

APPROVED 09/30/2009

Chairman Gates called the meeting to order at 6:05 pm in the basement meeting room at the Fremont Town Hall. Present were Selectmen Donald Gates Jr, and Greta St Germain; and Town Administrator Heidi Carlson. Brett Hunter arrived at 6:20 pm.

NEW BUSINESS

1. Selectmen reviewed tax year 2008-09 Supplemental Intent to Excavate forms for:
Supplemental for parcel 04-015 owned by Fremont Park LLC for an additional 10,820 CY
Supplemental for parcel 05-035 owned by John Galloway for an additional 13,995 CY
These were reviewed and signed by the Board. The landowners were required by NH DRA to file the Supplemental Report for the 2008 tax year, on material which was already reported as excavated, in excess of their Original Intent form.
2. Selectmen reviewed the accounts payable manifest \$24,248.28 for current week dated 25 September 2009. Bills for the week were reviewed.

Hunter came into the meeting at 6:20 pm.

Motion was made by Hunter and seconded by St Germain to approve the accounts payable manifest in the amount of \$24,248.28 dated 09/25/2009. The vote was unanimously approved 3-0.

3. Selectmen signed a release for welfare lien settlement from foreclosure on parcel 06-057. This was done in lieu of the Town losing its entire lien from the foreclosure process. The Town received \$500 toward the lien costs.

There was lengthy discussion about the newsletter layout and content. St Germain said she thought the EEE press release needed better coverage, thus it will be moved to the front page. She questioned having several Garden Club articles which were reporting "after the fact" and suggested that Garden Club and Library articles be placed in news papers such as the Carriage Towne News.

Carlson said that when the decision was made last week to go to a double issue, that 4 additional pages of text were needed, so that all articles submitted were included.

There was continued discussion about the purpose of the Newsletter. Hunter had stated he felt that as much information as possible should be sent out to residents. Some other typos and alterations were made for the final version to go to print.

At 6:45 pm Annmarie Scribner came in to the Board's meeting to ask at what time she could present her budget. Carlson had it on the agenda after the Public Hearing, but she felt it would only take 5 minutes, so it was done now. The Collector had put together two options for the 2010 budget, the first based on annual tax billing and the second based on bi-annual tax billing.

4150 – FINANCIAL ADMINISTRATION – TAX COLLECTOR PORTION**Option 1 ~ Based on Annual Tax Billing****002 TX Identifying Mortgagees****\$ 1,450**

Cost of title search depends on the number of properties that are processed for tax liens. We have seen this number increase slightly due likely to the economy. Many taxpayers continue to escrow their taxes. Costs are reimbursed to the Town when the back taxes are paid.

003 TX Postage & Envelopes	\$ 2,500
Certified mail for delinquent notices to taxpayer and mortgagee; mailing to Registry and miscellaneous stamps. Includes increase in liens and cost of postage from 2009.	
005 TX Tax Collector Office & Computer Supplies	\$ 750
Toner cartridges, paper, forms, tax bill notices, legal pads, binders, labels, elastics, envelopes, pens, paper clips, law books	
006 TX Office Equipment	\$ 500
Allowance for equipment maintenance and repairs as needed; upgrade office equipment, as needed.	
007 TX Recording Fees	\$ 400
This includes release of liens and lien notices by the Tax Collector.	
009 TX Service Agreements	\$ 1,700
BMSI Computer Software Support \$1,700 (annual agreement) that includes all updates and user support.	
010 TX Tax Collector Mileage	\$ 400
Tax Collector and Deputy at \$0.44/mi (bank trips & conferences).	
030 TX Tax Collector Salary	\$16,500
Annual salary with no increase for the past two years.	
034 TX Deputy Tax Collector Salary	\$ 4,300
Annual salary (paid quarterly) decreased in 2008.	
010 TX Tax Collector Dues & Conferences	\$ 600
Annual membership NH Tax Collectors Assoc \$20, fees for county and state workshops \$80; annual conference \$500	

TOTAL REQUEST – FA – TAX COLLECTOR PORTION Option 1 - \$29,100

In the Option 2 request, Postage and Envelopes increased by \$1,000 to \$3,500; the Tax Collector Salary increased by \$4,125 to \$20,625; the Deputy Tax Collector Salary increased by \$1,075 to \$5,375 for a total increase in the Option 2 budget of \$6,700 to a total request of \$35,800.

Scribner said that the salary and expenses would increase in switching to bi-annual collections. She said that if it happened in the Town's 2010 calendar year that she would have to reallocate money to the postage line, but that she had planned for enough tax bills in the budget proposed. In answer to a question, she said there are approximately 2,000 tax bills per year (this would double in bi-annual billing).

The process for bi-annual billing was discussed. The bill issued in June for the first half of the year is the current assessed value multiplied by ½ the prior year tax rate.

Scribner said she believes this will help Town's borrowing power. She did not offer any opposition to the transition and said that if overall the Town will be better off, than the Town needs to do what the Town needs to do.

She indicated that money comes in only in small amounts throughout the year, and the December tax collection is the largest amount of cash flow for the Town. By Spring the money is gone, and we begin

borrowing money again. She said she believes it will be easier for the Treasurer to manage the money if it comes in more than once a year.

St Germain said we are antiquated here, and only one of five towns in NH that bills taxes annually. She added that towns of comparable size to Fremont are on bi-annual billing cycles.

Scribner said that the Town may want to consider in a couple of years combining the Town Clerk and Tax Collector positions to get greater service for the Town. The combination would have to be proposed for a March annual meeting vote, and if approved would take effect one year after the vote.

St Germain asked Scribner how many hours she works in the position. She said right now (and for most of the year) it is 6-7 hours per week; and that she might work as much as 30-40 during the busy tax payment time.

