

**BOARD OF SELECTMEN  
MEETING MINUTES**

**July 11, 2005**

**PRESENT:**

Mark Kaplan, Chair, Board of Selectmen  
Douglas W. Lyon, Selectman  
Jessie Levine, Town Administrator  
Ruth I. Clough, Selectman

**OTHERS PRESENT:**

Bob Andrews, Recreation Director  
Ann Bedard, Sewer Department Clerk  
Don Bent, Health Officer  
Carol Fraley, Finance Officer  
Linda Hardy, Town Clerk/Tax Collector  
Richard Lee, Road Agent  
Linda Miller, Tracy Library Co-Director  
David Seastrand, Police Chief  
Peter Stanley, Fire Chief  
Bob and DJ Lavoie, New London residents  
Debbie Cross, Intertown Record  
Carolyn Dube, Argus Champion

Non-Resident Taxpayers  
John and Judithann Brimmell  
Doug Carroll  
Ellie Clough  
Judith Enright  
Jane Gold  
W.L. Oakes  
Bill and Jane Smedley  
Mark and Marilyn Wendling  
Al and George Widmer

Chair Kaplan called the meeting to order at 8:00 AM. The Selectmen reviewed the PowerPoint slides for the Non-Resident Taxpayers' Meeting, which is scheduled to begin at 9:00 AM.

Minutes: Ms. Clough moved to approve the public and non-public minutes of June 27, 2005. Mr. Lyon seconded. Approved 3-0.

**NEW BUSINESS:**

Citizen's Advisory Committee: Ms. Levine said that there is a Citizen's Advisory Committee meeting scheduled for this Saturday, July 16 at 7:30 AM. She asked the Board of Selectmen if there were any items in particular that they would like to present or discuss. Chair Kaplan suggested talking about the changes in school funding and how it affects New London's tax rate. Ms. Levine said that she would see if Representative Foose or Kidder or Senator Odell is available to join the meeting. Chair Kaplan said that he would like to show the CAC the slides prepared for this morning's meeting. Mr. Lyon said that there are also a number of items about which the Selectmen could report back to the CAC: the skateboard ordinance and the Elkins study. Mr. Lavoie suggested an update on the joint assessor position and the process. Ms. Clough said that it would be good to leave half an hour at the end of the meeting to receive input on topics chosen by the CAC members.

Summer Meeting Schedule: Ms. Levine said that Mr. Lyon has a conflict with the July 25<sup>th</sup> meeting, and asked to switch that meeting to July 18. The Selectmen did so, and added a meeting on Monday, August 1 at 8:00 AM. Chair Kaplan noted that the meeting of August 22 is another Non-Resident Taxpayers' Meeting, and Ms. Levine said that KRSD Superintendent Tom Brennan planned to attend that meeting. The Selectmen added the following meeting dates to their schedule:

Selectmen's Meeting Minutes

July 11, 2005

Page 2

Monday, September 12 at 8:00 AM

Monday, September 19 at 8:00 AM

Monday, October 3 at 8:00 AM

Monday, October 10 at 8:00 AM

Monday, October 17 at 8:00 AM

Monday, October 24 at 8:00 AM

Monday, October 31 at 8:00 AM

There are Citizen's Advisory Committee meetings scheduled for September 24 and October 29 at 7:30 AM. Ms. Clough asked whether the Selectmen should return to having one meeting a month in the evenings. After some discussion about attendance by the public, the Selectmen decided to continue holding meetings in the morning, but would be happy to schedule evening meetings upon request or for public hearings.

Local Government Center: Ms. Levine said that she would be at the Local Government Center Board of Directors retreat in North Conway from Tuesday –Thursday afternoon, and would be in Newbury all day Friday for interviews of the Joint Assessor. However, she will be available by cell phone and e-mail and will check messages.

CIP Subcommittee: Ms. Levine said that the Capital Improvements Plan (CIP) update is going to begin in August, and asked whether Mr. Lyon would continue to be the Selectmen's representative to the subcommittee. Ms. Clough said that Tom Cottrill and Dale Conly will be the Planning Board representatives to the subcommittee. Ms. Levine said that the Budget Committee will meet on August 11, at which time it will appoint its representatives.

**OLD BUSINESS:**

Main Street Committee: Ms. Levine said that the Main Street Committee held its first meeting on June 28, and the primary concern from participants was the use of business parking lots for school pickup and drop off. Ms. Levine said that she has contacted the School District to talk about alternatives to the existing traffic design; Chief Seastrand has in the past talked to school officials about opening the driveway behind the schools for pass-through traffic. Ms. Levine said that she was surprised that there was not more emphasis on the committee about beautification or revitalization of Main Street. However, after the meeting Ms. Levine talked to people who could not attend the meeting, such as Jack Diemar, who thought that Main Street could use improvements to the sidewalks, street lights, and other upgrades. Ms. Levine said that Stefan Timbrell, who could not attend the first meeting, was elected chair of the Main Street Committee.

Street Lighting Committee: Ms. Levine said that the Street Lighting Committee met on Thursday, July 7, with PSNH officials to talk about street light replacement options. Ms. Levine said that members of the committee have inventoried New London's streetlights and propose the removal of 40 out of the 150 lights. The committee recommends replacing the remaining lights with the low energy lights, which are more efficient and cost less in the long run. There is overlap between the Street Lighting Committee's project and the Main Street Committee's project, since it does not make sense to replace the lights on Main Street if we will eventually be burying utilities. PSNH is going to give us an estimate on what it would cost to have them do a study on the cost of underground utilities. However, their study would only cover PSNH; separate studies would have to be performed of TDS and Adelpia. Ms. Clough noted that it would also have to be coordinated with the State's plan to upgrade the drainage on Main Street.

Chair Kaplan said that it would be nice to have an idea of where we're headed, and Ms. Levine replied that the Town could ask a landscape designer to sketch a plan for Main Street standing at Whipple Town Hall and looking west. Bob Lavoie suggested that Main Street should be studied the way Elkins is being studied, and should be included in the Master Plan. Ms. Clough agreed.

Bob Lavoie asked whether the State could approve a four-way stop sign on Main Street. Ms. Levine said that suggestion had been brought up by members of the Main Street Committee. Since Police Chief David Seastrand had just entered the room, she asked Chief Seastrand what he thought of the idea. He said that he would be concerned about back-up created on Main Street, and thought that a better idea would be to preclude left turns from Pleasant and South Pleasant streets onto Main Street during school hours. He added that he would also like to see the school develop a road going behind the schools, which would separate bus and parent traffic. He said that a four-way stop at Newport/County roads would be tough as well because of the commercial driveways that access those roads. He thinks a light at that intersection would make much more sense.

Mr. Lyon said that the State would undoubtedly have statistics on traffic volume that would help guide the intersection control decisions.

NON-RESIDENT TAXPAYERS' MEETING: At 9:00 AM, Chair Kaplan opened the first 2005 Non-Resident Taxpayers' Meeting, and thanked the attendees for coming. He asked the Department Heads to introduce themselves: Finance Officer Carol Fraley, Police Chief David Seastrand, Road Agent Richard Lee, Fire Chief Peter Stanley, Health Officer Don Bent, Recreation Director Bob Andrews, Town Clerk/Tax Collector Linda Hardy, Library Director Linda Miller, and Sewer Department Clerk Ann Bedard.

He then started the PowerPoint presentation. The first slide summarized the cost of the new highway garage and fire station addition:

Facilities Expenditures	Highway Garage	Fire Station	Total to come from Bond
2003 Expended	24,641.31		
2004 Expended	698,843.55	482,241.01	
Encumbered to 2005	<u>62,714.80</u>		
Total cost of project	786,199.66	482,241.01	1,268,440.67
Less Capital Reserves	<u>(181,837.10)</u>	<u>(208,663.36)</u>	<u>(390,500.46)</u>
Balance from bond	604,362.56	273,577.65	877,940.21
Appropriated	2003 Highway Garage	25,000.00	
	2004 Highway Garage & Fire S	<u>1,340,000.00</u>	
Total		1,365,000.00	
Final cost of project		<u>1,268,440.67</u>	
Total unspent appropriation		96,559.33	
Plus Interest saved over life of bond		<u>41,836.93</u>	
Total savings to Town		138,396.26	

