

**BOARD OF SELECTMEN
TOWN OF MADISON
October 12, 2016
MINUTES**

Selectmen Present - Chairman Josh L. Shackford, John Arruda, Robert J. King, Jr.

Others Present – Administrative Assistant Linda Shackford; Finance Director Su Stacey; Tax Collector Michael Brooks; Advisory Budget Committee Chairman Bill Lord; Madison TV Videographer Noreen Downs

Where and When Posted – Town Hall upper & lower bulletin boards and Madison & Silver Lake Post Offices on October 6, 2016.

Meeting Called to Order – By the Chairman at 5:00 p.m.

APPROVAL OF MINUTES: There were no minutes presented for approval.

APPROVAL OF MANIFESTS: There were no manifests to approve.

DISCUSSION ITEMS/NEW BUSINESS:

Chairman Shackford explained that his meeting is being held to set the 2016 tax rate.

The Unreserved Fund Balance is \$639,895.00.

Arruda stated that he has asked Stacey to run several scenarios using different amounts of Unreserved Fund Balance to offset the tax rate:

1. Not using any Unreserved Fund Balance would result in a \$17.17 rate;
2. Using \$235,000 leaving 4.16% of the recommended 5% would result in a \$16.67 rate;
3. Using \$285,000 leaving 4.00% of the recommended 5% would result in a \$16.56 rate.

Stacey stated that historically the Town has kept their portion of the tax rate at \$3.87. Using the third scenario would bring the town portion to \$3.76.

Chairman Shackford began to explain for the Madison TV audience the process being done. The Department of Revenue Administration (DRA) recommends that towns keep 5% of the total value of the town in their Unreserved Fund Balance. Years ago the town used to use all but \$50,000 of their Unreserved Fund Balance to offset the tax rate, but this can run into trouble. The Unreserved Fund Balance is not actual dollars in the bank. Stacey explained that this balance is a combination of formulas and ultimately, the number is calculated by the auditors each year. Chairman Shackford equated it to left over tax payer dollars. The calculations will be put again in the Town Report. Arruda added that the Unreserved Fund Balance is not something to be easily spent. It is for emergencies and must have the DRA approval before an expenditure.

Arruda reiterated the three possible tax rates: \$17.17, \$16.67 or \$16.56

	<u>2015</u>	<u>2016</u>
Town	3.87	3.76
School	8.73	8.98
County	1.48	1.35
State School	<u>2.43</u>	<u>2.47</u>
	\$16.51	\$16.56

The Village District of Eidelweiss portion will be \$4.65.

The Board agreed to ask DRA to approve a 2016 rate of \$16.56 which is \$0.05 more than 2015. The Unreserved Fund Balance would be at \$354,895 using \$285,000 of \$643,895 to offset the tax rate.

Motion by Chairman Shackford, seconded by King to use \$285,000 of Unreserved Fund Balance to set the town tax rate at \$16.56 pending DRA approval. The motion passed **3-0**.

Motion by Chairman Shackford, seconded by King to sign out of session the 2016 warrant once prepared. The motion passed **3-0**.

SIGNATURE ITEMS – There were no items for signatures.

5:13 PM – Chairman Shackford made a **motion** to adjourn, seconded by King, and so voted **3-0**.

NEXT SELECTMEN’S MEETING – The next Selectmen’s Meeting will be on Tuesday, October 18, 2016 at 5:30 p.m. in the lower level of Town Hall.

Respectfully Submitted,

Linda Shackford, Administrative Assistant
Recording Secretary