Scribner said this is the third year of her doing the job, and she is making continued progress integrating all of the services that the BMSI system can be used for. The liens were not initially done that way; and Scribner hopes by the end of 2010 that she will be able to do everything via the computer system, including printing the Tax Collector's year end report (MS-61 in there. She does not currently do yield or excavation taxes in the computer system, and feels that she should get to the point where that is done there as well.

There was discussion as more and more functions of the tax position were integrated into the computer system, that it would refine the process even more.

Hunter questioned which budget the Board should review and Scribner said the annual one. For next year, even if the second billing cycle goes in, she will be OK with that budget as proposed. In future years, the bi-annual budget would be reviewed.

There was discussion about office supplies, which includes tax bills. No money has been spent yet this year.

There were no further questions for Scribner and she left the meeting at 6:55 pm.

St Germain said she thought the Town needed to look ahead to the future and believes the Town should consider the combination of the two positions. There was review of the individual budgets and discussion about what the position would be. The Board thought this would result in more service and a reduced cost to the Town over time.

St Germain mentioned dues and conferences and mileage as a possible reduction. Carlson stated the annual Tax Collector's conference was \$600 in 2009. Hunter then proposed to increase conferences to \$650. Due to no money being spent yet to date, a mileage reduction to \$200 was discussed. These changes resulted in a budget of \$28,950 in total.

At 7:15 pm When Guerwood Holmes had not come in for his 7:00 pm appointment, Carlson called him. Holmes advised he was not coming to the meeting this evening, and had intended to resubmit his budget proposal at the same level as the 2009 operating budget.

Carlson reported this information to the Selectmen, leading to Board discussion about why he would not come in to discuss his budget request. There was discussion about directing Holmes to stop working until he comes in and meets with the Board. There was discussion about a letter being written, and there was

further discussion about the Road Agent being held accountable to the Selectmen, and the Board's desire to meet with him as soon as possible. No further action taken at this time.

St Germain then read a portion of NH RSA 231:65 (reprinted from on-line statutes):

231:65 Oath; Bond; Supervision. – Highway Agents and Expert Highway Agents shall be sworn to the faithful discharge of their duty, give bonds to the satisfaction of the Selectmen for the faithful performance of the duties of the office, and be responsible to them for the expenditure of money and the discharge of their duties generally. The Selectmen may supervise the methods and manner of performance of such Agents. If any Highway Agent shall intentionally or deliberately refuse or neglect to comply with lawful instructions of the Selectmen, or shall intentionally or deliberately refuse or neglect to carry out the duties prescribed by law for Highway Agents after written request by the Selectmen, the Selectmen may remove such agent from office. The Selectmen shall file a copy of any such order of removal, under their hands, with the Town Clerk.

Selectmen's discussion then turned to reviewing the Highway Department budget which had initially been submitted by Holmes, reflecting a 5% reduction in the requested budget. This was reviewed by the Board. Carlson had prepared a spreadsheet following a discussion with, and email from Holmes, indicating that he had changed his mind given that none of the other departments were coming in with budget reductions. He had decided to request the 2010 budget be the same for highways as it was for 2009. Thus the new spreadsheet showed the original request (with the 5% reduction); and an additional column for the 2010 budget reflecting the same numbers as the 2009 default budget. The spreadsheet was used for review in addition to the rationale below:

4312 HIGHWAYS AND STREETS

I am proposing a 5% decrease across the board on all line items in the 2010 Highway Department budget. I will not propose cutting labor and labor overtime. To cover not reducing those two items, I am proposing to cut Summer Equipment Hire by 10%, making that line item \$35,000 and adding a new line of \$10,000 for administrative and site work of the Road Agent. This includes more labor, physically working on the jobs. It includes building different kinds of work such as guard rails, plans for culvert replacement, shoulder projects, tree trimming and associated work, etc.

I am not going to ask for a paving Warrant Article as it was turned down in 2009, and likely will be again in 2010. I am also not going to ask for any Capital Reserve Funding.

This is all an effort on my behalf to lower taxes. I hope more departments will follow. ~ Guerwood Holmes

The Selectmen expressed their disappointment that Holmes did not appear for his appointment to discuss the Highway budget with the Board. There was discussion about it being dutiful for him to show up and discuss his budget; as all other department heads have. Hunter suggested that it be put in writing to all of the Department heads that it is an expectation that the annual budget be presented to and discussed with, the Board of Selectmen.

The Board then began reviewing the Highway Department budget by line item, using the rationale that had been submitted.

001 Winter Salt

\$27,550

Salt cost is \$55.41/ton (down from \$59.23/ton last winter) for estimated 500 tons. Includes all Town roads, parking lots, and roads that town maintains for winter (reimbursed by developers). This is less than used in prior years.

002 Winter Sand**\$19,000**

Budget to purchase approximately 1520 tons at \$12.50 per ton to include trucking and stockpiling.

This was reduced by the Selectmen to \$18,000.

003 Winter Equipment Hire**\$114,000**

Includes all hired truck and equipment time for winter maintenance, plowing and treating Town roads and municipal lots.

Gates said that he felt the snowplowing line is one of the most important parts of the budget, and the hardest to predict depending on what the winter brings.

There was discussion about whether this had ever been put out to bid, to hire winter equipment for plowing and sanding. Carlson said it had not in her tenure. Gates added that no one is “banging on our door” either.

Looking at the past couple years of expenditures, the Board decided to recommend this at \$110,000.

005 Plow/Sander Maint/Repairs**\$5,225**

The Town owns three sanders. Funds are used hook up plow frames, lights to trucks. New cutting edges for plows. Includes sander parts and repairs; small engine and tool repairs.

This was discussed and recommended at \$4,900 given prior years historical expenses.

