

TOWN OF TAMWORTH SELECT BOARD

Select Board Meeting 5:00 PM

Tuesday November 29th, 2022

WORK SESSION

CALL TO ORDER: 5:02 pm

In attendance: Select Board members Richard Doucette, Karl Behr, Kelly Goodson. Town Administrator, Keats Myer, Town Clerk/Tax Collector Kim Trammell and Administrative Assistant, Emily Verny. Ed Comeau of Government Oversight. Select Board chair, Emery Roberts joins via phone call at 5:35 pm.

Myer reviews a document that outlines how the tax rate is computed using total valuation, less exemptions, and appropriations. Total to be raised by taxes \$3,537,504 divided by net valuation \$401,286,874 = \$8.82 municipal tax rate.

This is a \$2.78 increase from 2021 tax rate. County tax rate has increased by \$.08, as well as Local School by \$1.05. The State School rate has decreased by \$.53.

One of the reasons for this big jump between 2021 and 2022 was the 18% increase in the budget, roughly \$800,000 for big ticket items: Highway, Rec Department and CIP. Discussion ensued.

To avoid a large increase, we can vote to use money from the Unassigned Fund Balance (UFB) to lessen the tax rate. The current UFB is \$2.5 million less what was voted at Town Meeting, leaving us with 2.287M, which is roughly 19% - the rule of thumb per the Department of revenue is to have a UFB between 5-17%. The benefit of having a large UFB is it helps maintain cash flow towards the end of the year. The downside is the fact that its taxpayer dollars just sitting in an account. The idea is to use some to give back to the taxpayer by lessening the tax rate on years when there are large increases. The UFB accumulates over time when departments come in under budget. Discussion ensued.

There is a range of UFB dollars that could be used to offset the Tax rate, from zero, leaving the municipal tax rate at \$8.82, or, if we use an amount sufficient to allow for no rate increase (\$6.04), which would be \$1,115,000. Myer stated that we want to find a middle ground for this year, but will most likely still have to cut the 2023 budget to balance things out. Doucette recommends offsetting by \$800-\$900K from the UFB to keep the tax rate increase around \$1.00 and UFB within the 11-12% range. Roberts suggests using a considerable amount but not that much, and suggested \$500-600K as we may need to rely on this money again next year. A comment from an anonymous individual watching from GovernmentOversight.com, says the reason there is a big increase from 2021 to 2022 was the creation of the Building & Grounds department, Myer confirms this department accounts for \$91,000 out of the \$800,000 budget increase.

Roberts suggests using \$500-\$600K of the UFB to keep tax rate around \$24.02, Doucette and Behr suggest \$800-\$900K, Goodson suggests meeting in the middle at \$700K. This would leave \$1.5 million in the UFB at 13% and be a \$1.63 increase to the tax rate. Discussion ensued. 2024 will be a revaluation year where 100% of the town is assessed and it's a big adjustment for the tax rate.

Goodson makes a motion to designate \$700,000 of the Unassigned Fund Balance to offset the municipal tax rate to \$7.07, and the total commitment per \$1,000 to \$23.77. Behr seconded. Roll call vote: Doucette yes, Behr yes, Goodson yes, Roberts yes.

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Myer mentions there was discussion of raising the Transfer Station Attendant pay by \$.50 per hour but we could not find that motion recorded in the minutes from previous meetings. Goodson makes a motion to raise the part time transfer station attendant pay by \$.50 per hour. Doucette seconded. Roll call vote: Doucette yes, Behr yes, Goodson yes, Roberts yes.

Myer confirms Glenn would like to hire Paul Libby. Doucette makes a motion to offer Paul Libby the Part Time Transfer Station Attendant position at \$18 per hour. Behr seconded. Roll call vote: Doucette yes, Behr yes, Goodson yes, Roberts yes.

Does this mean the new hire is at the same rate as an employee who has been there for many years? Myer will bring more information on Transfer Station employee pay rates to this week's meeting.

Ed Comeau asks for information on the County/School tax rate. Goodson confirms:

County is \$1.21 (\$0.08 increase)
Local School is \$14.18 (\$1.05 increase)
State School is \$1.31 (\$.53 decrease)

Discussion ensued. Next meeting will be on Thursday December 1st.

Goodson motions to adjourn at 6:19 pm.

Select Board Approval:
