

Town of Groton
Select Board Work Session Minutes
November 14, 2023

In attendance: John Rescigno, Tony Albert, Ron Madan and Sara Smith (Administrative Assistant - AA)

John called the meeting to order at 4:30pm.

MS-434R

The DRA worked with Sara and made some changes to our MS-434. There were only a few other minor changes. The report is all set now. The Select Board reviewed and are good with it.

Tax Rate

The Town received the preliminary tax rate so the Select Board wanted to review it and look at all options for the Town. Sara explained she worked hard with the DRA to make sure all information is accurate and it is. The Town and the local education went up from last year and the state education and county went down a little. With no money applied from the fund balance, the following is the preliminary tax rate that was set by DRA:

- Town: \$2.19 (increase from last year of \$1.52)
- County: \$2.22 (decrease from last year of \$0.22)
- Local Education: \$5.99 (increase from last year of \$1.65)
- State Education: \$1.44 (decrease from last year of \$0.20)

Total Tax Rate: \$11.84 (total increase from last year of \$2.75)

We have money in the unassigned fund balance and they recommend you keep 5%-17% in there with 17% being the maximum recommended. As general guidance, unassigned fund balance in the general fund should be no less than one month of operating revenues or operating expenditures. You want to keep money in the fund balance a positive fund balance serves three important functions:

- Eliminates the need for short term borrowing – cash flow
- Used to lower taxes to smooth out major changes
- Unanticipated emergencies or opportunities.

Sara provided the following options:

- If we apply \$0, with \$5,000 overlay it would bring the Town rate to \$2.19 and the total tax rate to \$11.84.
 - This would leave \$532,057 in the fund balance which would be over the 17% maximum they recommend at 19.64%
 - This would be an increase in the Town rate from last year of \$1.52
 - This would be an increase in the total tax rate from last year of \$2.75
- If we apply \$100,000 from unassigned fund balance with \$5,000 overlay it would bring the Town rate to \$1.27 and the total tax rate to \$10.92.
 - This would leave \$432,057 in the fund balance which would still be over the 5% minimum they recommend at 15.95%
 - This would be an increase in the Town rate from last year of \$0.60
 - This would be an increase in the total tax rate from last year of \$1.83
- If we apply \$150,000 from unassigned fund balance with \$5,000 overlay it would bring the Town rate to \$.81 and the total tax rate to \$10.46

- This would leave \$382,057 in the fund balance which would still be over the 5% minimum they recommend at 14.10%
- This would be an increase in the Town rate from last year of \$0.14
- This would be an increase in the total tax rate from last year of \$1.37
- If we apply \$175,000 from unassigned fund balance with \$5,000 overlay it would bring the Town rate to \$.58 and the total tax rate to \$10.23.
 - This would leave \$357,057 in the fund balance which would still be over the 5% minimum they recommend at 13.18%
 - This would be a decrease in the Town rate from last year of \$0.09
 - This would be an increase in the total tax rate from last year of \$1.14
- If we apply \$200,000 from unassigned fund balance with \$5,000 overlay it would bring the Town rate to \$0.35 and the total tax rate to \$10.00.
 - This would leave \$332,057 in the fund balance which would still be over the 5% minimum they recommend at 12.26%
 - This would be a decrease in the Town rate from last year of \$0.32
 - This would be an increase in the total tax rate from last year of \$0.91

It was agreed to use the overlay of \$5,000.00 and to apply \$200,000.00 from the unassigned fund balance to bring the tax rate to \$10.00. **John motioned use the overlay of \$5,000.00 and to apply \$200,000.00 from the unassigned fund balance to the tax rate, to approve the submission of the final tax rate to the DRA, and to come in and sign the tax warrant when it is ready, Tony 2nd, so voted.**

Sara Surgery

Sara let the Select Board know that it looks like she may need surgery. She has one more MRI to be sure. She will keep them posted if she does. Depending on how everything goes, she will be out for 2-3 weeks. She has already been training Hilary on Payroll and Payables so we would be all set there.

John motioned to go into non-public session pursuant to RSA 91-A:3 II (a) and (b) at 4:40pm, Tony 2nd, so voted.

John motioned to return to public session at 5:00pm, Tony 2nd, so voted.

John motioned to seal the non-public minutes, Tony 2nd, so voted.

Having no other business to conduct, John motioned to adjourn at 5:00pm, Tony 2nd, so voted.

Respectfully submitted,

Sara Smith
Administrative Assistant