006 Summer Equipment Hire**\$35,000**

Hired equipment time (loader, backhoe, dump truck) for: ditching, washouts, shoulders, replacing and cleaning culverts; installing signs, cold patching, grading shoulders, seeding, sweeping, general road repairs and maintenance on more miles of total roadway. In 2009 we did a week of work replacing a failed culvert on Karlin Road; high limbing on Leavitt, Shirkin, Rogers, Chester; ditchline cleaning and reshaping on Shirkin Road

Selectmen felt this line for equipment rental line could be trimmed down. It was decided to recommend it at \$25,000. There was discussion about whether the Town would purchase a backhoe.

007 Labor**\$44,080**

Full-time laborer/equipment operator position throughout the year for maintenance and upkeep projects. Sign installation, shoulder and ditching, roadside cutting and cleanup, etc. and allowance of \$4,000 to cover the part-time, seasonal driver/laborer position. Also includes \$5,000 to hire a seasonal part-time employee to help with summer maintenance projects, such as cutting brush and filling pot holes, and some snow plowing in the winter (in the Town’s one-ton truck). FT employee 2008 rate \$18.93.

008 Labor – Overtime**\$6,500**

This line item reflects costs incurred when our full-time employee has to work over 40 hours for winter storms or emergencies. This is an estimate based on experience in past years. The Town's full-time employee must be paid at overtime rate for hours worked beyond 40. In some cases the work week may be adjusted when bad weather is anticipated, but in many cases, overtime will be unavoidable.

Based on prior years usage, the Board recommended this amount at \$5,000.

009 Culverts**\$1,900**

Allowance for replacement of culverts.

010 Cold Patch**\$2,375**

Allowance for repairs and patching potholes and other needed cold patch materials.

011 Signs & Posts**\$950**

Includes new and replacement for damaged/stolen street name signs, Town Line markers, highway signal signs; signs for high water, barricades & highway cones as needed.

012 Gravel Stone Loam**\$6,650**

General maintenance shoulder work, erosion, and reseeded. Have combined gravel roads and shoulder work all in this one line. Increased based on prior years usage.

Selectmen recommended this at \$6,500.

013 Hand Tools**\$285**

Includes occasional hand tool (new) and replacement of worn or broken tools.

014 Power Tools**\$0**

No planned power tool purchase.

Carlson indicated that there needed to be some allowance for repairs and replacement to the tool line, and sited a bill recently for chains on the high reach saw; and indicated that if a chainsaw needed replacement that there were not budgeted funds for that. Selectmen decided to put \$500 in this line item.

Discussion began about what roads were proposed to be paved from the allowance in the paving line. There was reference back to the Town's Master Plan that the Town should be doing about 2.5 miles per year of road reconstruction, based on the targeted averages that a road lasts for about 20 years. Fremont has never been able to keep up with that.

At 7:45 pm Selectmen took a few minutes to review the agenda for the Public Hearing. At 7:55 pm Selectmen and Carlson moved to the first floor meeting room where the public hearing was set up.

At 8:00 pm Chairman Gates called the Public hearing to order in the main floor of the Fremont Town Hall. Present were Selectmen Donald Gates Jr, Greta St Germain, Brett Hunter; Treasurer Kimberly Dunbar Treasurer; Tax Collector Annmarie Scribner; NH DRA Property Appraisal Director Steve Hamilton, NH DRA Field Monitor Keith Gagnon, MRI Assessor Joe Lessard; Town Administrator Heidi Carlson; and members of the public Matthew Thomas, Michael and Rachel Duran, Keith Stanton; and Peg Pinkham (8:10 pm).

A notice of Public Hearing was posted in early September, and published in the September 2009 newsletter. The hearing notice read as follows:

The Selectmen continue to review pertinent statutes and the NH Constitution for guidance, as well as talking with NH DRA representatives about the Town's required 2010 revaluation / recertification process.

It is important that residents understand this process as well, which must take place every five years, as mandated by the NH Constitution and Statutes. Instead of spending the estimated \$3,000 to \$5,000 to hold a special Town Meeting this fall, the Board has decided to continue to present information about the process to voters, and place articles instead, on the March 2010 warrant for voter consideration.

We have the necessary funds already set aside in the Capital Reserve Fund, and need authorization to spend them for the recertification process. Performing the recertification will get all property values closer to 100% of current market conditions, alleviating some of the concern related to balancing market conditions and property values.

Please help the Town do this in the most cost-effective manner. We hope you can participate in the 2010 Public Budget Hearing at 7:30 pm on Tuesday January 12, 2010; and in the Deliberative Session scheduled for 9:00 am on Saturday January 30, 2010 at Ellis School. Ballot voting will then take place on Tuesday March 9, 2010 at the Fremont Safety Complex.

A Public Hearing will be held on Thursday evening September 24, 2009 at 8:00 pm at the Fremont Town Hall, main floor meeting room. The purpose will be to discuss the recertification process as well as bi-annual tax billing.

Representatives from NH DRA will be here, as well as the Town's contracted assessing firm, MRI.

Appropriating the money and authorizing its withdrawal from the Capital Reserve Fund at the March 2010 Town Meeting and getting the process underway next spring will ensure that Fremont has oversight to the project and it can be done at less cost to Fremont taxpayers.

The public is strongly encouraged to attend this meeting. The Board of Selectmen is looking for your input and to provide information about this process.

Gates presented some historical perspective, including that Fremont's last full revaluation was done in 2005; and prior to that, the last full revaluation was done in 1988. Some years ago, revaluations were unusual events. That is the past. Towns have an obligation to reassess properties at market value at least once in every five years. It is now something that Town's need to consider as an annual expense (either by funding a percentage every year, or as Fremont has done, fund an amount to Capital Reserve annually such that it is paid for every 5th year when the process is due).

