



Warner Board of Selectmen

Meeting Minutes

Tuesday, February 4, 2020

APPROVED

1. Open Meeting Chairman Carson opened the meeting at 7:00 pm.

Attendance: Selectman Clyde Carson – Chairman, Selectman Kimberley Edlmann, Selectman Judy Newman-Rogers and Town Administrator - Diane Ricciardelli

Others present: Dave Marazoff - M & N Assessing, Deb Moody, Martha Mical, Marianne Howlett, John Leavitt, Ken Cogwell

2. M & N Assessing

A. Assessor Dave Marazoff introduced himself to the Town Administrator.

B. Dave began with the Board of Tax and Land Appeal issue which is Warner Properties, LLC. vs the Town of Warner, NH, it's about a carry-over from 2017. Dave represented the Town on December 17 at the BTLA and said he is surprised he has not received the decision from the BTLA, typically it takes 30 days, Dave will inform the Board once he receives it. The issue is the assessment which is just over \$2,100,000 on the property owned by Warner Properties and they argued in 2017 the property was worth \$1,900,000. Warner Properties contracted with a tax representative who completed a market analysis that resulted in an assessment in the amount of \$1,500,000. Dave first argued to the BTLA the market analysis and showed why the \$1,500,000 opinion should be \$2,200,000. Dave is hoping the BTLA recognizes the flaws in the analysis. The property is on the market to sell, the price was dropped to about \$1,700,000. Clyde asked Dave how many years is Warner Properties appealing. Dave said 2017 tax year, subsequent for two years. Dave said do we think we will come out of this unscathed? He said there are minor points that will favor the taxpayer as well. Judy said basically, the BTLA will be deciding if it's going to be the Town's assessment or... Dave said or the taxpayers, the BTLA will rule on what is the equitable number for tax year 2017. Any time they rule, it will carry subsequently through subsequent tax years up until the next Town revaluation, the cut off is 2020. Dave provided a copy to Clyde on his reconstruction of the income approach of Warner Properties, LLC, he feels their numbers are on the low side.

C. Dave said he was asked to review the fire station located at 27 E. Main St. to provide a recommendation on the current market by researching some comparables. Kimberley asked if the location of the building will impact the price. Dave said the location matters to the degree that the it's located commercially, it's close to the highway, good traffic flow, what changes the equation is the change in use. Dave said he is not comfortable providing the Board with a specific number because he is not a certified appraiser, his job is statistically based and recommended consulting with a Realtor, but he did provide a range for the Board to consider.

D. Dave said there are several Land Use Change values that have been created and all are viable. If the Board has questions about them they can contact Dave.

E. Dave provided an update on the Property Revaluation. He said he is running two to three weeks behind, but the main completion date for finishing the values will be on-time. Measuring and listing should be finished up in February. Taxpayers can expect letters requesting interior inspections of their property in the last week of February. A staff of (3) will be in the field conducting inspections the first two weeks in March. The analysis will begin after that and will be in the field by the end of April. Letters of preliminary will be out in May and then he will meet with taxpayers in June. The valuation date is for April 1, 2020, sales will be used up to that point. Diane asked Dave what is the best way to reach him and Dave said by email.

Clyde asked David if he has a sense for how the valuations are comparing to the current values. Dave said there is a 10 to 15% difference in market sales and Town assessments, but, not every where in Town. Clyde said the reports he hears is in parts of the State the real estate is increasing, is Warner experiencing that? Dave said yes, it is, in the last 4 or 5 revaluations he has done, in the last 2 years, the average increase has been between 10 & 15%. Most towns are seeing a reduction in their mill rate. Dave said vacant land has not been selling at the same rate as the improved homes. Comparing vacant land assessments with sales, they will likely be 90 to 95% in comparing the

assessment to the sale. Comparing the assessment of an improved land and building property to its sale counterpart, that assessment would probably be around 85% to the sale. Martha Mical said she is not sure the Board realizes when Dave said, 85% for the assessment, he means the property is selling for 15% more than the assessment. Clyde said so the overall valuation of the Town will increase and the mill rate will go down and taxes won't change much.

Dave also participates and examines sales for the State's equalization ratio annually. An equalization study is completed on all the Towns in the State for the County portion of the taxes.

