


Selectman's Meeting Minutes
10/17/08
Tax Rate Setting

FINAL
ACCEPTED *pmr* *KAC* 

In attendance: Jeanne Samms, Department of Revenue Administration
Joanne Randall, Vice Chair, Board of Selectmen
Keith Cota, Selectman
Nancy Wheeler, Town Financial Officer
Barbara Clark

The meeting was called to order at 2:30 by Joanne. Jeanne Samms passed out a worksheet for calculating the 2008 tax rate. Joanne asked Jeanne to review the worksheet template that was presented to the attendees.

Jeanne reviewed the elements that are involved in setting the tax rate, including, appropriations, revenues, county assessment, school appropriations, tax credits, and property valuation.

The only two areas Selectmen can request changes to the tax rate development from the worksheet are in the Approximated Overlay line, which is used for tax abatements, and in the amount of the Fund Balance for offset of taxes. The Board has the option of using either, both, or neither of these two items to lower the town portion of the tax rate.

After discussing the items on the worksheet, Jeanne presented the Selectmen with suggested retainage rates of the Fund Balance. Jeanne noted the current fund balance is estimated at \$1,039,356. Keith suggested Jeanne present estimated tax rates to the Board based on an 8% retainage rate, which would leave a total of \$737,278 in the Fund Balance. The Selectmen members present agreed that it would not be wise to go below the 8% retainage rate, as the value of the fund balance can be used if the Town faces an extreme financial emergency as experienced over the past several years. In addition, the Board requested reducing the overlay to \$20,000 from an estimated amount of \$35,000. The new, lower rate presented to the Board after these adjustments was acceptable to the Board.

After discussion and deliberation, Joanne made a motion to retain a fund balance of 8% and to change the approximate overlay amount to \$20,000. Keith seconded the motion. There was no discussion. All were in favor of passing the motion.

The tax rate based upon the noted changes will be determined by DRA and be reviewed by the Board (for acceptance) at a later date.

Keith motioned to adjourn. Joanne seconded the motion. There was no discussion. All were in favor of adjourning. The meeting ended at 3: 14pm.