Gates said that the Town is obligated to perform a revaluation at least every five years, and that the article for this work had failed on the 2009 Town Meeting Warrant. He said that in 2010 this Warrant Article will be presented again for these things that are mandated by law. If it is not approved by voters on the ballot, the NH DRA will move forward to petition the NH Board of Tax and Land Appeals (BTLA) to take up the matter. If this happens, Fremont will no longer have control of the process, and the expense will simply be added to the 2010 tax rate as allowed by Statute.

NH Department of Revenue Administration (DRA) Property Appraisal Director Steve Hamilton stated that the issue for the Town becomes somewhat problematic and without the ability to spend the money, we would be required to undertake the reappraisal anyway, at the time of tax rate setting, we would have to spend additional money to get it done. The Statute does not allow the DRA to charge back the Town's Capital Reserve Fund, so the savings accrued to pay for the process will not be used, it will be added back into the tax rate.

Hamilton explained that the BTLA will certify it back to the DRA and the DRA will go to bid and do the work and get a contractor and add the expense to the tax rate.

Hamilton explained the process, indicating that the NH DRA has a duty to be sure all towns follow the law of the state and the NH Constitution. He cited the pertinent section of NH RSA 75:8-a, which requires each Town reappraise at least as often as every fifth year (reprinted from NH Statutes on line):

75:8-a Five-Year Valuation. – *The assessors and/or selectmen shall reappraise all real estate within the municipality so that the assessments are at full and true value at least as often as every fifth year, beginning with the later of either of the following:*

I. The first year a municipality's assessments were reviewed by the Commissioner of the Department of Revenue Administration pursuant to RSA 21-J:3, XXVI and the municipality's assessments were determined to be in accordance with RSA 75:1; or

II. The municipality conducted a full revaluation monitored by the Department of Revenue Administration pursuant to RSA 21-J:11, II, provided that the full revaluation was effective on or after April 1, 1999.

Source. 2001, 158:54, eff. Sept. 3, 2001. 2003, 307:11, eff. July 1, 2003. 2005, 119:1, eff. June 15, 2005.

He said the requirement in the statute mimics Part 2 Article 6 of the NH Constitution regarding valuation anew. That reads:

Second Part [Art.] 6. [Valuation and Taxation.] *The public charges of government, or any part thereof, may be raised by taxation upon polls, estates, and other classes of property, including franchises and property when passing by will or inheritance; and there shall be a valuation of the estates within the state taken anew once in every five years, at least, and as much oftener as the General Court shall order.*

June 2, 1784 Amended 1903 to permit taxes on other classes of property including franchises and property passing by inheritances.

Hamilton said the duties of the Commissioner of NH DRA pertinent to the enforcement are listed out in NH RSA 21-J:3 XXV which reads as follows:

XXV. Petition the Board of Tax and Land Appeals to issue an order for reassessment of property pursuant to the board's powers under RSA 71-B:16-19 whenever the valuation of property in a particular city, town, or unincorporated place is disproportional to the valuation of other property within that city, town, or unincorporated place, or whenever the municipality has not complied with RSA 75:8-a.

XXVI. Review and report each municipality's assessments once within every 5 years pursuant to RSA 21-J:11-a.

If the Town doesn't authorize the money to pay for it, the DRA goes out to bid and chooses a contractor and oversees the process.

Keith Stanton questioned why the Town was allowed to go from 1988 until 2005 without a revaluation.

Hamilton replied that in the assessing realm, we have two periods of time, pre-Sirrell lawsuit time, and post-lawsuit. Sirrell claimed that the property tax is unconstitutional as applied. The decision on that case came out in 2001. Prior to that, everyone assumed that the equalization procedure that substituted the need to do reappraisals. The NH Supreme Court said no, reappraisal has to be done every five years.

RSA 75-8 required towns to do it annually, the NH Supreme Court said that there is no failure if the town does it annually. At that time RSA 75:8-a was added to allow for the five year time period for reappraisal.

He added that life changed after the Sirrell decision in terms of what an appraisal is.

Stanton then stated that obviously values have gone down, and little building has been done during the last five years. He asked why we would be paying for local assessors (MRI) to be doing valuations every year at the contracted rate (approximately \$35,000 per year); and then pay another \$75,000 every five years for the same thing.

Hamilton explained that market value changes in different rates and in different ways, indicating that vacant land differs from residential homes, from condominiums, commercial, mobile homes, etc. All factors interplay with each other through time. He said that we take a new snapshot in time in April 1 of a tax year. Changes and updates are an annual requirement. He said the Town is required in accord with RSA 75:8 to pick up all value changes (up or down) on April 1 at the beginning of the tax year.

Peg Pinkham came into the meeting at 8:10 pm.

Hamilton said that the last equalization study (in 2008) showed a trend where ratios were going up. This is the relationship between assessed values and sales prices. Joe Lessard added that this number will likely go up again with release of the 2009 ratio study in spring of 2010.

Hamilton said, to provide some historical context, that in 1784, the NH Constitution was adopted as an expression of the will of the people, that people at that time thought it was important for people to see the valuation taken anew fairly regularly. The property mostly taxed at that time was livestock. Mischief could be created if the value was not taken on a relatively frequent time frame. Property does change in value. Some going down at a faster rate than others. The issues are also fairness, equity and proportionality. Gates said there is a statute in NH providing for new assessments at least every five years, and there is not a choice about this process.

Michael Duran said he understands the process and that he had recently gone through the abatement process but was unhappy with the end result. He said that his mortgage company had cancelled his home equity line of credit, which they do whenever a house falls 50% or more in value. Duran thought their taxes would be lowered with the new appraisal; and he told the assessor that that he had made no changes.

As a result of the abatement process, he said his property value did not change one penny.

Hamilton said this points out the need for the process to happen, so that market values are more accurately represented in the assessment seen on one's property value.

