

MINUTES OF THE MAY 20, 2024 SELECT BOARD MEETING

MEMBERS PRESENT: Board Members Chair Mike Houghton, Vice Chair Allison Knab; Joe Anderson

ALSO PRESENT: Town Administrator David Moore, Finance Administrator Christiane McAllister, Parks & Recreation Director Seth Hickey, Town Clerk/Tax Collector Deborah Bakie, Deputy Town Clerk/Tax Collector Jim Joseph, Whitney Consulting Services Stephan Hamilton and Ben Heller.

At 7:00 pm Mr. Houghton opened the meeting and recognized Stephan Hamilton from Whitney Consulting Services who introduced Ben Heller, Stratham's weekly onsite representative from Whitney. Mr. Hamilton updated the Board on the progress of the 2024 reval. He briefly reviewed the 2019 valuation process. The State mandates that a reval is done at least every 5 years. The goal is to bring the Town's assessments to full market value. Market value in assessment means having a median assessment to sales ratio of between 90% - 110%.

Inspections of most sale properties have been completed. From 10/1/22 through 9/30/23, the overall median assessment to sale ratio dropped to 65.2%. This means that sale prices were approximately 52% higher than the most recent assessments. This trend of increasing market value than assessment is continuing, not just in Stratham, but across the state. Mr. Hamilton referred to his handout regarding recent home sales, focusing on the overall increase in values. Market value for residential properties are increasing faster than commercial and industrial properties. He observed that some towns perform more frequent revals so the increases are in smaller increments and therefore more consumable, though the impact on value is the same. Based on their analysis, they expect increases in values of all properties, some will be significant. An increase in assessment doesn't necessarily mean an increase in an individual property tax bill. Because the tax rate isn't set until end of Oct., DRA sets it based on appropriations that have been voted by Town Meeting and the School District meeting. That amount of money, less the estimated revenues will be divided by the sum of the newly assessed values. That is how the tax rate is set. Values are set to increase, but not uniformly. There may be individual differences. The new property tax assessment will be multiplied by that new tax rate and that will be the tax burden for the property owner, after any exemptions or tax credits are applied. Assessing information is on the website. Notifications of assessment will be sent out this summer. He and his team would be happy to meet with anyone regarding their valuation, either in person or over the phone. These informal meetings will likely be in late August.

Mr. Hamilton said that a common mistake residents make is applying last year's tax rate against the new assessment. Discussion ensued about drivers for a substantial tax increase in this process. One third will stay same, 1/3 go down, 1/3 will see an increase. Relationship between your property value and increase in value to what's happened to the total value. Your value to the median is a guide. The values have to go up about 52% to get to market value. Those are the values of the marketplace.

Their work is to reflect what buyers and sellers are doing in the marketplace. He described how they evaluate properties – is it average for its age, the quality of construction, etc. The style of the home effects valuation because it is market driven. Ms. Bakie suggested doing a presentation to explain the reval to the residents as was done in 2019, saying it was very helpful. Mr. Hamilton said it would have to be before the notices go out. The Select Board Newsletters have contained explanations of the reval. The website also contains information.

Mr. Hamilton moved to the abatements for 2023. Some have already been granted. He requested 13 be decided on this evening. He went through the abatements and gave his recommendations.

2024-4 14 Vineyard Dr. – Mr. Houghton motioned to grant the abatement as recommended. Mr. Anderson seconded the motion. All voted in favor.

2024-5 commercial property, 200 Domain Dr. Mr. Houghton motioned to deny the abatement request due to lack of support for opinion of value. Ms. Knab seconded the motion. All voted in favor.

2024-6 commercial 100 Shaw's Lane – Mr. Anderson motioned to deny the abatement request due to lack of support for opinion of value. Ms. Knab seconded the motion. All voted in favor.

2024-7 Sarnia Properties 3 Portsmouth Ave. – Mr. Anderson motioned to deny the abatement request due to lack of support for opinion of value. Ms. Knab seconded the motion. All voted in favor.

2024-8 Rt 11 Investments Mr. Anderson motioned to deny the abatement request due to lack of support for opinion of value. Ms. Knab seconded the motion. All voted in favor.

2024-9 Stratham-West Road LLC 4 West Rd. Mr. Anderson motioned to deny the abatement request due to lack of support for opinion of value. Ms. Knab seconded the motion. All voted in favor.