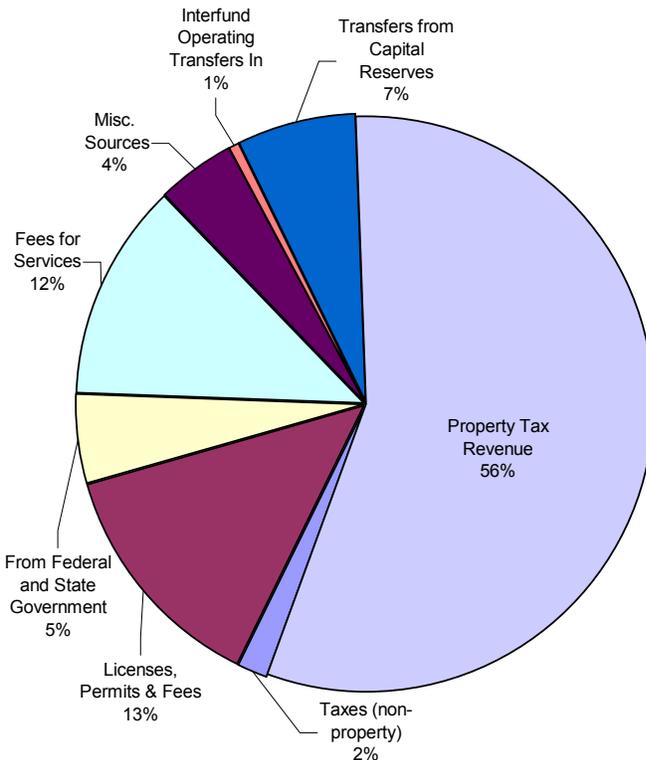
Chair Kaplan pointed out that the total cost of the two projects was \$1,268,440.67, which was \$96,559.33 under budget. Because of that savings, the Town only had to borrow \$877,940.21 from the bank, so the total savings, including interest avoided, was \$138,396.26. Ms. Clough attributed part of the savings to the excellent project management of the Road Agent and Fire Chief and the volunteer labor of the Fire Department. She said that the Selectmen are pleased with the savings and with the well-managed projects. Chair Kaplan said that this year, the Town chose to go out to bid to borrow from a local bank (Lake Sunapee Bank won the bid at 3.72%), which gave the Town a lower rate and better flexibility than had it borrowed from the NH Municipal Bond Bank.

The next slide compared the Town's projects to the approximate cost of building projects in neighboring towns:

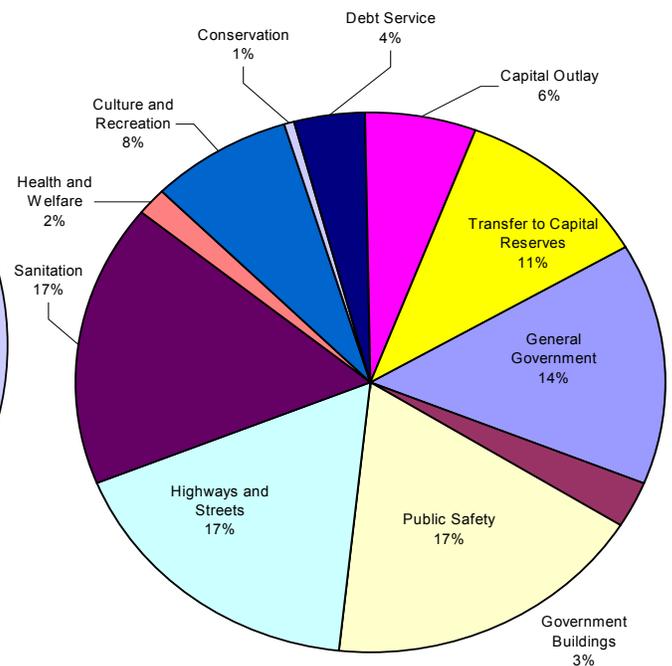
New London's Highway Garage:	\$786,200
New London's Fire Station Addition:	<u>\$482,241</u>
	<b>\$1,268,441</b>
Sunapee's Safety Services building (2005):	\$2,600,000
Sunapee's Highway Garage (2003):	\$650,000
Newbury's Highway Garage (2004):	\$1,200,000
Newbury's Town Office Expansion (2005):	\$650,000

Chair Kaplan then introduced the next slide showing the Town's revenue sources. He pointed out that not all of the Town's revenue comes from property taxes, as many taxpayers believe. A portion of the Town's revenue comes from motor vehicle registrations, a portion from outside grants, a portion from fees, and a portion comes from capital reserve funds that the Town created to save money for later. He then referred to the slide showing the Town's expenses.

**REVENUES**



**EXPENSES**



A question was raised about the fact that the expense slide did not show school costs. Mr. Lyon said that the revenue and expense slides relate to town costs only, since those are the only costs over which the Town has any direct control. He said that the Town controls approximately 20-25 cents out of every tax dollar.

