

**Hill Budget Committee  
Meeting Minutes  
January 19th, 2022**

Approved February, 2, 2022

**Present:** Carol Asher, Marshall Bennett, Betty Hanks, Joann Irving, Paula McDonough, Paul Meyerhoefer, Don Moyer, Thomas Pavelka, Wendy Rosa, Thomas Seymour, Chris Vlitas.

**Public:** Shaun Bresnahan Jr, Christopher Gronski (Representing Select Board)

**Meeting Minutes:**

Called to order at 6:58 PM

Chair Moyer gave a brief introduction to the night's offerings which would start with a presentation of Town Revenues and would cover the firming up of absolute dates for the remaining Meetings, small and large, for the Budget Committee. Also up for consideration was a preliminary discussion on the format of the Public Hearings and Actual Deliberative sessions for both the Town proper and School District.

Mr. Bresnahan then began to outline the various ways in which a Town receives revenue outside property taxation. As will be revisited later, property tax is but one of the ways in which a municipality funds its duties.

Our Town uses standard State forms for reporting. As we are on the wee side of the population and appropriation scale, not all the lines that appear in such forms are filled. Those lines come into play with a much larger jurisdiction. More than once a Committee member had a question about a line that was entered as zero, the response being it really did not apply to Hill, therefore it was represented as null.

First up in State batting order was a line dedicated to the harvest that comes when property moves out of Current use. This past year was a Strikeout. Nothing came out of Current use. However, that will change in the coming year, as all three of the new constructions on Murray Hill, just South of the saddle between Burnt Hill and Page, will be completed. Upon consummation, and before occupancy, the purchasers of those subdivided lots will have to pony up. A general rule of thumb is that 3 years of nominal tax on the acreage, but not the improvements, are levied to take out the acreage that now has a dwelling upon it. If they are correct, the Select Board anticipates this will garner the Town all of \$5,000.00.

The Select Board anticipates that you will cut down about the same amount of forest this year. The Town is supposed to receive 10% of the assessed value of any stumpage garnered. That will remain in the region of 15K.

Next covered was the Excavation Tax. Guess how much the Town gets as a result of marketable soils like gravel and sand accrue us? Five Hundred whole dollars. Huh. No wonder we were so opposed to another Gravel Pit. In the end, the two active pits in town help offset taxation by about \$500.00 greenbacks. Two you say? Yes, a very small output pit, is operated on 3A well North of Bootjack. The other being the ongoing concern that operates off of Bootjack.

A brief discussion was had about some of the quirks in accounting for forestry and gravel dividends. As government has a predilection to be inconsistent, the fiscal year for those aforementioned endeavours spans April to March, while the Town proper affixes itself to a calendar from January to December.

You hunters and fisher persons help in offsetting taxation. The State kicks back \$2 per license issued out of a local office. Then we lump you into a category of Other, along with OHRV and the end result is 4K that does not have to be taxed.

In case you were ever wondering, our share of the Vehicles registered in Hill, and Taxed to do so, adds around \$200,000.00 per year to our ability to offset property taxation.

At this point, Rev. Asher asked about where the Town accounted for Property Taxes. Once again, Mr. Bresnahan gave an elocution about the equation that is Town funding. The Town Appropriates, and then subtracts the Revenues, which he was going over but had not finished enumerating, the resulting value resulted in the necessary amount to be raised by Taxation.

The Selectboard expects a cooling of COVID flight and nesting, which has reduced its expectation of funds to be recouped from building permits. Even so, the differential is only Seven Hundred fewer dollars in the coffers.

Despite conventional wisdom, the virus did not squelch State Revenues from meals and rooms. Of the incongruities in government, Hill's share of that tax is the epitome. Although we only really only contribute through pizzas sold at the Village store, we receive back in multitude. The State pools all received Statewide, into a fund. Then, through arcane formula, divvies it up where some Towns receive more than they contributed.

Ms. Irving then brought up her research into the increase. We should expect a reduction next year, even if more people visit the State. The State has released a report documenting the windfall. As a response, it is expected that the Legislature will reduce the tax rate for Rooms and Meals. Thereby resulting in a reduced expectation of State Revenues, which will translate to a lower number in our distribution next year.

Discussion then moved to the previously covered, if not multiple times, complex line of Road Reconstruction; which also appears in Town Presentations of Appropriations. It was asked as to how the line came to be anticipated. The reply was that the equation was the purview of the State, but it somehow included a weighted variable of Class Six Road. The upshot is that the State woos the improvement of Class Six, by giving a premium outlay to those Towns that have more miles in that class road.