2024-10 Pipers Landing 142 Portsmouth Ave. Mr. Anderson motioned to deny the abatement request due to lack of support for opinion of value. Ms. Knab seconded the motion. All voted in favor.

2024-11 SIP-Lot 5A LLC 22 Marin Way Mr. Anderson motioned to deny the abatement request due to lack of support for opinion of value. Ms. Knab seconded the motion. All voted in favor.

2024-12 SIP-Lot 5B LLC 18 Marin Way Mr. Anderson motioned to deny the abatement request due to lack of support for opinion of value. Ms. Knab seconded the motion. All voted in favor.

2024-13 Marin Way Investment Corp. 14 Marin Way. Mr. Anderson motioned to deny the abatement request due to lack of support for opinion of value. Ms. Knab seconded the motion. All voted in favor.

2024-14 SIP-Lot 3 8 Marin Way. Mr. Anderson motioned to deny the abatement request due to lack of support for opinion of value. Ms. Knab seconded the motion. All voted in favor.

2024-15 SIP Lot 2 3 Marin Way. Mr. Anderson motioned to deny the abatement request due to lack of support for opinion of value. Ms. Knab seconded the motion. All voted in favor.

2024-16 SSS Realty LLC 71 Portsmouth Ave. Mr. Anderson motioned to deny the abatement request due to lack of support for opinion of value. Ms. Knab seconded the motion. All voted in favor.

Mr. Hamilton informed the Board that there is a case coming before the Supreme Court regarding the application of the ratio to commercial property tax appeals. It involves Pheasant Lane Mall and the City of Nashua. The dispute is regarding the assessment in the prior tax year. The case will be heard on May 29th. The decision may impact all abatements that have been denied and the consequences if a taxpayer appeals the assessment. The Board of Tax and Land Appeals has placed a stay on all abatement requests pending the decision of the Supreme Court.

Ms. Knab motioned to approve the Select Board minutes from May 6, 2024 as written. Mr. Anderson seconded the motion. All voted in favor.

Mr. Houghton recognized Parks & Recreation Director Seth Hickey for his department report. Mr. Hickey reported averaging two senior trips a month (active and passive) using the van.

Newsletter will go out to residents over age 60 at end of summer to lay out programming for the winter months. He reviewed sports programs. He invited the Board to the Park Association barbecue on June 4th. The in-kind project to replace the batting cage at SHP, which was a big undertaking, is nearing completion. Food Truck festival was a huge success. Mr. Hickey thanked the DPW crew.

Parks & Recreation Programming Assistant Diane Smith and Parks & Recreation Program Coordinator Zach Cherry are adding classes on a regular basis. Trail running at the park is in its third week, generating approximately \$700 clear a week. Food Trucks at the park will begin in June. Plans are underway for Summerfest on July 20. They will hold a recognition ceremony dedicating the home dug out to John Hopping at the beginning of the softball game. Mr. Hickey also talked about doing a small ceremony at the unveiling of the plaque at Stevens Park.

At the Trail Management Advisory Committee meeting, Edie Barker expressed frustration with the negative encounters she has had with dog owners and their off leash dogs. She wants to install gates so that pedestrians cannot access her farm area. This is well within her rights of the deed. Mr. Hickey will get word out through social media that that portion of the trail is closed. Crockett Farm has also experienced issues with dogs off leash. TMAC reviewed the existing dog ordinances at the park. Currently, off leash dogs are allowed in the wooded areas. TMAC would like to propose a change to the ordinance to restrict off leash dogs to two areas – the front and back fields by Gifford barn only. They discussed how many people have dogs off leash, there are even some commercial enterprises doing business out of the park. Ms. Knab noted that that is not permitted and would like to enforce prohibiting that activity. Commercial dog walking is a problem. They don't pick up waste or have them under control. Ms. Knab has reservations about changing the ordinance. She has had conflicting experiences and conversations. She acknowledged that there are a lot of park users and it is hard to manage. Mr. Hickey referred to an incident where he had to address a large group of non-residents using the park pavilions without a reservation. With TMAC, 40% of their time is devoted to dog issues. TMAC gave a lot of consideration to this proposal. Much of the problem is because there is no enforcement of the rules; there is no penalty for violations. TMAC wants to set clear boundaries. TMAC is requesting to come before the Board to explain their deliberations. Mr. Houghton agreed it is a challenging issue and was open to hearing from TMAC. Mr. Moore acknowledged that one of the frustrations of TMAC is our inability to enforce the restrictions that an Animal Control Officer would provide. Mr. Moore consulted with Town Council who advised a restriction on the number of dogs. Ms. Knab feels that there is a discrepancy between actual complaints and what is being viewed as a big problem. She does feel that commercial businesses should not be run out of the park. Mr. Hickey said that though we have some permitting processes in place, we do not have any that are particularly relevant. Mr. Hickey has been working with Mike Lamb, Planning & Community Development Coordinator, regarding the permits. Currently, regulations are loosely written in town policies in various places; we need to refine and formalize them. The police must be able to enforce, which would necessitate the creation of an ordinance. The Board supported moving forward with restricting commercial enterprises, as they take away from the resources of our community. The dogs issue has high levels of emotion on both sides. The Board expressed a desire to hear TMAC's deliberations. It is hoped that they bring empirical information and anecdotes collected over the years regarding dogs at the park. They were curious as to how the information was being reported. Mr. Anderson suggested Chief King update them on the ACO position. Mr. Moore suggested Chief King be present when TMAC appears before the Board.