Selectmen's Meeting Minutes

July 11, 2005

Page 5

Chair Kaplan moved on to the next slide, which shows how the Town's tax rate was calculated in 2004, as well as the estimate for 2005. He explained that in 2004, the Board of Selectmen used \$545,000 of surplus to offset the tax rate. This is a decision that is usually made when the tax rate is set in October. The Board of Selectmen believes that any surplus should be returned to the taxpayer. However, the Selectmen and Budget Committee have generally felt that a balance of 7.5% of the budget should be left in surplus for the ease of cash flow. Mr. Lyon said that by October, the Selectmen usually have a better sense of its revenues and can make a more informed decision as to how much surplus to use. Chair Kaplan said that last year, the use of surplus left approximately \$464,000 of surplus balance.

	<b>2004</b>	<b>2005 Est.</b>
Total Expenses	7,351,715	6,236,048
Minus Revenue	(3,828,841)	(2,742,735)
Minus Shared Revenue	(16,832)	(16,832)
Plus Overlay	+ 92,854	+70,000
Plus War Service Credits	<u>+ 42,900</u>	<u>+83,400</u>
Amount to be Raised by Taxes	\$ 3,641,796	\$3,629,881
	÷	÷
Divided by Total Property Value	882,668,642	889,168,642
Unsubsidized Tax Rate	= 4.13	= 4.08
Using Surplus of	(545,000)	?
Final Tax Rate	= 3.51	TBD 10/05

Chair Kaplan moved on to the next slide showing the breakdown of the total tax bill and the tax bill estimate for 2005. He said that the legislature recently passed a bill that lowered the statewide property tax and eliminated the donor town payments to the state. New London will now keep the money collected from the statewide property tax, which will lower our total school payment by about \$1.5 million. This is a drop of about \$1 on the tax rate.

	<u>2004</u>		<u>2005 Est.</u>	
Statewide School Tax	3.39	23%	2.97	21%
Local School Tax	5.47	38%	4.91	34%
County Tax	2.24	15%	2.50	17%
Municipal Tax	<u>3.51</u>	24%	<u>4.08</u>	28%
<b>Total</b>	<b>14.61</b>		<b>14.46*</b>	

\*Estimated 10% reduction in the tax rate even without the use of surplus

Ms. Clough noted that there have been rumors of lawsuits against the state as a result of the latest school tax bill. Chair Kaplan moved to the final slide, which shows the tax rate history dating back to 1991.

Year	Grand List	Total	Town	County	KRSD	State
1991	445,695,322	12.93	3.85	1.75	6.40	
1992	447,272,580	13.29	3.69	1.88	6.65	
1993	451,534,923	13.80	3.74	2.03	6.93	
1994	458,909,857	12.81	3.76	1.94	7.11	
1995	467,425,399	13.80	3.56	2.02	8.22	
1996	474,869,805	13.82	3.64	2.01	8.00	
1997	482,446,431	14.86	3.64	2.05	8.64	
1998	494,964,568	15.61	3.64	2.12	8.85	
1999	502,580,662	18.49	3.64	2.11	5.53	6.61
2000	508,181,597	18.80	3.86	2.24	7.03	6.54
2001	513,590,439	20.05	4.09	2.47	6.78	6.71
2002	686,112,001	15.47	3.97	1.77	5.24	4.49
2003	877,882,126	12.95	3.33	2.08	4.51	3.03
2004	882,668,642	14.61	3.51	2.24	5.47	3.39

Chair Kaplan brought attention to the fact that the grand list (total property value) has doubled since that time. He also pointed out that the combined tax rate for local and state school expenses was \$8.86 in 2004, and was \$8.85 in 1998, the year before the statewide property tax rate went into effect. Storm Connors agreed, but noted that since property values have doubled, the result is that our total payment has doubled as well, even though the tax rate returned to its starting point.

Doug Carroll asked what percentage of the tax payments was collected from non-residents vs. residents. He suggested that it would probably be about 50%, and added that the next capital improvement project should be planned by the people who actually pay for it. (Ms. Levine said that approximately \$446 million, or roughly 50%, of the total property value is owned by people whose zip code is not 03257 or 03233). Storm Connors said that the statewide property tax is geared to collect money from non-voters.