Discussion then moved to some highly fluctuating lines. The State, it seems, is not very consistent in its kickbacks for State Forest Land, nor is our re-reimbursement for Land deemed necessary for Flood Control. Forest land revenues are dependent upon usage, which waxes and wanes whether the endeavour be recreational or sylvan-culture. The Flood Control District is predicated upon a compact which outlined the predominance of benefit being revived by the State of Massachusetts. To wit, the initial rebate required the Commonwealth to pay two thirds of the payments back to Towns for property taxes lost. The other third was up to the State of New Hampshire. Would that be the case in perpetuity.

The reality is that the State of New Hampshire suffered periods in which it covered 100% of the lost revenues to Town. The State then took it upon themselves to recoup the losses from Massachusetts. The

result has been that the Town used to receive over 100k per annum to offset taxation. Nowadays, we receive about 30k per annum.

Next up was the quagmire that has resulted of ARPA and Gopher funds available from the Federal Government as a result of Federal Covid spending.

The Selectboard would like to spend the bulk of that money replacing A/C in the Town offices. However, the reporting requirements may prove more than they are willing to accept. In order to spend the funds, they will have to document and report that the contractors completing the work comply to Federal Guidelines. Reading between the lines, those mandates include that persons completing work are vaccinated. Our Select Board is wary of such, has reached out to clarify all requirements, and holds that money received as a Federal Grant in limbo. The money in question amounts to about 60k.

Should the Board reach resolution, that money could offset a need for taxation. However, should they deem the Federal Mandates too restrictive, they may choose to send the entirety of monies left back to DC. So far, of the two grants, the Board has found means to expend 2K which is not so heavily encumbered with mandates. Still, about 60k remains to be cleared for takeoff.

From here, Mr. Meyerhoefer launched the Committee and Board Representatives into the highly convoluted nature of accounting as outlined by the State. Mr. Meyerhoefer wanted simply to get a number of the balance of Unreserved Funds. Would that it be that simple.

In reality, a true accounting is really only undertaken once a year, just before negotiations with the Department of Revenue Administration in November. In those negotiations the Select Board agrees to draw down a certain amount that is deemed fiscally responsible.

Mr. Meyerhoefer then asked if the Town was adhering to the maximum amount recommended to keep in reserve. While the answer was no, it was relayed that the Town kept close enough to have an ultimate fiscal rating that would place us as least likely to be denied a bond. Also that number left continually in balance would also provide for a loan rate among the lowest possible, as balances also influence lending rates.

It was also discussed that since the School District had completed its obligations in paying off the Bond to expand the JDB School, the only Bond Hill currently experienced is one undertaken by the Water Commissioners to install meters.

Talk then moved to a discrepancy highlighted by member Irving. She pointed out that revenues listed in the line delineated by "Other" seemed to significantly reduced. Mr. Bresnahan agreed that seemed in congruent and promised to follow up with an explanation of the, indicated, 7K short fall.

Discussion then moved to the documenting that the Town had sold the old Backhoe Loader through a sealed bid of about 2K. Mr Bennett was then drawn into an explanation that the useless to us Fire Truck had still not gone to auction. It was hoped that would happen next Spring.

As a result of a general return to discussion of gross bank accounts, Mr. Bresnahan outlined the, rightfully, restrictive edicts placed upon Town's in banking their Capital Reserve Accounts. Nope, we are not realising realistic interest rates on the money so far set aside for the various earmarks like Road Department Heavy Equipment. Then again, who is getting a reasonable return on their savings? Our

Town is doing better than most by posting a just over 1% per annum interest rate. Score one for Economies of Scale, as we put our savings with the mass of other New Hampshire Towns into an aggregate Savings Institution, known as the New Hampshire Public Deposit Investment Pool.

Mrs. McDonough was then recognised for a question asked fairly early on about revenues from the Transfer Station. The Town realised some 17k for all the things you are asked to pay a premium for at the Transfer Station. Conversation covered the nature of the extended items that required extra levies to dispose of as in electronics, appliances and building materials. Then it shifted to those items that were placed on top of the compactor as an offering to the Gods of free exchange. Selectboard member Seymour opined that persons placing those items should still pay for their remediation, in the case that at the end of the day no person decided to re-home that offering.

A bit of cross talk subsumed about the possibility of a barter annex being realised among other related talk. It was short lived.