Mr. Hickey called attention to the TMAC signage proposal included in the packet. He would like to set standards for deployment. Ms. Knab had a recommendation for a person to assist with the design work. Funding is yet to be determined. Mr. Moore appreciates TMAC collaboration with other committees on this work. Mr. Houghton requested Nate Merrill, Heritage Commission, be advised. Mr. Moore said he would do so.

Mr. Hickey drew attention to the Rec Revolving budget that Ms. McAllister provided and thanked her for her efforts.

Mr. Hickey has two interns starting. Food Truck Festival proceeds will offset the expense of the interns. Hopefully, they will add another one next spring semester. Great partnership with UNH.

Mr. Houghton asked Ms. McAllister for notable items from her reports. Ms. McAllister said the addition of Lisa Dudek, Finance Assistant, has helped her get caught up with reconciliations. Member of Rec Commission had asked about potentially investing or putting excess cash into another vehicle to earn interest. In discussions with Town Treasurer Rebecca Trembley, it was decided that instead of posting the combined interest from all the accounts into the General Fund, they will change it to post the interest revenue to each of the separate accounts. This topic was raised earlier with the Conservation Fund. There was a large deposit to that fund and the desire was to keep the interest earnings in that account. Accordingly, interest for Rec will move into the Rec Fund and EMS into EMS Fund. Ms. McAllister is working with Accufund to convert the Conservation Fund from a trust fund into a checking account which will be operated based on a majority vote of the Conservation Commission. Balance is \$994,000.

In response to a question from Mr. Anderson, Ms. McAllister reported that revenues are on track. She reminded them that we receive a large deposit from Meals & Rooms from the state at the end of the year. Investment interest is at 55% which is more than initially projected. She will do revised revenues for tax purposes in a few months. Once the revised revenues, the State aid and new valuations are known, significant consideration will be needed to manage the numbers in the most prudent manner. Changing the projected fund balance would have to be done at the time she is submitting the revised revenues.

Ms. McAllister called attention to the management of our capital improvement and capital reserve fund appropriations. She attended the Trustee of the Trust Funds meeting, which was also attended by Cambridge Trust. She learned that they are challenged in that they are keeping only 1/3 of what they've got invested for us as liquid over a period of months that they are laddering. For example, the purchase of the fire truck left them short. It was only because Ms. McAllister initiated a transfer of the current year's appropriations into the capital reserves that they were able to have enough liquid funds in order to fund that transfer of the Conservation Funds out. Being aware of what our needs are for the coming year is critical for them to appropriately invest the funds. Demands we have for replacement of assets could potentially drain Capital Reserve funds. We don't have the capacity to meet the immediate future needs, especially for DPW, unless we are withdrawing the amount we are putting in in the same years' time. The Trustees of the Trust Funds and Cambridge Trust agree, we can't treat those funds like a revolving door. They're not an Operating Account. Those funds are meant to accumulate interest and potentially earn money and smooth the tax rate. Mr. McAllister would like to introduce alternative routes to funding purchases. She believes there are better ways to manage our CIP funds.

CORRESPONDENCE

Mr. Houghton called attention to the commendation letter from a resident, praising the EMS and Police. They discussed recognizing the laudable efforts at a public event.