Doug Carroll emphasized the importance of preservation of open space in keeping property taxes down. He said, for example, that a siren went off at 7:30 this morning, and he wondered about the necessity of a siren in this town at that hour of the morning. Out-of-staters come here for the peace and quiet. Ms. Clough agreed with Mr. Carroll about land conservation, and added that she would like to see more than 1% of the budget dedicated to that effort. She said that the Planning Board is about to start the Master Plan update, which will ask residents to participate in the discussion about what the Town should look like in 10 years. Ms. Clough said that the Selectmen have also proposed a planning study on Elkins Village itself, which will begin this summer and will be included in the Master Plan.

Mr. Lyon said that he has been on the Board of Selectmen for ten years, and he has never seen a disagreement between residents and non-residents about land conservation. He said that proposals from the Conservation Commission have been overwhelmingly approved at Town Meeting. Storm Connors asked whether the Ausbon Sargent Land Preservation Trust had statistics about the percentage of their membership that is out-of-state, and the Selectmen opined that ASLPT had that figure.

Bill Smedley said that it is important that as the town changes, people have complete trust in the Selectmen, and he thinks that they are doing a great job. He added that he looked at records dating back to 1908, and taxes have increased quite a bit since that time.

Chair Kaplan asked those present if there were any questions for the Selectmen or the Department Heads present. One resident stated that she would hate to see the historic feeling of Elkins change, and she hopes that the Selectmen consider the historic buildings and the friendly local business that Mesa brings to the area. Chair Kaplan responded that the Selectmen want to bring people together to talk about just that: what should be the plan for that area? He said that the post office is becoming too small and there is too much conflict with beach traffic.

Mr. Lyon said that a question had been raised about the cable franchise. He said that the Selectmen have no control over the rates, and the requirement in the cable franchise agreement is that the cable company simply notify the Selectmen prior to a rate increase. Adelphia is being sold to Time Warner and Comcast, so New London will become a Comcast town within a few months and would ultimately renegotiate the franchise agreement with Comcast. Mark Wendling asked the Selectmen what they were negotiating for, if they had no authority to control the rates. Mr. Lyon said that during the last cable franchise negotiations, most of the discussion revolved around coverage of the Town, the improvement of the services, free cable to the school and town buildings, etc.

Ms. Clough said that she would just like to share a short list of projects that the Selectmen have been overseeing: the Main Street Committee, which is looking at plans for Main Street; the Street Lighting Committee, which is reviewing the lights in town; skateboard ordinance; painting town buildings, including repairing the ceiling and basement of Whipple Memorial Town Hall; and hiring a joint assessor with the towns of Newbury and Sunapee.

Mr. Lyon said that the Selectmen had decided to hold two non-resident taxpayer meetings – one in July and one in August – to catch visitors from different months, and he asked whether 9:00 AM was a convenient time. All agreed that it was. Chair Kaplan thanked everyone for coming to this morning's meeting, and the non-resident portion of the meeting closed.

Personnel Policy: The Department Heads stayed at the meeting to review the draft revisions to the Town's personnel policy. After review of approximately half of the policy, and after considerable discussion, the remainder of the review was continued to the meeting of July 18, 2005 at 8:00 AM.

Old Main Street: Jane Armstrong said that she was present to discuss her letter to the Board of Selectmen regarding Michael Todd's home. The Selectmen agreed that Michael Todd should be present for any discussion, and asked Ms. Levine to see if he would be available for their next meeting on July 18.

Town Building Update: Ms. Levine reviewed the available funds for town building projects and the painting bids. She said that there is enough money in the budget to cover most of the painting work and the window repairs at Whipple Town Hall, but said that she would have to go back to Town Meeting in 2006 to seek additional funds to paint the outside of Whipple and replace chairs and the stage curtains inside, as well as carpeting in the Police Station. She said that the interior painting will have to be put off until November, due to the extensive work needed on the Town Hall ceiling.

Assessing Update: Ms. Levine said that some interviews for the joint assessor position had been scheduled for Friday, July 15. The Joint Board hopes to fill the position by September 1. However, that does not leave enough time for a new assessor to accomplish a statistical update, and she asked the Selectmen if they wanted to ask Municipal Resources, Inc., to do a market analysis and statistical update to address any proportionality issues that might have developed since 2003. She noted that town-wide, the ratio of assessment to sale price is lower than 80%, while this does not appear to be the case on Lake Sunapee. After some discussion, the Selectmen agreed that they had promised property owners that they

would stay current with assessed values, and that a market analysis should be performed to see if an update is required.

