone if values went up (ask realtors) and they will tell you no. Joe Sullo said he spoke to the Town Assessor, Gary Karp who says Vision based this on 25 sales; however Mr. Sullo said he found 6 more sales which have been supplied to Vision. He agreed with Mr. Van Magness adding that he has customers who have increased far beyond what seems valid. Richard Barrett said that he had used the web site and found 3 comparable properties all with far higher factors of value were used. He said the numbers seem to be all over the place. Mr. McKenney was asked why an improvement after a sale disqualifies the sale. He explained that the "tear downs" and "gut rehabs" throw the values out of whack and he can't use them to compare standing properties to. He added that the Town Assessor, Gary Karp showed him those 6 sales and each has a building permit for over \$50,000, which he had to disqualify.

Bill Jarvis stated that he's been a waterfront owner for 30 and checked with a broker on houses for sale in his price range (21) but only 1 sold. Mr. Jarvis said that his assessment went up considerably and he questioned the data. Bill Bowker said that the data on the land before the tear-down should be a valid indicator.

A question was raised by a property owner about waterfront ¼ acre lots in a community across from him are valued at \$600,000 then there is a road and then me valued at \$300,000 for the same ¼ acre with the next ¼ acre lot valued at \$150,000. Does that short distance make a difference and is there a factor for water view? Mr. McKinney said that within a neighborhood there are different factors. One lot even deeper back may have a better view which makes it more valuable to people. He stated that he uses all the sales and we do a statistical analysis to try to equalize them. He invited the individual to a hearing, to which she replied that she had done so previously to no satisfaction.

Mel Borrin went back through the process for people, explaining that they should meet with Vision and if everyone in attendance does this, Vision will listen. After that one can file an abatement and then beyond that you have the court (Board of Tax and Land Appeals). Mr. Van Magness said that last year he brought 15 owners in and the only changes made were miniscule.

Mr. Sullo asked if one \$2 million sale impacts all the values. Mr. McKenney said, no, adding that he tries to sort out all the variations. Joe Quaessima of Krainewood said he came in and saw two houses that sold, but they were for less than they were appraised for and yet his neighborhood had an average increase of +9%.

Mr. McKinney was asked if Vision could notify the property owner of what changes are made after the hearings and Mr. McKenney said yes. Mr. Van Magness asked, given the overall small sample of sales, if the Selectmen would at least take a look at whether or not they will go forward with this value update. He reminded the Board they don't have to make these changes, adding that this may not be the time to do it. Joel said he would want to see what changes have been made and how far off they might have been as those who dropped in value will certainly want to know why we didn't go forward.

Mr. McKenney was asked if the sales could be viewed and he replied that this information is available in Assessing. In addition, Mr. McKenney said that after the process is completed they will run reports in a wide variety of ways. He was asked if people could see the Valuation Manual. He said he would get copies to the Town and try to get it on-line.

Gary Karp, the Town Assessor, stressed that people coming in for a hearing. He said that any new information learned during that process is used for the total revaluation. He followed up on Mr. Van Magness' questions referring back to the slides as to overall value changes. He said that we have over 88 neighborhoods; the data is still preliminary until the process is completed and we don't have the final data to query and manipulate.

Joel asked if after all the hearings are done, do we adjust only those who came in questioning their values. Mr. McKinney said no, he can't just change one property if it's an issue that impacts everyone.

4. Question Re: Noise (Prior Submission by Email): Sergeant Canfield replied that Moultonborough is not alone in this and the Chief is looking into it. The Town needs decibel meters and training. He reminded the audience to call the Police when there is a problem as the next morning is too late to be effective.
5. Questions Re: County Nursing Home (Prior Submission by Email): Asked for was a breakdown of the cost for the Carroll County Nursing Home for each town, a current census population by which town they came from and the projected impact on the Moultonborough tax rate. The Moderator said that Ms. Patten was unable to attend the meeting, but would be able to provide these answers at the next meeting. Carter was able to tell people that we pay about 25% of the county expenses and that Ms. Patten had previously reported the impact of the new bond for the Nursing Home at 15+/- cents.
6. For every \$1 million in expenses, what is the impact on the town tax rate? Mr. Terenzini reported that \$1 raised about \$2,850,000.
7. The Selectmen were asked how much has been spent, year by year, on the Lion's Club. Carter responded that \$50,000 had been appropriated prior to his arrival of which \$20,000 was spent to the Lions Club and that \$40,000 has been expended this year. He said he could not project costs and the impact for the future on the tax rate until such time as he knew what might be actually constructed.
8. The Selectmen were asked to provide a detailed weekly schedule of field capabilities as well as field usage times. Hilary Bride, Assistant Recreation Director said she could only advise about the fields at the Playground Drive and those were in constant use. Mr. Van Magness said the Town should put a process time out on this Lions Club and get back to basics. Joel responded that the Town's people voted on this and authorized the construction of the soccer field.
9. The Selectmen were asked when does the current agreement with Time Warner expire and what plans does they have to compete for the next contract cycle? Carter replied that the Time Warner contract is valid through October 2016. The Federal regulations in effect at that time (actually those in effect in early 2015) will govern what the community may do in respect to a new renewal or re-opening of the franchise process. Joel asked the Town Administrator to invite Time Warner back in.

10. The Selectmen were asked what the current discussion about changing Town Hall hours is. The Selectmen stated that we believe we can re-arrange the workday to add one half hour of office time to the work schedule at no additional cost. Salaries will not increase. The survey that is spoken of was to ask employees if they would prefer to add the time at the beginning or end of the day.
11. The Selectmen were asked; a few years ago the Town came up with list of intersections to fix; what is status of Fox Hollow and what about the others? The Selectmen replied that they are concentrating on Fox Hollow and then move on to the others.
12. A question was asked, why the Town Clerk can't be open through lunch. It was suggested by the Selectmen that the party speak to the Town Clerk about those hours as she is elected and this matter is beyond the control of the SelectBoard.

There being no further questions the Moderator Adjourned the meeting at 6:05 pm.

Date

Respectfully Submitted

Carter Terenzini, Town Administrator