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APPROVED
BOARD OF SELECTMEN – MEETING MINUTES
November 2, 2021

10 **CALL TO ORDER** – Chairman Haverty called the meeting to order at approximately 6:30 pm.

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11 **PRESENT:** Jaie Bergeron, Kevin Cote, Robert Haverty, Hal Lynde, Doug Viger, Brian McCarthy
12 Town Administrator

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11 Chairman Haverty announced the board was holding a special, off-cycle meeting to set the tax rate and
12 working on an abbreviated agenda.

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13 **PLEDGE OF ALLEGIANCE**

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15 **APPOINTMENTS:**

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17 **SETTING THE TAX RATE:**

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19 Chairman Haverty announced the DRA has set the town's tax rate at \$16.34 per thousand, a decrease of
20 \$3.85 down from \$20.20 last year. The averaged assessed value has increased from approximately
21 \$375,000 to approximately \$499,000, a 33% increase. Chairman Haverty said that based on the tax rate
22 and assessed values, the board was there to discuss the average tax bill increase of approximately \$574. He
23 explained the fund balance is currently at \$5.4 million, representing 13% of the town's total liability and
24 the recommendation is that 8% to 17% be kept in the fund balance. The floor was opened for conversation,
25 questions or comments from the board.

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27 Mr. Lynde said that the way he was looking at it, in order to have the same tax bills as last year, the rate
28 should be around \$14.00. He felt that it wouldn't hurt to knock the rate down by \$1.00. He confirmed the
29 fund balance of \$5.4 million. He mentioned the board has typically used \$2 million from the fund balance
30 and suggested doing the same this year. Otherwise, he said people are essentially looking at a 14% increase
31 in their taxes.

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33 Chairman Haverty said the problem was if \$2 million was applied this year, \$2 million would need to be
34 applied next year to make it even and the schools will really hit next year's tax rate.

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36 Mr. Lynde mentioned he thought the full cost of the school was hitting this year. It was confirmed by Mr.
37 McCarthy that that would not hit until next year.

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39 Chairman Haverty explained that the board needed to make sure whatever they did this year was sustainable
40 again next year to bring it even before defraying further for next year could be discussed.

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42 Mr. Lynde said he didn't see the figures for revenues and expenditures tonight in order to estimate how
43 things would look. He said there is typically \$2 million to \$2.5 million added to the fund balance each year.

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45 Chairman Haverty asked Mr. McCarthy what is typically added back to the fund balance each year. Mr.
46 McCarthy said it depended on the year but on average, somewhere from \$800,000 to \$1 million. He
47 explained it depended on the weather and the number of storms in November and December. Mr. Lynde
48 asked where that number was coming from, and Mr. McCarthy said it was an average of the surplus in the
49 budget every year. Mr. Lynde asked about revenues and Mr. McCarthy said he did not have that
50 information. Mr. Lynde said he thought there was another \$700,000 to \$1 million there. Chairman Haverty
51 mentioned that if there is another \$700,000 in revenue next year then we have it this year, so it is already

52 “prebaked” in because it is seen every year. Mr. Lynde said the budgets and revenues are estimated and
53 any difference in the budget that is less than goes into the fund balance and any revenues greater go into
54 the fund balance. He explained you never want to guess right on the spot because if you don’t collect
55 enough money the issue is where does the money come from for the budget. Mr. Lynde said history says
56 there is a fair amount.

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58 Mr. Cote said he believed there are a few projects that are approved in next year’s budget that the town will
59 be getting some money back on. He said it wasn’t a major factor in his decision making. He believed there
60 is \$1.5 million for the Sherburne Hall remediation that should be going back into the unassigned fund
61 balance. He reminded the board that two thirds of the town voted for the school project, so his opinion is
62 they are accepting some responsibility for an increase in taxes. Mr. Cote feels the board should use
63 something to offset a little bit but is leaning towards the lowest end. He mentioned that he did vote for the
64 school project, so he is accepting that he was looking for an increase in his taxes based on that vote.