Carlson then questioned to Hamilton and Lessard that the abatement process, in addition to correcting listing errors, was to ensure that all properties were treated fairly, or proportionally as compared to similar properties.

Lessard then said that things are getting out of whack, and values are moving away from the baseline. For current (2009 baseline), values are based on the 2005 revaluation, at a certain place in time.

If everything is assessed 20% high, that is OK, so long as all properties are proportionally valued. The values are "wrong" from the standpoint that they are off from market value at the current time; but they are assessed equitably in relation to the 2005 values. Using the 2010 baseline; if the Town/School District/County budgets don't change, and the total value goes down; the tax rate will go up.

Lessard said he believes the 2009 equalization ratio will be about 115% based on the study information recently submitted. He said that means 2009 assessments are going to be 15 to 18% more than what the property would sell for in the current open market.

Hamilton said that as you move away in time from that snapshot you took, things drift and change. Open and unfettered market, it is what sellers and buyers transact. That is what the values are based on. Each type of property is studied to obtain data for the current market value.

Stanton asked questions about whether assessors are certified. Lessard said that assessors are certified by the NH DRA; and a certified assessor could supervise the reappraisal of a Town like Fremont with 4 years experience and time in valuing property. In response to a question from Stanton, Hamilton said he too was a certified assessor.

Stanton then asked why the Tax Collector could not simply “hit a button” in the computer to do an overall change of values. He said the land remains the same (is still two acres) and the house is the same if they haven’t added a deck or done other unpermitted work.

It was explained that all properties change in different ways through time, and it was not one multiplier that could be used to simply adjust everything.

Hamilton said that real estate is not like a grocery item; you don’t go “down the ranch aisle.” He said each property is unique and each market is different, each set of sellers and buyers is different, and there are not always common elements. There is no simple process to push a button; like that inflation has gone up by 3% it is just not that simple.

Mr Duran said that according to his realtor, there are a lot of homes for sale in Fremont, and that it is because of taxes. He said he is paying \$8,000 in taxes on his 3 bedroom ranch.

Hamilton then said that valuation of property is different than taxes. Valuation of property is only one part of the equation. The property tax rate is impacted by the Town budget, School District budget, and the county taxes.

Peg Pinkham then pondered the idea of whether the Town’s Building Inspector could be trained to do some of this work and become certified.

Hamilton said that the way we assess property in NH is to be fair and proportional. Properties should be at the same level; and updates must be done at least as often as every five years. If things start to move away again in either direction, it is easier to see the fluctuations in the market.

Mr Duran said that he did feel his value had decreased due to a problem in his basement that he discussed with the assessor, but did not put on his forms. He felt this was the proper appeal process and expressed frustration that it had not lowered his value. Hamilton said that he would talk with the taxpayer further and discuss with him the appeal process for the local abatement.

Duran said he felt his only remedy now was to get a new home equity loan and get a lawyer.

Stanton asked about a waiver for the every five year process. Hamilton said there is no waiver. He said the process identified in Statute and the NH Constitution and the duty is there for the Town to do it. He mentioned our neighboring Town of Sandown, who was ordered in 2002 to do their revaluation.

Hamilton was asked if the State tends to make examples of towns, Matthew Thomas further asked if there is any vindictiveness involved with the State’s undertaking of going to the BTLA. Thomas said that when people are suffering and the economy is bad, this is a difficult time.

Hamilton said no, and that there are 235 taxing jurisdictions in the State of NH and one set of rules applies to all of them. Hamilton said we all have to follow the same rules. Hamilton is here because it is his duty. He said the State is simply doing what they are required to do.

Thomas said that he felt that it was due to the passage of SB2 that people did not get more involved in meetings, and may not have understood how important the ballot vote was.

In response to a question, it was explained by Hamilton that for mass appraisal, we use computer assisted mass appraisal (known as CAMA), as it is the most cost effective manner for a universe of properties to be appraised. He explained that real estate is not like anything you would buy in a grocery store. Doing a mass appraisal is like standing outside the grocery store and figure out what everything inside is worth.

He said that CAMA is relatively efficient, but not always entirely precise. He further explained that it develops value through mathematical values.

He explained that an individual appraisal will look at one property and look for three or five properties that are similar to it, and compare them. He said that CAMA is a relatively inexpensive process, at less than \$100 per parcel, values generated through an individual appraisal would be much more expensive.

Stanton questioned the amount in the existing Capital Reserve Fund. The 2008 Town Report was consulted, indicating that there was just over \$78,000 in the Capital Reserve Fund as of 12/31/2008; and that no additional funds were placed in the fund in 2009.

There was some discussion of the Warrant Articles and how they were presented.

Selectmen asked people to get out in the community and talk about this issue, and indicated a second Public Hearing would be held on November 19, 2009.

Hamilton thanked the Board for the opportunity to come to the meeting. He said DRA is happy to come to any public meeting on this matter. Gates asked if it would be possible for Hamilton to come to our Deliberative Session in January.

At 8:55 pm Gates moved on to a discussion about bi-annual tax billing, also posted as part of this hearing. Gates said that the Town is considering a bi-annual tax billing, explaining that tax money comes in December; and during the course of the rest of the year, we are always forced to borrow money to meet out obligations for the rest of the year.

He explained that the Treasurer was working more with the School District to provide a plan so the payments can be scheduled out over the year; allowing both the Town and School to better plan for investments.

Treasurer Kimberly Dunbar said that in 2009 we have had to borrow \$4,000,000 from May to October, basically borrowing for school expenditures. She said that on the \$4M, the interest we have to pay thus far will total approximately \$43,179. She said that if we move to bi-annual tax collection, we will have tax money coming in twice per year. She said we still will have to take some loans out, but for shorter periods of time. Payments would be coming in July and in December. Thus we may be able to borrow smaller amounts for shorter time periods.

