

**SUNAPEE BOARD OF SELECTMEN**  
**6:00PM Town Meeting Room**  
**Monday, October 15, 2018**

Present: Suzanne Gottling, Vice Chairman, John Augustine, Fred Gallup,  
Shane Hastings and Donna Nashawaty, Town Manager.

Absent: Chairman Josh Trow,

Also, Present: See attached sign-in sheet.

**SELECTMEN ACTION**

•Board Discussion-Amount of Fund Balance to be applied to tax rate

Vice-Chairman Gottling opened the meeting with one item on the agenda which is the amount of Fund balance to be applied to the tax rate. The Board received the materials ahead of time and Vice-Chairman Gottling asked the Town Manager if she would like to review the materials with the Board, the Town Manager replied that she would. All materials are attached to minutes. The Board received (3) 2018 Tax Rate Computation with amounts of \$300,000, \$350,000 and \$400,000 from Fund Balance to reduce taxes. Donna Nashawaty it is not that drastic of a difference this year with the percentage for what it is that you apply, but she is a little concerned that the Town should have a policy that tries to get our Fund Balance up higher. Selectman Augustine said it's been perfectly fine between 8% and 10% for the last, forever and it's 2,000,000 at 8.65%. Selectman Augustine does not see the need to have more than that given tax collection is 96% every year, so there is no real risk the Town is not going to collect the money and any disaster will be covered by insurance. Donna Nashawaty said it might be covered by insurance, but that insurance is not going to be an immediate check that the Board can pay it's bills with. Selectman Gallup asked what the comfort level as far as needing to borrow money in anticipation of taxes. Donna Nashawaty thinks the town is fine with the ratio they have for that, in the 8% or 9%. Selectman Gallup said that is his biggest concern, if the Board takes \$400,000 and the Town doesn't need to borrow money in anticipation of taxes, then he's okay with using the \$400,000. Selectman Gallup said if the Board goes with the \$400,000 he would not feel comfortable using unencumber Fund Balance to cover warrant articles like the Board did last year in the amount of \$38,000. Selectman Augustine said if the Board did \$400,000 that will leave \$1,988,457 as of the end of 2017. That number is just going to grow with the excess surplus in 2018, so by March of 2019 the Board won't have Auditors numbers, but the Board will know what was unspent this year and that money will be in addition to the \$1,988,457. Selectman Augustine will share that he agrees \$400,000 this year for the 2018 tax setting. Selectman Gottling is not comfortable with the \$400,000. Selectman Hastings said he was on the same way as Selectman Gallup, he's okay with the \$400,000, but not using Fund Balance to cover warrant articles. Motion to use \$400,000 from unassigned Fund Balance from the MS535 to apply to the setting of the 2018 tax rate by Selectman Gallup, seconded by Selectman Augustine. 3 in Favor. Selectman Gottling Opposed.

**Meeting adjourned at 6:22PM**  
**Respectfully Submitted by,**  
**Barbara Vaughn**  
**Administrative Assistant**

SUNAPEE BOARD OF SELECTMEN  
MEETING AGENDA  
6:00PM Town Office Meeting Room  
Monday, October 15, 2018

SELECTMEN ACTION

- Board Discussion-Amount of Fund Balance to be applied to tax rate

UPCOMING MEETINGS:

10/16-5:30PM CIP (Capital Improvement Program), Town Meeting Room

10/16-5:00PM Abbott Library, Abbott Library

10/22-6:30PM Board of Selectmen, Town Meeting Room

10/25-5:30PM Water & Sewer, Town Meeting Room

11/01-7:00PM Zoning Board, Town Meeting Room

11/02-8:00PM All Day Town Budget Session, Town Meeting Room

## Fund Balance Retainage

	DRA Tax Rate #		Amount used to reduce taxes
2015	\$1,685,625.00	8.67%	\$300,000.00
2016	\$1,938,927.00	9.81%	\$300,000.00
2017	\$1,698,956.00	8.18%	\$350,000.00

## 2018 Proposed

2018	\$2,426,807.00	Unassigned Fund Balance from MS535 EOY 2017
	\$38,350.00	Less Voted from Fund Balance
	\$2,388,457.00	Fund Balance

## Funds to Offset 2018 Tax Rate

\$300,000.00	9.09%	\$2,088,457.00
\$350,000.00	8.87%	\$2,038,457.00
\$400,000.00	8.65%	\$1,988,457.00