F. Marianne Howlett asked who will be assessing the utilities because that is not included in the Assessing Contract. Dave said for the Town there are two parts to utilities, distribution and transmission. He said House Bill 700 will be implemented this year. There is a 5 year break-in period for the valuation of the distribution portion of the utilities, the 5th year will be 100%. The State driven numbers will be consistent throughout the State. Dave said the transmission portion of the utilities, he recommends using Sansoucy for 2020. Dave said he has read the Sansoucy proposal, it appears reasonable on an annual basis for 2020 and also feels Sansoucy is an expert in the field. Dave said he himself is not competent to do such appraisals in the field but plans on working to become competent as the new rules are implemented. Judy asked if the Town will eventually use the State and no longer need to use Sansoucy after the 5 years? Dave said it's a wait and see, in his opinion the Town will evolve into the State driven numbers. He said for the 5 year break-in period he would hate for the Town to leave tax dollars on the table. Marianne asked if Sansoucy assessed the case the Town just lost. David said she was correct. Marianne asked if Sansoucy is going to take that into account? She said the Town has exposed themselves to possible cases where the Town will lose tax dollars later on. Dave told Marianne that she had a good question. Dave said he wanted to speak on Sansoucy's behalf and said Sansoucy did do his job well in the case and valued the property at its full and true value and the over payment the Town is facing is made via concessions, not from doing the job incorrectly. It was a court decision, the court didn't say Sansoucy's value of the property was wrong. Clyde said what the State is trying to do is to get to a uniform set of rate rules that can be used across the State and everyone agrees upon them. The hope is to reduce abatement requests going forward. The Assessing Clerk, Deb Moody will obtain a cost for a 1-year contract with Sansoucy to compare to the 5-year contract.

3. Tax Exempt Request

The Warner Village Water District purchased property and is now requesting the property to be tax exempt.

Board Action

Chairman Carson made a motion to designate the property known as Map 29 Lot 004 as tax exempt and \$1,304.74 be abated on the current taxes. Selectman Newman-Rogers seconded the motion. Martha Mical asked when was the property purchased and what taxes are they asking for. Clyde said the WVWD purchased the property on September 11, 2019. Tax Collector, Marianne Howlett said what the WVWD is asking for is the second bill that was sent to Timothy Blagden, abating the 2019 second issue. The motion passed unanimously.

4. Warrant Article Review

A. Diane said the Operating Budget is showing an increase of 5.15%. The Budget Committee continued the Public Hearing until tomorrow, February 5 and then again on February 6. Clyde said at the end of this meeting he will make a motion to continue this meeting until February 5 as well so the Board can meet with the Budget Committee if needed. The Board moved on to vote on the Warrant Articles for 2020. Diane reviewed the articles with the Department of Revenue Administration. The only article that was an issue is the article for the sidewalks because DRA didn't have it in their system as an established Infrastructure Fund, which will be fixed.

B. Sidewalks: Clyde said at the Budget Committee meeting last week there seemed to be a lot of concern about building the sidewalk without doing a plan. The intention is to have a plan created as Phase I and obtain a grant to do so. The Budget Committee Chairman thought it would be easier if the Selectmen set up a separate account for the planning of the sidewalk. Clyde opened for discussion. Judy asked if that is what a couple of people were saying they wanted, a way to give people an opportunity to vote if they wanted the project? Judy thinks that's what she was hearing, do the voters want to do the project. Clyde thinks that was done by opening up an Infrastructure Fund which was approved last year, if people voted and the article passed, that showed support for the sidewalk project. Kimberley thinks what Judy is saying is it may be better to actually have the warrant article say the Town is investing towards looking into the cost of the project and not allow the warrant article to give permission for the Board to move forward and build the sidewalk without having further discussions with the voters. Clyde agrees and said there is no way the Selectmen will be able to build the sidewalk for \$10,000. The existing capital reserve doesn't say it's

restricted to the plan and that is what everyone was concerned about at the Budget Committee meeting. Clyde said the next grant round for the sidewalks will happen in the next 12 months.

Kimberley said the 2017 Annual Report on page 122 from the minutes of the Town Meeting which passed, reads as follows:

Shall the Town vote to establish a Capital Reserve Fund for the purpose of setting aside Town funds to use as "matching funds" for transportation improvement grants from state and federal agencies as well as funding repairs and improvements to town walkways, to raise and appropriate the sum of \$5,000 (Five Thousand Dollars) to be placed in this fund and furthermore, to name the Board of Selectmen as agents to expend from said fund?