Mrs. McDonough then turned the topic to meters and the Water Commission. She wanted to know when the Village would finally get back on track with regular reading of meters and regular billing. In addition, she wanted to know if there was going to be leeway for those who did not opt into paying a presumed balance, because of exact balances being incalculable for lack of operating meter reading equipment, along with a dearth of meter readers.

This being, ultimately, beyond the ken of the Budget Committee, it was proffered that only the Water Commissioners could definitively answer those questions. It was offered, by the Selectboard members, that a new water reader had been received, and that a technician was supposed to come in the next week to fire it up and calibrate. All that will then remain for the quotidian task of catching up with actual usage is someone to wave the wand and read the meters.

Talk then moved to the basic analysis that this year is about the same as the last few. Revenues in Total add up to about 700k.

Next on the list of discover-able materials was the Foggy Mountain Breakdown which will become the Warrant Articles for the Town Meeting. Some were standard in wording. Ayuh, it seems every year Article One is concerned with the electing of Town Officials. Then there is the Gross Appropriation for regular Town Services. Here the menu sort of diverged. Usually up for consideration are the various allocations for existing Capital Reserve Accounts. Here the Selectboard hopes to spark and solidify public sentiment.

For at least four years running, the Town has pursued various calls for discussion about the nature and possible remedies for the sidewalks in the Village. In addition, the varying positions have parried at Town Deliberative sessions proper. The results have been less than cohesive. Some calls for meetings to discuss nature and varying solutions have drawn input, but not documented plans to move forward. The most recent call by the Selectboard to have the public assemble and opine barely garnered a single resident to attend. That is hardly democratic.

Our Town Business sessions in March have been no more exemplary. The first year in which a Capital Reserve Fund for said purpose was ratified at Town Meeting found \$25,000.00 deposited, through general taxation, into the newly minted fund. The following year, in the Deliberative session of March 2020, saw one resident amend the line from 25k to 1k. Last year, online, Mr. Bresnahan and Mr. Dupuis, of the

Selectboard haggled in the Covid online second Zoom hearing before Drive by Balloting, from an initially proffered 25K to 15K. Indeed the pursuit of what to do has been an exercise in gnip-gnop.

Mr. Vlitas engaged in a long soliloquy that highlighted his failure to get the original Committee raised to consider the issue document their findings. Among the points he raised were that of this issue being covered in the Master Plan, and the reality that some 6000 linear feet of sidewalks exists to be addressed.

The Budget Committee discovered that 900 feet of sidewalk had been remediated with loam and seed in 2021. It was also highlighted that the Warrant Article that is slated to appear in March would have another some 20K of the fund expended to do likewise to another 1500 feet of sidewalk in the Village.

In the mix was a no small amount of time given to playing out the possible ends of this highly charged issue. The Selectboard have given great thought to the import of this spending, and its placement of decision in the proceedings. According to them, it has always been in play that the sidewalks should be completely replaced, as opposed to remediated into lawn. To afford this discussion, they advertised and held a public hearing to discuss this issue this very year; to almost no participation. Beyond that, they received one contrarian reaction to the 900 feet of Mountain View worked on last year.

Accordingly, and laudably, they seek to turn the Town Meeting Proper into yet another forum for solidifying public sentiment. Entering into an exercise in Game Theory, the initial gambit is to have robust discussion in spending 20k to rip up 1500 feet of sidewalk and replace it with grass. In that exercise, a possible outcome is that the preponderance of those attending and voting reject this proposition. Instead, in the discussion, those present predominately express a desire to not only remove the vastly failed pavement sidewalks, but to then go about replacing them with another sidewalk; be it concrete and iron re-enforcement based or some recycled compressed aggregate that is becoming vogue.

Talk then delved into the Municipality requirements in New Hampshire to remove snow from sidewalks. It was admitted that State Regulations required Towns to equip themselves and remove snow from maintained sidewalks, which ours would surely be adjudicated should we completely replace them. Two members, Mr. Vlitas, and Mr. Moyer, relayed the fact that more and more, neighboring States were replacing their onus from the Town to the Taxpayer. In Massachusetts the property owner is being tasked with shoveling the walkway. In Pennsylvania, the Taxpayer is additionally being tasked with the actual replacement of sidewalk to one that is up to code.

