

**BOARD OF SELECTMEN
MEETING MINUTES
NOVEMBER 1, 2012
UNAPPROVED**

Members present: Chairman Joe Duarte, Selectman Richard Snow, Selectman Fred Kelley, Selectman Amanda Soares, Selectman David DePuy, and Selectmen's Assistant Cheryl Eastman.

Joe called the meeting to order at 9:15 a.m. and led the Pledge of Allegiance.

Selectmen Kelley made a motion to authorize Chair Duarte and Cheryl Eastman to talk with the DRA regarding the Board's decision to set the tax rate and sign the documents. Seconded by Selectmen Duarte. All voted in favor. Motion carried.

Selectmen Soares commented that she is against using any surplus fund balance to offset the tax rate when the Board disregarded the wishes of the voters by granting COLA raises to the employees and the school could have turned back to the town about \$250,000 at the end of their year and they did not. She feels that the town should not have to make up the cost of raises granted. Chairman Duarte stated that there are a lot of items that the Board has no control over, such as school and county expenditures. He added that the town is under budget. We have the surplus fund balance available; We should use it. People want to see the tax rate staying in line. We used to have only \$500,000 in fund balance and now we have over \$1,000,000. Selectmen Soares stated that she doesn't see the added effect to the town of the COLA increases that were granted. There were no increases in productivity as a result of the COLA. She added that everyone is replaceable and there is a line of people waiting to take somebody's place and they will work harder for less money. Selectmen DePuy stated that it was a COLA granted, not merit raises and it is not fair to continue to balance the town budget on the backs of the employees year after year. Chair Duarte said that you don't always see the value of your people. A little COLA might pick up morale and let the employees know that we are concerned with their welfare. The last time a COLA was granted was 2008 and gas was \$2.09 a gallon and now it's much more. We didn't really put any money in the employee's pockets with the COLA because of inflation. If a COLA helps to keep some people here, then it is worth it. Selectmen Kelley stated that his concern is with the fund balance going below \$1,000,000. He does not want that to happen. He also does not want to see the tax rate go over \$20.00 because people can't afford it. So, if using some of the fund balance will keep the rate under \$20.00 and still leave at least \$1,000,000 in the fund balance, he is fine with that. Chair Duarte stated that the increase in the County costs and the amount the school turns back is hurting us, but they are out of our control. He said the Board needs to deal with the cards we are dealt. He feels this Board, and the prior Board, and the Budget Committee have done good jobs. Some of the responsibility of the increase needs to be dumped on the people handing it down to us. Selectmen Kelley said that the prices of oil, gas, and electric have gone out of sight, but paychecks don't go up. He stated again that he doesn't want the fund balance to fall below \$1,000,000. Chair Duarte added that it is good for the Board to hear all sides of the issue, but in the end the Board is acting as one. The cost impact of a tax

rate of \$19.98 would be approximately \$180 increase per year on a property assessed at \$300,000. Amanda stated again that she is not in favor of using fund balance to offset the tax rate. Selectman Snow made a motion to instruct the DRA to estimate the tax rate at \$19.974 using \$271,769 from the unassigned fund balance. Seconded by Selectman Kelley. Voted in favor by a vote of 4 to 1, with Selectmen Soares opposed. Motion carried.

At 9:45, Selectmen Kelley made a motion to adjourn. Seconded by Selectmen Soares. All in favor. Motion carried.

Minutes respectfully submitted by
Cheryl Eastman