She said that the interest rate this year on the bulk of the money was only 2.16 %; wherein past years we have had to pay over 4%. This reduction helped to save money, but borrowing less will save more money.

Dunbar then said that she was also thinking of changing the Town's fiscal year to coincide with that of the School District (July 1). She feels that would also save us money, coupled with the School District payments being made on a monthly basis.

Stanton said that he is in favor of this conversion, and has been for many years.

Carlson said that the Town had received one letter in support of the change to the bi-annual tax billing; and one email that did not support it for the particular taxpayer, but said if it was good for the overall Town, he thought it was OK.

Dunbar said that the \$4M thus far borrowed was the maximum the Town would be allowed to borrow.

Matthew Thomas expressed concern about people who pay their taxes on time; and are disciplined to put their money away and get some interest on it, which also helps them deal with the increased cost of taxes. He thought this would penalize those folks.

It was discussed that only five towns in the state of NH still only bill once per year, and Fremont is one of them.

The costs of converting to twice per year billing were estimated by Dunbar to be \$10,000 between the Tax Collector and Treasurer. Carlson indicated the change in the Tax Collector's proposed budget for twice per year billing was about \$5,000 to \$6,000. The cost of added tax bills and postage are estimated at about \$2,000. The other changes would be in time spent by personnel and salaries.

In twice per year billing, the property value for the July bill is multiplied by ½ the prior December's tax rate. April 1 pickups are included if they are done at the time the bills are printed.

It was pointed out that the Board of Selectmen has the authority to make the decision to change to twice per year billing. Selectmen feel it would prolong the process by having the voters do it. The Board feels it is important enough to do now, and that these Public Hearings are a chance for the public to provide additional input. The Selectmen feel that it is in the Town's best interest to make this conversion as it will save money in the longer term.

There was discussion about how to move forward in working with the School District on their expenses and cash flow so that both Treasurers can invest for the Town and the District.

Peg Pinkham said the School Board had started an open dialog again with Sanborn Regional; and had a great meeting with them a few weeks ago and the two superintendents have working relationships in the present and the past. She was optimistic about this.

With nothing further relative to bi-annual taxes, the public hearing closed at 9:15 pm.

At 9:20 pm the meeting reconvened in the basement meeting room at the Town Hall. Present were Selectmen Gates, Hunter and St Germain, Treasurer Kimberly Dunbar; and Heidi Carlson.

Dunbar presented an updated rationale for her 2010 budget request:

4150 FINANCIAL ADMINISTRATION - TREASURER BUDGET REQUEST

1-4150-036 – FA Treasurer Salary	\$6,900
I am asking for an increase of \$900, or \$75.00 a month, due to increase duties for investing, forecasting and the bi-annual tax billing.	
1-4150-037 – FA Dep. Treasurer Stipend	\$200
No change.	
1-4150-038 – FA Treasurer Supplies	\$800
Due to the increased cost of ink for my printer and fax machine, paper, archiving supplies, software & internet costs, I have increased this line item by \$200.	
1-4150-039 – FA Treasurer Dues & Conferences	\$300
I have had this line item open since I became Treasurer but haven't used it before. This year I wish to attend either workshops, seminars, or conferences related to financial investing, but not limited to this subject alone. I also would like to join a Treasurer's Association, which I have not done before.	
1-4150-050 Mileage Reimbursement	\$110
No change. This covers bank trips as well as to any trainings which may be attended.	
1-4150-053 FA Postage	\$10
Due to my postage line still remaining intact this year I will be able to buy enough postage for 2010. The \$10.00 amount is in case of postage increases and to keep this line item open for 2011.	
1-4150-054 – FA Office Equipment	\$200
This line would be used to upgrade the warranties on the new computer system. For 2008-2009 I purchased this completely out of my own pocket because it was not budgeted.	
1-4150 Total Treasurer Budget Request	\$8,520

Projected Revenue from Maintenance Fees for Escrow/Bond Accounts \$960

Gates said that the Selectmen wanted to be able to meet more often with Departments to be more aware of what is going on, and have the Board be more approachable and more transparent in all of the Town's activities.

Gates stated that the intent is not meant to question the integrity of anyone. He said there is a lot of emotion about change and additional policies. He said the Selectmen are responsible and answer to the taxpayers and charged with use of their tax dollars responsibly.

St Germain said she is deep into reading the RSA's and understanding her duties as a Selectman and a member of the Board. She said the Board is in charge of the financial oversight and dollars of the Town. She explained that she wanted to sit with each of the departments and understand more about what they do and how they do it. She said she is particularly interested in the financial oversight; how computer systems are and how all of the systems and procedures all tie together. For example, she asked how the Treasurer receives deposits and reconcile with the other departments such as Town Clerk and Tax Collector. She said she is reviewing in detail all of the expenditure reports to "connect the dots." She said she was pushing for more checks and balance and to get a better understanding of the process.

Dunbar said she had just received a copy of the minutes from 9/10/09 and responded to the Board's question about the safety of online banking. She said she is the only person with a password and a secret question; it is printed out and locked away (in addition); and that there are two people who know where it

is locked up. It would need to be given to Deputy Treasurer Barb Bassett or the Selectmen or Town Administrator in case of an emergency or injury to Dunbar.

She said that all account numbers and every password is safeguarded in the same manner. She added that she does not keep any of the information logged on to her computer.

Dunbar said she was open to meeting with St Germain to further review these items.

There was then some brief conversation about conversion to a July 1 fiscal year. Dunbar had briefly discussed this with the Board back in May.

Selectmen thanked Dunbar for her time and efforts this evening, and she left the meeting at 9:35 pm.

Selectmen then moved on to the Tax Collector's budget request as presented earlier. There was some discussion and with the amendments earlier discussed, Gates moved to recommend \$28,950 for the Tax Collector's budget within Financial Administration. Hunter seconded and the vote was all in favor 3-0.

