

**NEW DURHAM BOARD OF SELECTMEN**  
**New Durham Town Hall**  
**November 15, 2018, 5:00pm**

*DRAFT: These minutes are strictly a draft copy and are awaiting amendment or approval at a subsequent, duly noticed public meeting. Amendments to these minutes will be noted in the minutes of said meeting. The draft will be posted on the website as a draft copy for public informational use only.*

**Present:**

Chair David Swenson  
Selectman Cecile Chase  
Selectman Dorothy Veisel

**Also Present:**

Scott Kinmond, Town Administrator  
David Bickford, resident

**Call to Order**

Chair Swenson called the meeting to order at 6:05pm.

**New Business**

**2019 Tax Rate Setting**

Chair Swenson stated the purpose of this meeting is to look at the Department of Revenue Administration's recommendation for the tax rate setting and make decisions on what the local rate will be along with consideration of the Unassigned Fund Balance.

The Board reviewed the 2017 tax rate and Chair Swenson explained the breakdown of how the total of 23.4% was determined: 5.02% which includes \$150,000 from the Unassigned Fund Balance, for the school 12.6%, for the county 2.91% and 2.49% for the state. Chair Swenson noted the Town has no control of the changes of the rates for the school, county or state and stated the school increased to 12.75, the county goes down to 2.78 and the state education rate goes to 2.36. He noted its approximately 17.8 which is not controlled by the Town.

The Board reviewed the projected DRA fund balance of \$1,300,000. Chair Swenson stated the Board of Selectmen established the guideline reserve in 2014 at 8% of the operational rate, which is roughly \$890,000, leaving about \$400,000 to potentially apply to the tax rate. Chair Swenson stated the DRA calculated rate of the Town would be 6.13, with no fund balance is applied. He explained there is not enough in the fund balance to keep a flat rate. Chair Swenson explained how the 6.13 was calculated. The Board discussed the amount of the fund balance which could be applied to the tax rate and the warrant articles, along with the recommendations by DRA. Town Administrator Kinmond recommended considering how the community looks at the rates being set, noting setting funds towards future projects helps prevent spikes in rates when these projects come up. The Board discussed the options with applying the fund balance and

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the impact on the town tax rate. It was agreed that the total 1.4% increase would be acceptable in this current market.

David Bickford, resident, stated the \$150,000 most likely came from the assessing capital reserve fund that was dissolved in the previous year. Chair Swenson replied that was already spent on the assessing work for this year, and the remainder is committed to with going towards next year. Town Administrator Kinmond gave a breakdown of the costs covered by the remainder of the balance. Mr. Bickford stated the purpose of dissolving the account was for them to use the money wherever they want to.

Town Administrator Kinmond explained the requirements the Tax Collector is required to follow and the Board discussed the tax billing process including due dates and mailing dates.

**Selectman Chase made a motion to take \$275,000 from the Unassigned Fund Balance and apply it to the 2019 tax rate. Selectman Veisel seconded the motion. Motion passed, 3-0-0.**

### **Old Business**

#### **2019 Budget Review – CRF/ETF**

Chair Swenson presented a summary of the proposed road projects for 2019 which include culvert at 130 South Shore culvert, a culvert at 232 South Shore, a culvert at 284 South Shore, a culvert at 151 South Shore and engineering at 398 South Shore; overlays of Valley Road and Old Bay Road, and engineering of Middleton Road with a total for the proposed account of \$748,000. The Board reviewed the funding sources for this account, which include 2018 funding, and a highway block grant. The total taxation needed for roads would be 3.26. Chair Swenson explained the funding options for the solid waste scale as well, giving different scenarios with various ETF accounts.

There was also discussion of scenarios involving postponing various roadway projects. By consensus of the Board, the culvert at 151 South Shore would be postponed; the Meetinghouse would be funded at \$10,000; Town and Building ETF would be funded at \$65,000; Highway Trucks at \$70,000; Police Cruiser ETF was reduced by \$10,000; Smith Ballfield was reduced by \$10,000. Selectman Chase suggested putting the Meetinghouse on as separate warrant article so people understand how it will affect the tax rate. The Board also reviewed and confirmed the funding amounts for ETF and CRF accounts.

### **Adjourn**

**Selectman Chase made a motion to adjourn. Selectman Veisel seconded the motion. Motion passed, 3-0-0.**

The meeting was adjourned at 6:45pm.

Respectfully Submitted,

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Jennifer Riel, Recording Secretary