



**TOWN OF NORTHWOOD
BOARD OF SELECTMEN**

**Town of Northwood 818 First NH Turnpike Northwood, NH 03261
(603) 942-5586**

**Board of Selectmen Meeting Minutes
November 10, 2022**

ROLL CALL: Chairman Hal Kreider, Select Board Member Beth Boudreau, Select Board Member Jim Guzofski, and Select Board Member Pamela Sanderson. Select Board member Tim Colby is excused.

STAFF PRESENT: Town Administrator Walter Johnson, Finance Director Cheryl Eastman

5:00 P.M. Chairman Kreider opened the Northwood Board of Selectmen meeting with a roll call.

TA Johnson presented a spreadsheet with several options for the tax rate setting. The rate last year was \$15.47.

The first option for this year is to not use any unassigned fund balance to offset the rate (except for the \$509,000 that was approved by the voters on warrant articles). The rate breakdown would be: town = 2.21; county = .65; local education = 9.50; state education = .92. This option would have a rate of \$13.28, which is a reduction of \$2.19 from last year's rate.

The second option is to use \$453,000 from the unassigned fund balance to reduce the tax rate. Using \$453,000 would make the amount funded through taxation for the town portion of the tax rate the same as last year (level funding the appropriation amount of the town). This would create a town tax rate of \$1.72 and the county and school amounts would stay the same for a total tax rate of \$12.79.

The third option is to use \$653,000 from the unassigned fund balance to reduce the town's appropriation to \$1,413,625. This would create a town tax rate of \$1.51 and the county and school amounts would stay the same for a total tax rate of \$12.58.

If the third option is chosen, the retained fund balance would come down to \$1,942,787. The proposed 2023 budget is seeking to use around \$700,000 of that in warrant articles. The minimum retention amount of the unassigned fund balance is \$837,000. This option leaves 1.1 million to work with for the next several years for funding of warrant articles or offsetting the tax rate. Chairman Kreider stressed that the Safety Complex Committee will be asking for some of that in the next few years. He added that some people think the town should balance the overall budget, but we can't make up for the school portion of the tax rate. B. Boudreau feels that people need to know that the tax rate is largely a result of

43 the school budget, not the town. J. Guzofski said people need to get a little relief right now and
44 recommended the third option. He said we are trying to get a budget passed and we are doing all we can
45 to help mitigate the inflation rate and use the surplus and trying to offset the school increase. P.
46 Sanderson said her assessment increased a lot with the revaluation, but the calculated difference between
47 the second and third options is about \$150 total for her case. H. Kreider suggested the Board go back and
48 look at the list of warrants asking to come from the fund balance on the 2023 warrant and maybe fund
49 some of them with ARPA funds instead. He asked the board members to think about that list before the
50 next meeting. He is concerned about the future tax rates if the Board cannot buy down the rate in the
51 years to come. B. Boudreau is fine with the third option if the Board takes some items off the list to come
52 from fund balance in 2023. TA Johnson said Northwood is very fortunate because the average tax rate in
53 New Hampshire is \$22.00. After discussion of funding for various items, the Board decided to take out
54 the two articles regarding the Center School from taxation instead of out of fund balance. H. Kreider said
55 he could commit to moving \$115,000 from funding with fund balance to ARPA funding. This will be
56 discussed at the next meeting. J. Guzofski agreed in the funding changes.

57 **Motion: "To set the tax rate utilizing \$653,000 from the unassigned fund balance to reduce the tax rate**
58 **down to a total of \$12.58."**

59 **Motion: J. Guzofski**

60 **Second: B. Boudreau**

61 **Motion carried by vote of 4/0.**

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63 At 5:39,

64 **Motion: "To Adjourn"**

65 **Motion: J. Guzofski**

66 **Second: P. Sanderson**

67 **Motion carried by vote of 4/0.**

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69 Minutes respectfully submitted by

70 Cheryl Eastman

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