It was recommended by the Budget Committee, 4-3

Kimberley read on from the minutes:

Timothy Blagden explained: Federal Funds available with a 20% town match, Transportation Alternative Funds are very competitive when available, could be used for sidewalk projects (ex: sidewalks to Market Basket area), setting up a fund shows authorities that Warner is serious and taking steps in the direction of a project. John Leavitt, Budget Committee member, explained that his vote against recommending Article 21 was because the Town should establish a CRF for a project that is strongly supported. Selectman Brown said CRF's are also for an unforeseen opportunity. Kimberly Edelmann, Budget Committee Co-chair, agreed the fund should have a general name to cover any transportation related project and eliminate the need for many small specific funds. Kristin Ingold asked if the Selectmen are directing where the funds would be used? Selectman Carson explained when the Selectmen are named as Agents to expend, the Town is authorizing and giving the Selectmen the ability to spend the money. He said unless a public hearing is required by law, spending usually is discussed at the Selectman's Meetings, which are public meetings open to the public to attend but it means one needs to pay attention to the Selectman's meetings notices that are posted. He said the money being requested in Article 21 is "seed money" to show the Town has intentions for projects.

Kimberley said the fund was already established and the sidewalks were discussed, she is happy with it. Diane said DRA made some suggestions for the article, one being defining the name of the fund. Kimberley said the name of the fund can be defined, but the purpose must remain the same. Judy said it's a difficult place to be in because if the Town applies for part of a grant or part of a project and the Town doesn't have the opportunity to get the rest of the grant if the Town decides to go forward with the project, then the Town wasted time and money on the first part unless it is decided to fund the project with tax payer dollars. Clyde said or the Town waits for the next grant round. Kimberley said it's similar to the round-about. Clyde thinks until the engineering study is completed you don't know how big the project really is and it's prudent to say the Town will apply for the grant to complete the engineering study, then have a public conversation about what's the best choice, decide and begin saving for it. Judy said that meets what was discussed by the public at the Budget Committee Public Hearing.

Kimberley said she received several messages on her phone regarding the sidewalk:

- Impacts to Route 103, Main St. and homeowners along the path combined with the possible/probable eminent domain issues.
- Dozens of telephone poles and power poles relocation.
- Months of traffic impacts.
- Detail planning process to be presented at a Town Meeting and discussed.

Clyde said there will be a lot of different conversations about this, but, there will be a lot of other benefits that will need to be weighed against it as well, a study will bring that out.

Martha Mical said the warrant article needs verbiage included that says the \$10,000 is for working on a plan to bring back to the voters. Kimberley said that type of verbiage limits the warrant article, if a bridge needs work then that money can't be used. Clyde said the Town has a Bridge Capital Reserve Fund. Kimberley said the bridge was a bad example, this is for transportation improvement. Being specific about the funds limits what you can do with those funds. The Town has already established this, it's a grant matching fund. If another grant comes along, do you really want to lock the \$10,000 for sidewalks, if so, create a new fund for sidewalks. Martha Mical said her feeling is, if the Board is taking this to the voters and presenting it to be for sidewalks, then it needs to be for sidewalks. Clyde said that is the intention. Judy said if we leave it as the "Infrastructure Fund" then sidewalks are part of the use. Clyde will be the speaker on this Article at Town Meeting.

Article 21: Shall the Town vote to establish a capital reserve fund under the provisions of RSA 35:1 for engineering design and plan of a sidewalk connecting the downtown village district to the Intervale District, and to raise and appropriate the sum of \$10,000 (Ten Thousand Dollars) to be placed in that fund? The Board of Selectmen are agents to expend.

Board Action

Chairman Carson made a motion to recommend Article 21 for \$21,000. Selectman Edelman seconded the motion, the motion passed.

Article 3: Chairman Carson made a motion to recommend the current number, \$3,481,485 for the 2020 operating budget. Selectman Newman-Rogers seconded the motion, the motion passed. Kimberley is not in favor of rounding up on the numbers, the numbers need to be filed with the Department of Revenue Administration accurately. Chairman Carson made a motion to add .72¢ to the number being presented. Selectman Newman-Rogers seconded the motion, the motion passed.