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66 Mr. Viger confirmed with Mr. McCarthy that the school turned back \$3 million this year based on unused
67 expenditures in their budget. Mr. Viger explained that anything the schools don’t use is turned back to the
68 town because they don’t have the ability to have a fund balance. Mr. McCarthy added that the schools are
69 estimating that to be \$1 million to \$1.5 million next year so a \$2 million shortfall. Mr. Viger said the
70 schools are anticipating the school bond coming into play next year and not being able to put the same
71 amount back. He explained that anything taken away from the \$5.4 million fund balance had to be made
72 up each year to stay even. He gave an example that if there was an excess in budget of \$1 million then that
73 should be given back to offset the tax rate. However, his opinion is that if money is taken out of the fund
74 balance, that would have to continue to be done year after year in order to just break even. Mr. Cote said
75 he had mentioned that last year. Mr. Viger explained that the board is now in a similar situation and in
76 order to be even with last year, they have to match whatever they took from last year’s fund balance, which
77 Mr. Cote agreed. Mr. Cote reiterated that he felt because two thirds of the taxpayers voted for the school
78 project, they are going to accept an increase in taxes. Mr. Viger explained that he was pointing out that the
79 board can’t keep taking money from the fund balance year after year to make up for the tax rate without
80 running out. Mr. Cote said especially if they are taking out more than what is going in. It was noted that
81 they are not to that point yet. Mr. Viger felt that at least the over expenditure of this year’s budget should
82 be given back, whatever that number may be. But tapping into the fund balance year after year to break
83 even will become a problem.

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85 Mr. Lynde said they have done it and the fund balance has grown. He mentioned that it used to be \$3
86 million and grew to \$5 million and that even taking the \$2 million to offset taxes last year, the balance is
87 still at \$5 million. He said history tells you you are going to get that money, both in revenue and budget.
88 He reminded the board to think about the \$22 million high school project and the impact of that.

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90 Chairman Haverty said he would take a motion if anyone had a number in their head. Mr. Lynde proposed
91 \$1.5 million as a compromise. Mr. Viger said he was thinking more of \$1 million, which Mr. Cote agreed
92 with. Chairman Haverty said he was thinking about \$500,000, trying to take next year into account. He
93 confirmed that Mr. Lynde made a motion for \$1.5 million, however there was no second.

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95 **MOTION:** (Cote/Bergeron) to take \$1 million from the unassigned fund balance to defray the tax rate,
96 bringing it down to \$15.96.

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98 Mr. Viger asked if they had the breakout of what the increase would be using no money out of the fund
99 balance versus taking the \$1 million. Mr. Cote showed him the break down and it was said that by taking
100 the \$1 million from the unassigned fund balance, the average tax bill for the average home would go up
101 \$385.

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103 **VOTE:** (4-0-1) Mr. Lynde abstained. The motion carried.

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105 There was no further discussion from the board.

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108 **REQUEST FOR NON-PUBLIC SESSION**

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110 **MOTION:** (Viger/Bergeron) Request for a non-public session per RSA 91-A:3, II, (A&C)

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112 **ROLL CALL VOTE:**

113 Mr. Bergeron - yes

114 Mr. Lynde – yes

115 Mr. Haverty – yes

116 Mr. Viger – yes

117 Mr. Cote – no

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119 (4-1-0) The motion carried.

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121 It was noted that when the Board returned, after the non-public session, the Board may take additional
122 action publicly. Chairman Haverty asked Mr. Greenwood to stay as they may come back into public session
123 after the non-public session. The Board entered into a non-public session at approximately 6:45.

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125 The board returned from non-public at approximately 7:28 p.m.

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127 **MOTION:** (Lynde/Cote) To seal the minutes from the non-public.

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129 **VOTE:** (5-0-0) The motion carried.

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132 Chairman Haverty said there was no further public business for tonight.

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134 **MOTION:** (Viger/Cote) To adjourn the meeting.

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136 **ROLL CALL VOTE:**

137 Mr. Haverty – yes

138 Mr. Viger – yes

139 Mr. Lynde – yes

140 Mr. Cote – yes

141 Mr. Bergeron – yes

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143 The meeting was adjourned at approximately 7:30.

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145 **ADJOURNMENT**

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Respectfully submitted,
Jill Atkinson
Recording Secretary