

# Tax collector cheated town, lawsuit alleges

◆ **Friends and family:** Windsor residents say former tax collector Beverly Hines allowed those close to her to avoid payment.

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**WINDSOR** — Death and taxes may be the only certain things in life for most of us, but according to a lawsuit filed last week, property taxes in Windsor are only a

certainty if you aren't a friend of the former tax collector.

Two couples in this western New Hampshire town, Everett and Charlotte Chamberlain and Donald and Irene Palmer, have filed a petition in Hillsborough County Superior Court seeking relief for Windsor residents from what they claim have been unfair tax practices.

According to the lawsuit — filed on behalf of the plaintiffs by attorney Charles G. Douglas

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## Taxes

III — former tax collector Beverly Hines allowed friends and family members to forgo paying their property taxes over a span of seven years, without bothering to impose liens or charge interest for late payments.

Allegations against Hines and the town regarding tax-collection practices have been part of an ongoing investigation by the Attorney General's Office and the Department of Revenue Administration since a coalition including the Chamberlains and Palmers filed a complaint

more than a year ago.

According to the lawsuit, Hines regularly "looked the other way" for her friends and family, not requiring them to pay their property taxes.

"Simply put," the petition says, "some townspeople are required to pay the taxes assessed against their real property, and some are not."

Among the examples cited in the petition:

- "A neighbor of Beverly Hines was not required to pay over \$3,000 in property taxes

between 2002 and 2006."

- "Another friend of defendant Hines was allowed to skip out on tax payments in excess of \$15,000 in the same period."

- "Selectwoman Darlene Cuddy still owed, as of 2006, more than \$7,000 in unpaid taxes, which the defendants had made no effort to collect from her."

In an interview last Thursday, Douglas said an estimated \$340,000 has gone uncollected — a lot of money, he said, for a town with a population of about 250 and a total operating budget of just more than \$600,000, including schools.

"As a result of the defendants' failure to equitably enforce tax-collection procedures in an even-handed manner, those residents of Windsor who do pay their taxes are required to shoulder the tax burden of those favored few who do not," the lawsuit states. "The paying residents of Windsor

have therefore forked over the money needed to carry the Town's budget, while the tax collector's friends and family get a free ride."

The suit also names the town of Windsor, Hines, current Selectmen Darlene Cuddy, Ronald Houghton and Gerald Needham, former Selectman Tom Carlson, and former treasurer Pauline Carlson, all of whom, the plaintiffs allege, were complicit in the unfair tax practices.

Of the plaintiffs, only Houghton, a nephew of Hines who joined the Board of Selectmen long after Hines had resigned her position as tax collector last year, could be reached for comment.

Houghton said he hadn't yet been informed of the lawsuit, but didn't appear concerned about the litigation because he was already financially "cleaned out."

"Tell them I said good luck,"

he wrote in an e-mail.

The town's attorney, Douglas S. Hatfield, said last week that he hadn't yet received a copy of the petition, but said his firm will be working with the town to resolve the lawsuit.

The state got involved after the Palmers, Chamberlains and other residents, calling themselves the Windsor Coalition of Taxpayers, began questioning the handling of tax revenue.

In 2007, the coalition requested copies of tax receipts and records from Hines. When Hines refused to turn over her handwritten records, the coalition sued the town in Hillsborough County Superior Court, and the town was ordered to comply with the request.

After reviewing the books, the coalition said it found Hines' bookkeeping to be, at best, confusing. The group said it found tax revenue paid to the town that could not be accounted for, along with records of thousands of dollars in outstanding taxes.

The coalition turned its findings over to the Attorney General's Office and the Department of Revenue Administration in 2008.

Last April, the DRA ordered an independent audit of Windsor's books, and the town hired the accounting firm Melanson Heath and Company of Man-

chester to conduct the audit. DRA Commissioner G. Philip Blastos said at the time that his department had been attempting to force Windsor to get a grip on its books since 2002, and said that accounting irregularities had been commonplace in the town's financial records since 1986.

Hatfield, the town attorney, said the audit has been completed and the selectmen will receive a final report at its regular meeting Tuesday night.

"I expect we'll have the final report in the next few days. The board has already voted to refer the audit report to the Attorney General's Office so that they can take any action if necessary," Hatfield said.

But the plaintiffs in the lawsuit against the town have grown tired of waiting for the audit report, Douglas said, and want the court to take action. The plaintiffs have asked the court to order an accounting of the tax rolls since 1999 and to force the defendants to pay restitution to the Windsor residents who did pay their taxes on time and carried the weight for those who have not.

The suit also asks that the selectmen be removed from office. "If they were doing their job," Douglas said of the selectmen, "we wouldn't be having to do it for them."