Needless to say, this is not a cut and dry, nor simple issue. Therefore, in the event that we as a whole feel it necessary to go whole hog, and defeat just ripping them up, we as a community need to have the ability to insert additional taxation into Article 4, which covers the nominal banking of savings towards things like a new Police Cruiser, Fire Truck, Backhoe Front End Loader, etc.

The Selectboard has deftly flow charted this discussion. By making a definitive decision on Article 3, to go forward with just removing asphalt sidewalk and replacing with loam and grass, no further discussion is required. If however, sentiment is to do more, then, by reason, Article 3 should fail. Then, in order to cement the need for additional spending, the ever complicated parliamentary procedure of amending Article 4 will come to the fore.

Next on the slate was a seemingly no brainer to plan for gravel crushing. We have some in a capital reserve for this endeavour. Our supplies are running low. We will still need another input in 2023 to reach an ideal amount of \$40,000.00 to have a contractor come to our pit on Clough Road and turn a

portion of our pit into 10k yards of 1.5” crush. Each year we have to rebuild our dirt roads. Each year we sand those roads to make them passable in winter. Well, that sand is not our brother when it comes to mud season, in fact, it exacerbates it. Therefore, every Spring/Summer, we have to grade in rock crush to make sure one spring we do not wake up to a quicksand season.

Next up was Mr. Vlitas' entree into the serviceability of Town's Master Plan. There is a need for the Town to address its vulnerability to RSA 155, which is the State's stab at regulating Gravel Pits. It is the intent of the Selectboard to have the \$5000.00 discussed to rewrite one chapter of the Master Plan, which would completely codify and localise the regulating authority over Gravel Pits to be that which is Town defined as possible. This is indeed needed, and desperately.

More to his point was the reality of Hill's Master Plan. It was his supposition that regardless of its existence, the operative tenets encompassed were rarely if ever considered. He went on in attempt to recite the following excerpt:

“Every town wants to meet all of the diverse needs of its citizens, but town resources are limited and choices have to be made. It is important for the citizens to appreciate that everybody has to pay taxes, although taxes can become burdensome for some.”

<https://townofhillnh.org/wp-content/uploads/2020/02/MASTER-PLAN.pdf> (page1-4)

He finished by saying he found that the School District does not take this basic principal to heart. He left it a rhetorical question as to the merits of continuing to amend a document that seems to have little teeth when push comes to shove.

In the end, the ask for 5k, which is what it will cost us to have the Lakes Regional Planning Board help and endorse us, is minimal. However, heretofore, it was the heartfelt plea of Mr. Vlitas that if we are to have this document, it needs to be honoured.

That brought about an interjection from Mr. Gronski as to the nature of the Plan. He questioned whether it was truly a plan, or just a feel good piece of paper. He went on to relay that much of the legislation in our State was of a nature that just relayed emotion, but failed to have that all too important “wherefore” that proceeds an actual plan that encapsulates action. He wondered if it might not be time to once again go about the process of public input to see if it was still perfectly in line with the process that included multiple avenues of public input at the time. Who knows, maybe we are not the Hill of 2007, when the first pass of a Master Plan was ratified? At any rate, the Budget Committee made no overture to reduce the expenditure. It is now up to the public at large to pursue this discussion with their Planning Board at any meeting they should so choose.

From there, seemingly to have not satiated themselves with minutia and controversy, the Committee began a dissection of the Warrant Article that is an attempt by the Selectboard to update the Exemption from Taxation on the part of those residents of a certain age and time period.

First things first. As finally hashed out by a question posed by Rev. Asher near the end of this discussion, this is not a complete exemption from property tax. That misnomer is the result of, once again, the incongruities of governance. In this particular instance, the overarching RSA references the process by which a person over the age of 65 can seek to apply for a reduction in their overall property tax assessed, as an exemption. Oi Gevalt.

Now onto the meat. The State has a bare minimum of what can be reduced and what are the criterion for threshold of acceptance. The applicant is subject to maximums of assets tangible and otherwise. The property in consideration is not considered tangible. Cars are. As are some other too esoteric to enumerate. The other major consideration lies in savings and or investments. Income is a final hurdle.

Indeed. The new metrics are an update. However, Ms. Irving did not feel that the cut off points had been modified enough. Much was discussed in this respect. To mediate considerations, Mr. Vlitas asked that the Selectboard be allowed to enter the Warrant as written. He then relayed that in the interim, those that were to be eligible for consideration consult among themselves. If they felt that any metric was too prohibitive, the process of a New Hampshire Town Meeting would allow one person to stand up as representative and motion to amend. That amendment, receiving a second, would then be open to discussion, which he hoped would be deeply plumbed and discussed; thereby opening it to more than just the governing body at hand.

