

Approved Sept. 27, 2016

Draft August 29, 2016

Town of Lyme, NH
Tax Study and Advisory Committee
August 23, 2016
Town Office Conference Room

Committee members present: Susan J. Mackenzie (Chair), Nancy Allison, Judy Brotman, Karl Furstenberg, Rusty Keith, Carola Lea, W. McClave (Secretary), Carl Mehrbach, Dennis Stern and Michael Whitman.

The meeting was called to order at 6:31 PM by the Chair, Susan MacKenzie.

The first order of business was consideration of the draft Minutes of the meeting of July 26, 2016. After brief discussion and correction, upon motion made and seconded, the Minutes as corrected were approved.

Discussion at the meeting continued to focus on recommendations the Committee might make to the Select Board, keeping in mind any necessary warrant articles might need to be drafted in October and time is growing short.

Mr. Stern reported the proposed guide for senior citizens, setting out various resources and programs available, such as tax deferral/voluntary tax liens, tax exemptions, etc. had been completed. Distribution had commenced, including placing it on the Town website, and having printed copies for the library and Town Office. In addition, information announcing the availability of the guide would be included in the church bulletin and through social services. Members commended Mr. Stern for his diligence and perseverance in completing this effort in furtherance of the Select Board's direction.

Scheduling was the next matter discussed, after which it was determined meetings would be held September 27, 2016; October 25, 2016; December 13, 2016; January 24, 2017; and February 28, 2017 - keeping in mind Little Town Meeting is March 7, 2016 and decisions on Town Warrant items need to be made in early January.

The next item of business was specific consideration and decision on the 6 items proposed for recommendation as possible sources of revenue enhancement at the July 26, 2016 meeting, with the following results:

1. Issuing Tax Bills Twice per Year (June 1 & December 1). While it appeared this would involve additional administrative expense, the Town would avoid borrowing money during the year and it was felt it was approximately revenue neutral and would help residents budget for tax expense. The matter was recommended on a vote of 9-1;
2. Adoption of an additional Motor Vehicle Registration Fee. While this subject had met with objection at the previous Town Meeting, it is one of the few ways the Town can raise money under State statute. In addition, all revenue raised should

go specifically for road maintenance, a pressing need in the Town caused by and used by vehicles. It was the sense of the Committee the fee should be set at the State allowed maximum of \$10. Recommended on a unanimous vote.

3. Resident Use Fee at recreational facilities. Not recommended;
4. Non-Resident User Fee for recreational facilities. While this appeared to be a good idea, discussion revolved around possible amounts collected, enforcement difficulties, liability issues, collection methods, and administrative expense. The viability of voluntary methods of collection was discussed. It was decided to look into the practices of other local towns, to review further and consider a one-year trial;
5. Land Use Change Tax. Recognizing that Current Use provisions reduce tax revenue available to the Town, that a sizeable amount of land in the Town is already subject to current use or some form of conservation, that the Conservation Commission now has substantial funds available, it seemed reasonable that the Town receive a portion of that lost revenue upon change of use. This revenue would be used to help offset future tax increases. In addition, it was felt that conservation funds should be available for a wider array of conservation issues, such as invasive species, and not be limited to land acquisition. The Committee recommends that future change of use revenue be split 50/50 between the Conservation Commission and the Town;
6. Tax Exempt Properties. A list of tax exempt properties in the Town was reviewed and the possibility of "in lieu" payments discussed. This did not appear to be a fruitful area for additional revenue. However, looking into the use of Town land was mentioned as an area for future review.

Mr. Keith introduced a new item of business, the establishment of an elected 3-person Board of Assessors, in accordance with Title III Chapter 41:2-c of New Hampshire State Statutes. He asked the Committee to recommend the Select Board consider placing a Warrant Article before the voters at the next Town Meeting that would provide that such Board would be the legal assessing authority of the Town. Considerable discussion ensued. Mr. Keith noted the Board would oversee and approve the work of the Town hired professional assessor, would provide access to and understanding of the process and methodology of property appraisal and assessment, would reduce the work load of the Select Board, would assist public confidence and transparency of values used in setting the tax rate, and would assist in the defense of abatement proceedings. Further discussion ensued, it being noted that members of the Select Board had a very full plate on a broad range of disparate issues and that assistance in one technical area may not be unwelcome. It was determined to favorably recommend the Warrant Article to the Select Board, with one abstention.

Preparation of a report of the Committee's work and activities was discussed.

A public hearing on the Committee's actions was set for November 14, 2016 at 7 PM.

On motion duly made and seconded, the meeting was adjourned at 8:01 PM

Respectfully submitted,
Wilkes McClave, Secretary