

Selectboard Minutes  
October 31, 2023

Present: Jenn Jones, chair  
Jon Morgan  
Russ Kelly  
Paul Kleinman  
Andy Artimovich (remotely)

At 2:30pm, Jones called the meeting to order.

Morgan motioned, seconded by Kelly, to allow Artimovich to attend remotely. All in favor.

The Board signed the payroll and accounts payable summary register.

Kelly motioned, seconded by Morgan, to accept the consent agenda which consisted of public minutes from 10/24/23, recreation manifest, treasurer's report (found at the end of these minutes), and the following building permits:

- John & Joan Hodsdon, 27 James Circle, Electrical
- Philip & Janine Christiana, 21 Lebreux Street, Electrical
- 3-Ponds LLC, 102 Three Ponds Drive, Plumbing
- 3-Ponds LLC, 104 Three Ponds Drive, Plumbing
- Holly Lemerise, 54 Prescott Road, Electrical
- ReVision Energy, 419 Middle Road, Electrical

Artimovich – abstain; Morgan – aye; Kelly – aye; Kleinman – aye; Jones – aye.

Jones opened the meeting to public comment at 2:35pm.

Liz McConnell, library trustee, shared with the board that the library received 3 bids on Friday for the amphitheater work.

Jones closed public comment at 2:35pm.

Karen Clement, Town Administrator, presented the board with information about the tax rate. She explained she met with the representative from DRA on Friday. Clement stated the 2022 tax rate was 22.15 which broke down to town portion 4.29, county portion 0.86, local school portion 15.73, and state education portion 1.27. She added there is about \$2.6 million in unassigned fund balance. Clement explained that is money that has not been expended from the previous year's general fund and warrant articles.

Clement recommends retaining about 1 million dollars and using the rest to buy down the tax rate. She presented the board with various options of retaining 4.5%, 4.75%, 5%, 5.5% or 6% fund balance. Clement broke down how each of those retentions would shape the proposed tax rate.

Clement's recommendation is to retain 4.75% of the fund balance. She explained the unassigned fund balance is \$2,674,863. Retaining 4.75% of the fund balance would equal \$990,904.40. Clement explained \$1,683,958.60 would be used to buy down the tax rate. The overlay amount set aside would be \$30,000. Clement explained the overlay are funds used to rebate residents for abatement applications. Clement explained that would equal a tax rate of \$23.53, if the board goes with that recommendation.

Clement explained the difference between each percentage she listed is about 7 cents. She added her recommendation lowers the town portion of the tax rate from 4.29 to 3.87. Jones asked what the retained rate was last year. Clement responded the

## Selectboard Minutes

October 31, 2023

town retained 5% last year which equated to just over 1 million dollars. Jones asked if Clement feels that 4.75% retained is a comfortable level. Clement responded it was. She added she wants to be sure there is money available to pay the county and school payments in December.

Kleinman asked how the numbers are determined and requested a general overview. Clement explained she submits reports to the Department of Revenue Administration (DRA). She added MS-1 (net valuation), MS-434 (revenues), MS-737 (expenditures), and MS-232 (report of appropriations) are then reviewed by DRA. Clement stated Swasey and the Coop also submit the same forms to the DRA. She explained the DRA sets the school rates.

Kleinman asked for clarification on the unassigned fund balance. Clement responded the unassigned fund balance is money not expended from the previous year's budget. Kleinman asked for a further explanation on the breakdown of numbers. Clement approached Kleinman with the sheet and explained items line by line.

Jones asked what happens if the town does not reserve enough money. Clement responded the town would need to delay paying bills or utilize a Tax Anticipation Note (TAN). Jones asked if the town has ever utilized TAN. Clement responded it has not during her tenure.

Jones stated she was in favor of supporting Clement's recommendation. Morgan stated he was not in favor of having to choose between which bills to pay and is in support of Clement's proposal. Kleinman asked if the retained amount is actual supplemental money.

Morgan reemphasized there is a state constitutional mandate that students in the state be offered an adequate public education. He added it costs about \$15,000 – \$18,000 per year per student. Morgan added the state adequacy funds that come in are only about \$3,500 – \$3,800 per student requiring local tax payers to “foot the bill” through local taxes despite being the state's constitutionally mandated responsibility.

Kleinman questioned the proposed numbers. He asked if the tax rate of 23.46 or 23.60 – 23.88 would make better sense than the proposed amount of 23.53. Clement feels 23.53 and above would be fine but believes 23.46 would be too conservative on the amount retained. Morgan asked Kleinman if there was an issue with accepting the suggested rate. Kleinman responded he wants to understand the numbers. He asked Clement what the difference is for the average homeowner for 7 cents. She responded it is a difference of about \$28 on a \$400,000 home.

Kelly requested the opportunity to explain how he understood the scenarios. Kelly stated the 2022 town rate was 4.29. He explained the 2023 town rate would decrease to 3.87 with Clement's proposed retainage. He went on to note the local school rate for 2022 was 15.73. Kelly added the 2023 school rate would increase to 17.08. He stated that increase is not in the Selectboard's control.

Morgan motioned, seconded by Kelly, to support the 4.75% fund balance retainage and utilizing \$1,683,958.60 to buy down the tax rate. Artimovich – aye; Morgan – aye; Kelly – aye; Kleinman – aye; Jones – aye.

Clement presented the board with the tax warrant to be signed. She explained there may be a change by a penny due to rounding once DRA finalizes the numbers. Clement stated she would need the board members to sign a new tax warrant if there was rounding change so tax bills can go out this week.

Morgan motioned, seconded by Kelly, to sign the 2023 tax warrant with a December 15 due date. Artimovich – aye; Morgan – aye; Kelly – aye; Kleinman – aye; Jones – aye.

Morgan offered an Economic Committee update. He shared the charette presentation will be held at the BRC on Thursday, November 2 at 6pm. He invited the public to attend. Clement will set up the equipment for recording the presentation.

Selectboard Minutes  
 October 31, 2023

Kelly shared the first Energy & Efficiency public hearing on community power will be at 6pm on Monday, November 6.

At 2:57pm, Morgan motioned, seconded by Kelly, to adjourn. Artimovich – aye; Morgan – aye; Kelly – aye; Kleinman – aye; Jones – aye.

Respectfully submitted,

Tamera Peek

WEEKLY TREASURER'S REPORT				
<b>DATE:</b>		<b>10/31/2023</b>		
<b>General Fund:</b>		<b>TD BANK</b>		
Previous Balance:		3,374,452.20		
Deposits:		83,176.13		
Payroll:		31,713.59	DDP: \$31,713.59	
			CHK: \$	
FICA:		7364.69		
A/P:		1,031,436.88	Reg A/P Cks \$87,741.88	NHRS \$
			Swasey: \$241,000.00	CO-OP: \$702,695.00
Transfer to REC CC		300.00		
Pd Admin CC		(4,159.06)		
Transfer to Impact Fees				
Account Balance:		2,382,654.11		
Interest Earned YTD:		106,020.57		
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Joyce A. Gallant, Treasurer				