Article 4: Shall the Town vote to raise and appropriate \$20,000 (Twenty Thousand Dollars) to be added to the previously established Property Revaluation Capital Reserve Fund?

Board Action

Selectman Edelman made a motion to recommend Article 4. Chairman Carson seconded the motion, the motion passed.

Article 5: Shall the Town vote to raise and appropriate the sum of \$3,000 (Three Thousand Dollars) to be placed in the previously established Employees Expendable Health Trust Fund? This fund is used to partially reimburse participating town employees for deductible health expenses.

Board Action

Chairman Carson made a motion to recommend Article 5. Selectman Newman-Rogers seconded for discussion. Judy said the Board had talked about bringing the balance up to \$10,000, adding \$3,000, the balance will be \$9,200. Selectman Newman-Rogers made the motion to increase Article 5 to \$3,800. Selectman Edelman seconded the motion, the motion passed.

Article 6: Shall the Town vote to establish a Contingency Fund for the current year for unanticipated expenses that may arise and further to raise and appropriate the amount of \$10,000 (Ten Thousand Dollars) to be placed into the fund? This sum is to come from the General Fund. Any appropriation left in the fund at the end of the year will lapse to the General Fund.

Board Action

Selectman Newman-Rogers made a motion to recommend Article 6. Selectman Edelman seconded the motion, the motion passed.

Article 7: Shall the Town vote to raise and appropriate \$15,000 (Fifteen Thousand Dollars) to be placed in the previously established Police Department Vehicle Capital Reserve Fund?

Board Action

Chairman Carson made a motion to recommend Article 7. Selectman Edelman seconded the motion, the motion passed.

Article 8: Shall the Town vote to raise and appropriate the sum of \$100,000 (One Hundred Thousand Dollars) to be added to the previously established Fire and Rescue Vehicle Capital Reserve Fund?

Board Action

Chairman Carson made a motion to recommend Article 8. Selectman Edelman seconded the motion, the motion passed.

Article 9: Shall the Town vote to raise and appropriate the sum of \$6,300 (Six Thousand, Three Hundred Dollars) to be added to the previously established Fire Fighter Equipment Capital Reserve Fund?

Board Action

Chairman Carson made a motion to recommend Article 9. Selectman Newman-Rogers seconded the motion, the motion passed.

Article 10: Shall the Town vote to raise and appropriate the sum of \$170,000 (One Hundred Seventy Thousand Dollars) to be added to the previously established Highway Road Construction Capital Reserve Fund?

Board Action

Chairman Carson made a motion to recommend Article 10. Selectman Newman-Rogers seconded the motion, the motion passed.

Article 11: Shall the Town vote to raise and appropriate the sum of \$125,000 (One Hundred Twenty-Five Thousand Dollars) to be added to the previously established Highway Equipment Capital Reserve Fund?

Board Action

Chairman Carson made a motion to recommend Article 11. Selectman Newman-Rogers seconded the motion, the motion passed.

Article 12: Shall the Town vote to raise and appropriate the sum of \$50,000 (Fifty Thousand Dollars) to be added to the previously established Bridge Repair/Replacement Capital Reserve Fund?

Board Action

Selectman Edelmann made a motion to recommend Article 12. Chairman Carson seconded the motion, the motion passed.

Article 13: Shall the Town vote to raise and appropriate \$10,000 (Ten Thousand Dollars) to be placed in the previously established Capital Reserve Fund for the Preservation of Town Records?

Board Action

Chairman Carson made a motion to recommend Article 13. Selectman Newman-Rogers seconded the motion, the motion passed.

Article 14: Shall the Town vote to raise and appropriate \$10,000 (Ten Thousand Dollars) to be placed in the previously established Library Building Renovation and Repair Capital Reserve Fund?

Board Action

Chairman Carson made a motion to recommend Article 14. Selectman Newman-Rogers seconded the motion, the motion passed.

Article 15: Shall the Town vote to raise and appropriate the sum of \$10,000 (Ten Thousand Dollars) to be added to the previously established Town Hall Improvements Capital Reserve Fund?

Board Action

Chairman Carson made a motion to recommend Article 15. Selectman Newman-Rogers seconded the motion, the motion passed.