Discussion went on for a bit more on the fine points raised, however, no motion was ever made to alter this Article before going to print.

Discussion also spilled over to a like issue of Veteran's abatement. Much the same, the State sets a modicum of regulations, our Town has, in plebiscite increased the amount available in offset.

Never satisfied to just have a bite, the Committee dove into the technicalities. Ms. Irving split the hairs for those surviving spouses of a veteran. It was documented that although the option exists, not a single applicant does Hill have. Should there be such a person, who is also reading this far into the verbosity that has become the minutes of the Budget Committee, please find yourself informed and avail yourself of this avenue in bureaucratic subtlety.

It was here that Rev. Asher had a question about the prescription that the Warrant Article on Elderly Exemption be a ballot vote. It was relayed by both Mr. Seymour and Mr. Vlitas that while DE-riguer proceedings would have the plebiscite express their druthers by aye / opposed, or if no audible distinction by hand count, that certain issues might be considered emotional enough that a ballot be pursued. The thought being that persons would be more inclined to vote their conviction if spared the scrutiny of publicly expressing that inclination. In fact, relayed Mr. Vlitas, if 5 registered voters submitted the request, any Article would have to be voted on by Ballot at Town or School District Meetings. He went on to re-enforce this provision was to enable the freest of minds when it came to voting on an issue.

Discussion moved on to the nature of legalese. Rev Asher wondered if the Article could not be better worded, for clarification and public discussion, if it were not broken up into predicate clauses. Or, at the very least, an innumerable amount of semi-colons. The general consensus of the Selectboard was that our Governing overlords love the legalese. Further, any alteration of the verbiage, which was in large based on other Towns of similar size and appropriation, would run afoul of the DRA. Running afoul means it can not appear in the timeline left, and would leave it until next Budget season.

It was generally agreed that as it stands, the Selectboard pass is a good start. Ms. Irving expressed a concern that certain metrics were still too limiting. Mr. Vlitas asked that the Budget Committee allow the Article to pass its muster in that it has updated limits. He went on to ask that those in the Community that are most effected by this Article to Coffee Klatch among themselves and reach a conclusion. If they thought the metrics be different, then there was every opportunity to motion for an amendment at the Town meeting proper. That seemed to have completed discussion of that Article.

Last to be considered was a new funding initiative to have a modicum of merit. The Town did indeed find itself in need for legal council with respect to the application to excavate out on Poverty Pond Road. To avoid, or at least mitigate, a future rock and a hard place, the Selectboard think it prudent to set up a separate fund, outside of nominal budgeting, for Legal needs. Hot on the heels, which precipitated this request is the ongoing Pit process.

What? You thought that was decided months ago? If only the game of government was so cut and dried. In the full process that is the consideration of RSA 155, which we are on the hook for because we do not have local above and beyond regulation, we have to allow the Applicant a process of re-hearing. Which they applied for. Our Zoning Board of Adjustment went through a 22 point analysis of that request on January 13<sup>th</sup>, 2022, and ruled that the criterion for re-hearing had not been met. This does not mean we are done with Green Acres Woodlands yet.

GAW can still file to appeal our decision in Superior Court. Which, will require legal assistance. You can all see where this is going. The ask is 5K. The relative discussion will have to ensue as to if it is not used, will there not be a need in this ever increasingly litigious society? The silver lining being, that as the Town has a considerable under-run this year, funding the first 5k will not require any new taxation.

Topics discussed diverged into completely calendar related issues. Meeting dates and the necessity to publicly post said meetings were resolved.

In addition, a initial meditation on how to present the budgets was considered. Of particular mention was a procedural correction submitted by Mr. Seymour. He thought that the presentation of budgets should be the purview of the Budget Committee.

A general discussion of procedure and the actual proceedings of past Hearings and Deliberative Sessions ensued. The relative ability of who could say what, and when was established. Entities discussed in this realm included the School Board as a whole, the Budget Committee as a whole, the Select Board as a whole, then the ability of distinct persons that served on those entities. In the end, it was agreed that a whole lot of room is available for group presentation, and individual reflection are available.

The review of meeting minutes was short. It basically revolved around a series of errors in touch typing.

The hour of 9:30PM having been reached, Paula McDonough motioned to adjourn. Mr. Pavelka seconded.