St Germain then moved back to the Treasurer's budget. The Board discussed putting the salary back to the 2009 level of \$6,000. Selectmen wanted to keep the budget at the 2009 level of \$6,991.

Hunter then moved to level fund the Treasurer budget request within Financial Administration at \$6,991. St Germain seconded and the vote was unanimously approved 3-0.

Selectmen then reviewed the other final items within the Financial Administration budget:

**4150 OTHER FINANCIAL ADMINISTRATION TO INCLUDE TRUSTEES OF TRUST FUNDS,
BUDGET COMMITTEE and ANNUAL AUDIT EXPENSE**

100 BC Budget Committee Expenses	\$ 250
Advertising \$200 (two public hearing notices); postage \$50. All paper and photocopying costs are within the Selectmen's Office budget.	
101 BC Budget Committee Clerical	\$ 1,900
Budgeted at 18 meetings per year x 8 hours per (meeting and preparation of minutes) x \$13.11/hour	
204 TF Trust Fund Expenses	\$ 75
Miscellaneous office supplies, ink printer cartridge, for the Trustees of Trust Funds.	
240 TF Trustee of Trust Fund Stipend	\$ 625
Chair \$375; Members 2 at \$125	
344 Audit	\$ 8,400
Contract price for Professional Audit (three-year renewal contract pricing received for FY 2009-2011) dependent on annual funding. Additional reporting requirements have increased, making the auditor's research and final report more complex.	

Selectmen had no additional questions. The Budget Committee clerical line is consistent with what was reallocated in the 2009 default to fund the Committee's clerical needs. The increase in the audit line is due to additional obligations on the part of the auditor for financial reporting, and a new three year contract proposal.

Hunter moved to recommend \$11,250 for these items within the Financial Administration budget. St Germain seconded and the vote was approved 3-0.

Selectmen then returned to review of the Highway Department Budget where they had left off.

015 Hottop**\$11,400**

Budget line item for patch paving as needed in various locations in town. This has been added at this amount to compensate for the fact that we are NOT asking for an overlay Warrant Article given the economy and increases in the cost of machine paving up to \$82 per ton. With the roller and an increase in this line item, we can do and keep up with repairs and maintenance. (With inclusion of a Warrant Article for overlay work, Selectmen recommend this line item at \$10,000).

017 Communications**\$1,200**

Monthly phone charges averages \$110 – 120/month. This is for two Nextel telephones for Road Agent and full-time employee.

018 Engineering**\$0**

No budgeted allowance for engineering needs.

022 Painting Lines**\$0**

Have excluded this in 2010.

027 Tree cutting**\$7,800**

Cost to remove huge dead or dangerous trees, using a crane and tree service or a climber. There is continually more of this work to be done.

Selectmen decided to recommend this at \$5,500.

028 Roadside Mowing**\$1,900**

This line includes \$20 per hour for tractor rental for an estimated 95 hours of work. Done by full-time employee during his work day for a couple of weeks in late summer.

There was discussion about the tractor rental and whether the Town could purchase such a machine. There is continued concern about the liability issues of Town employees (in the payroll system); and contracted (rented) equipment hire. This applies in several facets of highway work as the Town does not own equipment aside from the plows and sanders.

035 Beaver Control**\$400**

Includes time for trapper as well as more frequent maintenance and work by log truck cleaning out culverts. Down from prior years based on need for the service. In 2009, Town purchased a pole to do some of this work in house (breaking up problem areas).

Based on past years, Selectmen decided to reduce this to \$150.

073 Road Agent Admin / Supervisory**\$10,000**

Man hours estimated at 12-14 hours per week for approximately 30-32 weeks per year (on average) at \$25.00 per hour to cover the administrative duties which are reallocated from equipment hire. This includes time at job sites working (not equipment time) and laying out work plans, supervising road construction within Town (Town projects and outside projects)

The Board did not understand why this was included as a separate line item. Carlson explained some of the information which had been given to her by Holmes at the time this budget rationale was put together. Without the Road Agent to explain it, the Board decided to recommend \$0 in this newly created item.

075 Road Agent Salary \$4,200

Road Agent spends at least three days per week doing Town work; and the other days moving the full-time employee with equipment runs and some instruction. This salary line includes such items as phone calls, calls for service to check trees & wires, water and road complaints, paving supervision, recommendations on subdivision road matters, paperwork, bill review and approval. No change to this line item.

099 Training \$300

Cost to cover up to five workshops for town full-time highway employee offered regularly by the NH Roads Association and UNH education.

The Board was supportive of whatever amount the Department needs for training.

105 Truck & Equipment Maintenance \$3,800

Oil changes, annual inspection, general maintenance

106 Truck Fuel \$ 4,750

Estimated at approximately \$100 per week

110 General Supplies \$ 475

Includes some erosion control measures, grade stakes, paint, etc

111 Safety Equipment \$ 200

Purchase needed safety equipment (chaps, helmets, ear protection, etc)

HIGHWAY DEPARTMENT OPERATING BUDGET TOTAL REQUEST \$ 309,940

REVENUE Estimated 2010 NH Highway Block Grant payment - \$90,000

Estimated winter maintenance reimbursement \$3,000

The Board further discussed the Highway Department budget, including their goal for better transparency and more accountability throughout municipal budgets. Gates said that the Road Agent is elected by the populous and the budget is overseen by the Board of Selectmen.

Discussion then moved to line item transfers and a dollar value that departments could work within.

The Board indicated that the Selectmen control the budget and can control what the Road Agent does. The Board said they wanted to work within the Road Agent’s recommendations; and reiterated that the Selectmen are being asked questions about what is being done on the roads. Selectmen stated they have an obligation to the taxpayers.

