

**TOWN OF FARMINGTON  
BOARD OF SELECTMEN  
Monday, October 31, 2011  
356 Main Street, Farmington, NH**

**Selectmen Present:** Charlie King, Paula Proulx, Gerry McCarthy and Jim Horgan

**Selectman Excused:** Joan Funk (excused)

**Town Staff Present:** Interim Town Administrator Gary Stenhouse, Town Clerk Kathy Seaver and Finance Administrator Pamela Merrill.

**Public Present:** Neil Johnson and School Finance Administrator Carolyn Rioux

**At 6:04pm Charlie King called the meeting to order.**

**1. Set Tax Rate:**

Gary explained there are two issues before the Board; 1. what amount does the Board want to put in overlay and 2. What amount does the Board want to add to the fund balance. Bonnie Lauze (assessing department) suggested the Board put \$50,000 in overlay for 2012 because there are currently four tax appeals with the Board of Tax and Land Appeals as well as one with the Strafford County Superior Court. The current 2010 rate is \$20.240 with the budget as is the rate will be \$19.660. If \$50,000 is set aside for the overlay then the rate will be \$19.764. Paula asked how the Rooms and Meals Tax is recognized since he cannot be included as unanticipated revenue and Pam explained the state includes it in the tax rate formula. As it stands now the undesignated fund balance is \$1,140,333.

Charlie informed the Board that Joan was unable to be at the meeting tonight but she told him that she was not in favor of buying down the tax rate again this year. Charlie stated his opinion is to buy down the taxes \$0.13 so there will be no increase. Kathy stated that this year's rate is an artificial decrease because the school turned back money that isn't typically turned back. Kathy suggested placing \$315,000 in the overlay so that next year the money is available to buy down the taxes that will significantly increase. Gary also reminded the Board that the 2012 budget will need to include the landfill closure funds that he estimates to be around \$300,000 and there is not nearly enough in the fund at this time; therefore some funds will probably need to be pulled from the fund balance.

Gerry asked what the tax rate would be if \$200,000 was put into overlay and Kathy calculated the rate at \$19.99. It was discussed that this would reduce the taxes but also put money away so that it is available if needed for the landfill closure. ***Charlie King motioned to add \$200,000 to the overlay, bringing the town's portion to \$7.13 and setting the tax rate at \$19.99, 2<sup>nd</sup> Jim Horgan. Motion carried with all in favor.***

**2. Discussion on Town’s Cash Flow:**

Gary explained that the town needs to make two payments to the school department for \$550,000 and currently only have a little over \$563,000. Carolyn Rioux told Gary that the school is expecting two large payments and that they could wait a few weeks for the funds so the town can get the tax bills out.

**3. Other:**

Gary had a discussion with the Police Chief tonight about the acquisition of 3 HumVs (1 running and 2 for parts), a 25ft. boat with an outboard engine, a prefabricated 32’x 48’ building and a highway department 1 ton truck. Gary told Scott Roberge that he could not accept any of the items without the Board’s permission. Gerry stated he definitely thinks the Board should take the building at a minimum and probably everything else because the conditions are that the town needs to at least hold them for one year and then can sell the items except for the HumV which would need to be returned to the government. *Jim Horgan motioned to approve the Police Chiefs acquisition with the condition that they are free, fully functional as advertised and are to be used where ever needed throughout the town, 2<sup>nd</sup> Gerry McCarthy.* Discussion followed where Paula asked for a complete list of all the acquired items. *Motion carried with all in favor.*

*At 6:42pm, Gerry McCarthy motioned to adjourn, 2<sup>nd</sup> Jim Horgan. Motion carried with all in favor.*

Respectfully Submitted,

Brandy Sanger  
Recording Secretary

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Chairman, Charlie King

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Jim Horgan

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Paula Proulx

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Gerald McCarthy

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Joan A. Funk