Ms. Levine said that following her appeal letter, the Department of Revenue Administration reversed its decision and will allow the Town to spend \$30,000 out of the Revaluation Capital Reserve Fund, and this would cover the cost of the statistical update. However, New London will owe Newbury approximately \$13,000 for its share of the Joint Assessor (for four months from September-December), and she asked the Selectmen if they would approve overspending the assessing budget in this amount. The Selectmen agreed that it had an obligation to taxpayers to perform the statistical update, even if it meant overspending the assessing line. Ms. Levine said that there may be enough money unspent in the legal budget to offset the over-expense on assessing.

Lake Sunapee Protective Association: Ms. Levine said that the Lake Sunapee Protective Association is waiting for the Selectmen to appoint a representative from New London to fill Syd Crook's position. Ms. Clough said that John Clough is interested, and she recused herself from further discussion. Motion Mr. Lyon, Second Chair Kaplan to appoint John Clough as New London's representative to the Board of the Lake Sunapee Protective Association. Approved 2-0.

#### **SIGNATURES:**

#### **Building Permits:**

- Robert & Caroline Bossi, 387 Little Sunapee Road (Map 46, Lot 14), permit to build chicken coop and deck (on house, not on chicken coop) – Approved (05-062)
- Nancy Carr Robertson, 56 Laurel Lane (Map 89, Lot 17), permit to build studio in existing garage; remove existing 16' door and replace with windows – Approved contingent on approval of equitable waiver from ZBA (Permit 05-063)
- Sandra & James Raeuchle, 599 Hall Farm Road (Map 87, Lot 12), permit to add deck to back of house – Approved (Permit 05-064)
- Jonathan and Jennifer Paul, 125 Sunset Shores (Map 91, Lot 7), permit to install pre-fab 8' x 10' storage shed on blocks outside 50' setback and 20' side property line setback – Approved (Permit 05-065)
- John P. Garrahan, Jr., 668 Lakeshore Drive (Map 50, Lot 2), permit to add front and side staircases to existing deck – Approved (Permit 05-066)
- Julius & Barbara Federici, 55 Queenswood Drive (Map 118, Lot 003-003), permit to add garden shed 12' x 16' – Approved (Permit 05-067)
- Mark Vernon, 323 Pingree Road (Map 23, Lot 6), permit to add 4' x 4' x 6' high cupola to roof of existing barn/garage – Approved (Permit 05-068)
- Bettie Howard, 177 Sugarhouse Road (Map 35, Lot 11), permit to close in front porch, move garage doors forward, make living space above heated living room, add deck & screen porch (Permit 05-069)
- Glen & Christine Lohmann, 90 Oxbow Road (Map 121, Lot 22), permit to remodel existing barn to meet handicap requirements; add 8' x 36' farmer's porch to rear of existing house; move entryway door in kitchen for handicapped access; add handicap ramp to entry door of existing barn, plus additional work – Approved (Permit 05-070)

Selectmen's Meeting Minutes

July 11, 2005

Page 9

- Robert & Sarah Bergquist, 101 Summit View Road (Map 138, Lot 4), permit to fill in 20' x 40' in-ground swimming pool – approved (Permit 05-071)
- Stuart & Victoria Gulker, 606 Wilmot Center Road (Map 53, Lot 4), permit to build garage – Approved (Permit 05-072)

**Sign Permit Applications:**

- Kearsarge Capital Advisors, 228 Main Street, for permanent free-standing sign (8.75 SF) – Approved
- Northeast Shakespeare Ensemble (NESE) for temporary sign at Information Booth for *Much Ado About Nothing* from September 22-26, September 28-October 3, October 5-11, and October 13-22 – Approved
- Northeast Shakespeare Ensemble (NESE) for sign at Information Booth for *Gin Game* from July 20-25, July 27 – August 1, August 3-9, and August 11-28 – Approved
- Old Market Grille (Shedd Group), for permanent free-standing sign (6 SF) at Cricenti Shopping Center – DENIED due to property exceeding number and square footage of free-standing signs.
- Our Lady of Fatima Church, 724 Main Street, for temporary sign from July 17-23, 2005 for attic treasure sale – Approved
- Young Horizons Toy Co. for permanent sign for sign at Colonial Place, 255 Newport Road, for 9 SF sign mounted on side of building – Approved

**Other Items for Signature:**

- Disbursement and Payroll Voucher for the week of July 11, 2005
- Raffle Permit for Our Lady of Fatima Church for Holiday Fair fundraiser, November 12, 2005 – Approved

There being no further business, the Board of Selectmen voted to adjourn the meeting at 12:15 PM.

Respectfully submitted,

Jessie Levine  
Town Administrator