Article 16: Shall the Town vote to raise and appropriate the sum of \$2,500 (Two Thousand Five Hundred Dollars) to help fund the Riverbend Community Health, Inc.?

Board Action

Chairman Carson made a motion to recommend Article 16. Selectman Newman-Rogers seconded the motion. Judy asked if DRA recommended the wording. Diane said DRA reviewed each article today and didn't say anything about this article. Clyde said the discussion last year was to approve the funding, and then present the warrant one more year to make sure the voters want to continue funding Riverbend and then it will be placed in the operating budget for 2021. The warrant can be amended at Town Meeting. The motion passed.

Article 17: Shall the Town vote to raise and appropriate the sum of \$25,000 (Twenty-Five Thousand Dollars) to be added to the previously established Transfer Station Equipment Capital Reserve Fund?

Board Action

Chairman Carson made a motion to recommend Article 17. Selectman Newman-Rogers seconded the motion, the motion passed.

Article 18: Shall the Town vote to discontinue the Capital Reserve Fund created in March 2015 for New Fire Station Site and Design Fund and return the balance of funds and accumulated interest to date of withdrawal to the municipality's general fund?

Board Action

Selectman Edelmann made a motion to recommend Article 18. Chairman Carson seconded the motion, the motion passed. Kimberley recommended removing the approximate balance from the warrant article and to have that discussion at Town Meeting with the current balance.

Article 19: Shall the Town vote to establish a Capital Reserve Fund under the provisions of RSA 35:1 for the Kearsarge Mountain Road Alternate Route Project, and to raise and appropriate the sum of \$5,000 (Five Thousand Dollars) to be placed in this fund? The Board of Selectmen are agents to expend.

Board Action

Chairman Carson made a motion to recommend Article 19. Selectman Newman-Rogers seconded the motion, the motion passed.

Article 20: Shall the town vote to establish a Capital Reserve Fund under the provisions of RSA 35:1 for Parks and Recreation Commission, and to raise and appropriate the sum of \$22,000 (Twenty-Two Thousand Dollars) to be placed in that fund? The Board of Selectmen are agents to expend.

Board Action

Chairman Carson made a motion to recommend Article 20. Selectman Edelmann seconded the motion, the motion passed.

C. Judy said the total for the Capital Budget is \$594,600. Clyde said historically, that's the typical range for the Capital Budget. This year, there is not enough surplus to apply to any of the warrant articles for 2020. Kimberley said the Town is below 8%. Diane said the 2018 audit is still being worked on as well. Martha Mical said surplus can also be applied during the tax rate setting.

5. Welfare Director

Diane is speaking to people who may have interest in the position. Kimberley recommended reaching out to those who applied before. Martha Mical said at one time the Town went jointly with another Town which worked out for a while.

6. Concord Regional Co-op

Clyde reported Concord Regional Co-op is having a special meeting this week. A piece of property will be sold and after the sale the money will go to the Co-op.

7. Public Comments

A. John Leavitt suggested the Town should look at repairing the sidewalks they have right now. He said the estimate is between \$500,000 and \$800,000 before they start talking about building a new sidewalk.

B. Marianne Howlett said when the new values are made public, typically an insert is included with the first billing explaining the first billing is for the old value and the second billing will be for the new value. The first billing will be issued in May.

8. Consent Agenda

Selectman Newman-Rogers made a motion to approve the Consent Agenda for February 4, 2020:

To be signed by the Board:

1. Raffle Permit for Circle of Friends
2. Intent to Cut for Map 4 Lot 17
3. Solar Exemption for Map 14 Lot 29-1-16
4. Application for Current Use Assessment for Map 19 Lots 30 & 31
5. Building Permits for:
 - Map 31 Lot 30
 - Map 14 Lot 37
6. Landuse Change Tax Bill for:
 - Map 3 Lot 95-5
 - Map 12 Lot 37
 - Map 11 Lot 56
 - Map 7 Lot 37

Chairman Carson seconded the motion, the motion passed.

9. Continuation of the February 2, 2020 Selectman's Meeting

Chairman Carson made a motion at 8:53 pm to continue the February 4 meeting until February 5 beginning at 7:00 pm.

Board of Selectmen
Clyde Carson – Chairman
Kimberley Edelmann
Judith Newman-Rogers

Recorder of the minutes: Mary Whalen