NEW BUSINESS

Mr. Moore stated that it is a requirement of our MS4 permit to adopt the Illicit Discharge Detection and Elimination Ordinance. He will work on it further and schedule a Public Hearing. A formal presentation will be given by the Planning Dept., then the Board will vote to adopt or not. Mr. Anderson voiced support and the Board agreed that he should move forward.

ADMINISTRATION

Mr. Moore reported that a Nate Merrill notified him of a leaning boundary marker at the corner of Greenland and Sandy Point Rd, behind the Fish and Game building (possibly Wiggin graveyard). There is a law regulating perambulating boundaries. It is expressly required that selectmen (or their designees) from the two towns meet to agree to reset bounds. Mr. Moore will write a letter to introduce the topic to the Greenland Select Board and follow through to make sure our standards are met in repairing it.

Regarding drainage concerns, Mr. Moore reported no response from 141 Stratham Heights Road on our May 8th letter. He still needs to get back to the Gifford Farm Rd resident.

Mr. Moore reported another inquiry regarding the off Lovell Road property – Town property that enters onto Gifford Farm Road. Would the town consider subdividing or selling that piece of property for residential development? We have a standard response that we will give the inquirer. Mr. Knab commented that as part of the open space plan we should have been considering conservation easements or restrictions on lands the Town owns. Mr. Houghton agreed, that as part of the Master Plan and Open Space Plan, town owned properties should be clearly defined with some intention of use, but how do we determine the future use? Ms. Knab feels protections should be in place on properties that make sense. Mr. Moore cautioned about unnecessarily encumbering the Town in ways that may inhibit addressing as yet unknown needs of the Town. A closer examination of these might be helpful at some point in the future.

Mr. Moore noted that Cambridge Trust has been bought by Eastern Bank. Cambridge Trust will maintain a presence within Eastern Bank in an investment advisory capacity.

Mr. Moore said that he and Ms. McAllister have been meeting with Chief Denton and EMS Captain Peggy Crosby to discuss options for enhancing the volunteer force. They've reviewed what we have for coverage. Ms. McAllister developed cost models based on projections they discussed. We have space in the budget this calendar year. They will meet again next Tuesday and bring to the possible options to the Select Board for discussion.

Mr. Moore reminded them of HB1069 Right to Know Law bill. Ms. Knab said that the bill was proceeding without controversy, it was only when the amendment was added that controversy began. Currently, you must be a resident of the state in which you are filing a RTK request. The bill would open requests to anyone from any state. The Board does not support this bill.

Mr. Moore reminded the Board about the upcoming DPW Open House. Summerfest is July 20th.

Donna Marsh has submitted her resignation from the Trustees of the Trust Funds due to a change in her circumstances. Knab motioned to accept Ms. Marsh's resignation with regret. Mr. Anderson seconded the motion. All voted in favor.

NH Retirement system reporting performed a desk audit which lasted from the week of Town Meeting until now. Thanks to Ms. McAllister, we did exceptionally well. However, there are a few items to follow up on.

At 9:24 pm Mr. Houghton motioned to go into a non-public session in accordance with RSA 91-A:3, II(c) to discuss a matter which may affect adversely the reputation of another. Mr. Anderson seconded the motion. Roll call: Houghton-yes; Knab-yes; Anderson-yes.

At 10:33 pm Mr. Houghton motioned to come out of the non-public session. Ms. Knab seconded the motion. All voted in favor.

RESERVATIONS

Mr. Houghton motioned approval of the NHSPCA Paws Walk Raffle Permit application. Mr. Anderson seconded the motion. All voted in favor.

Mr. Houghton motioned to waive the fee for the Active Retirement Association use of the Front Pavilion on September 9, 2024. Mr. Anderson seconded the motion. All voted in favor.

Ms. Knab motioned to waive the fee for the Dept. of Child and Youth Services' use of the Scamman Pavilion on June 7, 2024. Mr. Anderson seconded the motion. All voted in favor.

Mr. Houghton motioned to re-appointment Chris Zaremba to the Planning Board for a three year term to expire at town meeting 2026. Mr. Anderson seconded the motion. All voted in favor.

At 10:35 pm Mr. Houghton motioned to adjourn. Mr. Anderson seconded the motion. All voted in favor.

Respectfully submitted,

Karen Richard
Recording Secretary