

BOARD OF SELECTMEN WORKSHOP
Minutes of June 21, 2010
4:15 p.m.

<i>Selectmen:</i>	<i>(Absent with Notice)</i>	<i>Charles G. Palm, Chairman</i> <i>Colette Worsman, Acting Chair</i> <i>Peter F. Brothers</i> <i>Miller C. Lovett</i> <i>Nathan J. Torr</i>
<i>Town Manager:</i>		<i>Phillip L. Warren</i>
<i>Recording Clerk:</i>		<i>Karin Landry</i>

Call to Order: Acting Chair Colette Worsman called the meeting to order 4:15 p.m. She announced that Chair Chuck Palm will be absent from the next couple of meetings for medical reasons. She introduced the Board, Town Manager, and the Recording Clerk.

W 10-28 Trustee of the Trust Funds

Trustees Barbara Clark, Lou Kahn, and Justin Van Etten provided the Board with an overview of the trust funds. The funds are broken into two major categories, public funds and private/common trust funds. The Board reviewed a survey of capital reserve and expendable trust funds, including the account number, balance at 05/31/10, last deposit, last use, and recommendation. Funds that have not been accessed, spent, or contributed to since 2002 are highlighted on the survey. It is the job of the Trustees to make sure the funds are used for the purposes intended upon their creation. They will not disburse funds without consulting with a party authorized by warrant article or have a voucher to spend monies for cemetery, library or school purposes. The Library Trustees have been notified of the balance in the Library Trust Fund. It is hoped that the Trustees will gain knowledge from townspeople regarding the historical use of these funds.

It is believed that the Town CE Appropriation Fund is an expendable fund that was set up in 1988 to maintain cemetery plots that did not have perpetual funds attached to them. No originating documents have been found. The Trustees recommend using accumulated interest in the amount of \$4,487.26 for maintenance of cemetery lots without perpetual care funds. The Town cannot bill for services previously rendered. The Trustees recommend determining the cost of maintaining a lot in the Town cemetery and outlying cemeteries, and billing for their maintenance on an ongoing basis. Mr. Kahn explained that in order to spend the principle, a determination must be made that the individuals who contributed to the trust had a general charitable intent and would be happy to see the Town use the money for general maintenance of cemeteries. Making such a determination would be burdensome and costly.

Selectman Brothers would like to explore using some of the smaller funds for their intended use, particularly in light of the current economic environment. It is important to establish that there is authorization to use the funds. Billing for the maintenance of cemetery lots could lighten the load for the Town.

The Trustees asked the Board for direction in terms of priorities for targeting funds for research. It has been established that most of the funds can be used for their intended purposes. There are

no additional requirements that need to be met in order to use those funds. A vote must be taken at Town Meeting if funds are used for purposes other than those intended. Selectman Brothers suggested bringing forward a warrant article at the March 2011 Town Meeting setting forth how the Town wishes to use the funds.

The Municipal Technology Software Upgrade trust fund in the amount of \$61,296.55 was established when the Town went from a mainframe computer system to PC's. It was intended for the purchase of additional modules. Research is underway to determine if the funds can be expended for the purchase of a new program.

Selectman Torr supports prioritizing the list of funds, and addressing them one at a time. He thanked the Trustees for their work on the project.

Dialogue ensued regarding the difficulties that would be encountered in locating and reviewing backup documentation for the funds in the CE account. A statute sets forth that the Town is required to maintain the Town cemeteries, but not the outlying private cemeteries. The backup documentation that has been located shows no general charitable intent. The Trustees recommend that the Town accept a minimum of \$5,000 to \$10,000 for cemetery maintenance going forward.

Selectman Lovett is grateful for the work that has been done by the Trustees. As one-time chairman of the Trustees of the Trust Fund, he understands that the report is long overdue. It is important for the Selectmen to work with the Trustees in simplifying the process for maintaining the funds.

Dialogue ensued regarding options for investing the funds. At the current rate of inflation, the funds are losing money. The cost of having the funds managed by a bank, as required by the state, is prohibitive. Trustee Justin Van Etten presented the new Investment Policy that will be filed with the Attorney General's office. The Policy sets forth options for investing various types of funds. Certain funds can be invested for a longer period of time at a higher yield if the Trustees have guidance on when funds will be utilized. A separate accounting must be performed for each cemetery fund, so there is no way to effectively bundle the funds for a greater return.

Resident Jim Hughes suggested creating statewide legislation that allows the comingling of all trust funds, to be reported on once every five years in a town document. He pointed out that a donation of \$100 for cemetery maintenance in 1890 was a lot of money.

The Trustees made a recommendation that the funds that haven't been used be reviewed, and a plan to use as authorized, or transfer and close, be made. Cemetery funds are number one on the priority list. In the future, a clause should be included on new funds that they shall be reexamined at a certain time. The Trustees will investigate better investment options for a couple of expendable trust funds that are not being used. The Trustees will calendar a date to review the funds again.

There was a general consensus among the Board that it is beneficial to explore spending the older trust funds properly, or transferring the funds, if authorization has been made. The Town Manager will give the Board a presentation of the Town's needs as they relate to upcoming budgets, and notify the Trustees what is needed for funding. Ms. Clark will investigate the intentions for the Prescott Park Expansion fund and provide the Town Manager with copies of warrant articles from particular Town Meetings. The cemetery department will work out a cost for maintaining a single cemetery lot that will be applied as part of the annual budget process.

The Board thanked the Trustees for their hard work.

W10-29 Abatements

Assessor Jim Commerford presented 11 requests for abatement for the tax year 2009. He made a recommendation to approve 8 abatements in the amount of \$4,832.50. He recommended that 3 not be changed:

Greg - single family waterfront: The owner purchased the property for \$784,000 three months prior to the assessment date. The current assessment is \$182,700 less than the sale price. Not Recommended.

Landers - single family waterfront: Reduction in value from \$2,197,200 to \$2,101,800 based on changes in listing to include elevator and land condition factor. Recommended.

Murdock - 73 Collins Brook Rd., single family property: Reduction in value from \$342,400 to \$309,400 based on typography and site limitations. Recommended.

Tracy - single family waterfront: 20% adjustment for typography in place. Further adjustment not recommended.

WFP Nominee Trust - waterfront property: Reduction in value from \$780,415 to \$749,270 based on typography (wetlands issues). Recommended.

Lakeridge Association Boat Slips: Reduction in value from \$55,500 to \$35,000 based on lack of amenities and lease situation. Recommended.

McDonald's Corp, 209 Daniel Webster Highway: Reduction in value from \$305 per square foot to \$274 per square foot based on similar locations and usable area. Recommended.

Citizens Bank Building - Haynes Management. Additional details requested from Haynes Management. No changes for July 1. Request will be revisited for September 1. Not Recommended.

Action will be taken on the abatements at the July 19 Board meeting. The abatement summary sheet will be updated at that time. The owners will be notified by July 1.

Selectman Lovett suggested that Assessor Commerford be scheduled to make his presentation prior to other Agenda items. The Board agreed that it makes sense to do so.

Acting Chair Worsman requested that information for multiple docks be consolidated in one location in future reports.

ADJOURNMENT:

Selectman Torr motioned that the meeting be adjourned at 4:25 p.m. Seconded by Selectman Brothers. 4-0. All in favor. Motion passed unanimously.

Respectfully submitted,

Phillip L. Warren, Town Manager

Charles G. Palm , Chairman

Colette Worsman, Vice Chairman

Peter F. Brothers

Miller C. Lovett

Nathan J. Torr