With all of the changes outlined above, a motion was made by St Germain and seconded by Hunter to recommend the Highway Department budget at \$280,915. The vote was approved 3-0.

Selectmen then moved to the Town Clerk budget for further discussion.

St Germain said her questions had been answered from last week. She suggested that the Deputy wages need to remain at the same hourly rate (as with all other employees); and said that would reduce the Deputy line to \$19,859 from the \$ 20,560 proposed (with a COL increase). That was the only proposed change.

Hunter then moved to recommend a total amount of \$58,200 for the Town Clerk portion of the Executive budget. Gates seconded and the vote was unanimously approved 3-0.

OLD BUSINESS

1. Selectmen reviewed the minutes for 17 September 2009 and 10 September 2009. Board members had not had sufficient time for the minutes of September 17th, so they were deferred to next week. A motion was made by Hunter and seconded by Gates to approve the minutes of 10 September 2009. The vote was unanimously approved 3-0.
2. Carlson discussed the meeting agenda for September 30th for timing. It was decided that the Miller's would be scheduled at 7:00 pm based on Mrs Miller's phone call yesterday; and Chief Janvrin at 7:15 pm for the Police and ACO budgets.
3. Some additional information was submitted by Thom Roy relative to the fee schedule updates for Public Hearing. The Public Hearing notice has been prepared and was reviewed and approved by the Board:

TOWN OF FREMONT PUBLIC HEARING

The Fremont Board of Selectmen will hold a Public Hearing on October 22, 2009 at 8:00 pm at the Fremont Town Hall, basement meeting room, 295 Main Street in Fremont NH to discuss changes to the Town's Fee Schedule.

The full schedule of changes is shown below. It is also available in the Town Offices, posted at town buildings, and on the website at www.fremont.nh.gov on the Board of Selectmen page.

The public is invited to attend.

The following building permit fees are proposed to be updated. New fee is listed in color; old fee is shown at the end of each section.

NEW CONSTRUCTION – calculated as construction cost multiplied by \$5/1000 of construction cost.
Construction cost calculated as:

\$90.00 per square foot of living space - calculated by the square footage of the building's outside perimeter times the number of stories - includes all living space accessible by stairways. Adjustments may be made for inaccessible areas as needed. (\$60 psf currently)

\$40.00 per square foot of garage area - calculated by the square footage of the building perimeter—garage 2nd story storage to be calculated as accessible storage (noted below) (\$30 psf currently)

\$30.00 per square foot of accessible storage space - includes basements and accessible attics and garage lofts (\$20 psf currently)

\$20.00 per square foot for decks - calculated by the square footage of the deck perimeters. (\$10 psf currently)

RESIDENTIAL ADDITIONS / GARAGES / OTHER NON-COMMERCIAL BUILDINGS greater than **200 square feet** – Calculated as construction cost multiplied by \$5 per \$1,000 of construction cost or \$65 whichever is greater. Construction cost is calculated as above. (currently this limitation is 150 sf)

HUD HOMES - Calculated as construction cost multiplied by \$5/1000 of construction cost. Construction cost = **\$60 per square foot** of living space – otherwise all construction cost calculated from above. (\$45 psf currently)

COMMERCIAL OCCUPANCY - Calculated as construction cost multiplied by **\$5/1000 of construction cost**. All occupancy types other than residential and any mixed occupancies are calculated as commercial. Construction cost = **\$90 per square foot** of new commercial space, includes all storage, garaging, accessory buildings, etc. (Currently this is \$7/1000 of construction cost and \$60 psf)

Additional fees to be updated:

Property Record card (2 sided) \$1.00
 Currently only charged \$0.50

To meet the requirements of changed NH legislation, the Town of Fremont will add \$2.00 per hour per detail to cover the mandated costs.

POLICE DETAILS \$47.00 per hour / officer and cruiser
REVISED RATES \$40.00 per hour / officer only

OLD BUSINESS CONTINUED

- 4. The October Newsletter final review was completed with all changes as outlined herein.
- 5. Carlson advised the Board that a grant application has been completed and submitted for the NH Municipal Energy Assistance Program on behalf of the Energy Committee. Selectmen had briefly reviewed and endorsed this application package at the meeting of 09/10/2009; and the form had been signed by Chairman Gates.

NEW BUSINESS

- 1. Selectmen reviewed the folder of incoming correspondence.
- 2. Selectmen opened the Town Report bids received to date:

Bacon Otto Press	\$6,739.00
Select Print Solutions	\$6,128.00
Town & Country Reprographics	\$12,057.50
The Country Press	\$4,262.88
TXC Inc	\$10,550.00

The references on the low bid will be checked; as The Country Press is not a vendor the Town has worked with in the past.

3. In the Selectmen's mailbox was a list forwarded by Thom Roy from Fred LeClair. This list was submitted by LeClair to the Planning Board last evening regarding gravel and logging wood operations which LeClair believes to be in non-compliance with Fremont Regulations. LeClair submitted this list in response to his receipt of a Cease and Desist Order this week, for an unpermitted gravel operation and wood operation on his lot on Red Brook Road.

Selectmen indicated this was a Code Enforcement review matter, and agreed with Roy drafting the first letter to go out to these owners. There were only map and lot numbers on the list, so the addressing and property owner information was being researched by Roy.

4. Carlson circulated copies of the following new budgets for review next week:

4323 Solid Waste Collection

4324 Solid Waste Disposal

4550 Library

NEXT WEEK

The next regular Board meeting will be held on Wednesday September 30, 2009 at 6:00 pm.

With no further business to come before the Board, motion was made by Hunter and seconded by Gates to adjourn the meeting at 10:45 pm. The vote was unanimously approved 3-0.

Respectfully submitted,

Heidi Carlson
Town Administrator