## GFOA Recommendation is two month's worth of Expenditures

Town	\$8,152,825.00	
County	\$3,629,169.00	
School	\$11,187,215.00	
	\$22,969,209.00	
Two months	\$3,828,201.50	16.66%





Expenditures

Account	Purpose	Voted Appropriations	Actual Expenditures
<b>General Government</b>			
4130-4139	Executive	\$308,234	\$300,805
4140-4149	Election, Registration, and Vital Statistics	\$218,157	\$210,816
4150-4151	Financial Administration	\$192,402	\$184,962
4152	Revaluation of Property	\$110,837	\$104,887
4153	Legal Expense	\$18,000	\$19,123
4155-4159	Personnel Administration	\$1,000	\$129
4191-4193	Planning and Zoning	\$52,386	\$37,332
4194	General Government Buildings	\$142,652	\$139,216
4195	Cemeteries	\$13,536	\$13,973
4196	Insurance	\$9,661	\$7,739
4197	Advertising and Regional Association	\$13,409	\$12,105
4199	Other General Government	\$29,853	\$24,484
<b>General Government Subtotal</b>		<b>\$1,110,127</b>	<b>\$1,055,571</b>
<b>Public Safety</b>			
4210-4214	Police	\$801,430	\$789,767
4215-4219	Ambulance	\$56,100	\$56,100
4220-4229	Fire	\$199,968	\$177,275
4240-4249	Building Inspection	\$0	\$0
4290-4298	Emergency Management	\$200	\$0
4299	Other (Including Communications)	\$136,727	\$120,868
<b>Public Safety Subtotal</b>		<b>\$1,194,425</b>	<b>\$1,144,010</b>
<b>Airport/Aviation Center</b>			
4301-4309	Airport Operations	\$0	\$0
<b>Airport/Aviation Center Subtotal</b>		<b>\$0</b>	<b>\$0</b>
<b>Highways and Streets</b>			
4311	Administration	\$0	\$0
4312	Highways and Streets	\$1,581,337	\$1,840,253
		<i>Explanation: \$231,928 is DRA approved emergency expenditure pursuant to RSA 32:11. \$104,430 in Additional SB38 Hi</i>	
4313	Bridges	\$0	\$0
4316	Street Lighting	\$36,750	\$35,153
4319	Other	\$0	\$0
<b>Highways and Streets Subtotal</b>		<b>\$1,618,087</b>	<b>\$1,875,406</b>



**Expenditures**

Account	Purpose	Voted Appropriations	Actual Expenditures
<b>Sanitation</b>			
4321	Administration	\$0	\$0
4323	Solid Waste Collection	\$0	\$0
4324	Solid Waste Disposal	\$506,571	\$455,605
4325	Solid Waste Cleanup	\$0	\$0
4326-4328	Sewage Collection and Disposal	\$0	\$0
4329	Other Sanitation	\$0	\$0
<b>Sanitation Subtotal</b>		<b>\$506,571</b>	<b>\$455,605</b>
<b>Water Distribution and Treatment</b>			
4331	Administration	\$0	\$0
4332	Water Services	\$0	\$0
4335	Water Treatment	\$0	\$0
4338-4339	Water Conservation and Other	\$0	\$0
<b>Water Distribution and Treatment Subtotal</b>		<b>\$0</b>	<b>\$0</b>
<b>Electric</b>			
4351-4352	Administration and Generation	\$0	\$0
4353	Purchase Costs	\$0	\$0
4354	Electric Equipment Maintenance	\$0	\$0
4359	Other Electric Costs	\$0	\$0
<b>Electric Subtotal</b>		<b>\$0</b>	<b>\$0</b>
<b>Health</b>			
4411	Administration	\$5,151	\$344
4414	Pest Control	\$500	\$140
4415-4419	Health Agencies, Hospitals, and Other	\$15,176	\$15,175
<b>Health Subtotal</b>		<b>\$20,827</b>	<b>\$15,659</b>
<b>Welfare</b>			
4441-4442	Administration and Direct Assistance	\$51,019	\$22,130
4444	Intergovernmental Welfare Payments	\$0	\$0
4445-4449	Vendor Payments and Other	\$0	\$0
<b>Welfare Subtotal</b>		<b>\$51,019</b>	<b>\$22,130</b>
<b>Culture and Recreation</b>			
4520-4529	Parks and Recreation	\$151,258	\$151,611
4550-4559	Library	\$394,316	\$348,894
4583	Patriotic Purposes	\$200	\$35
4589	Other Culture and Recreation	\$5,000	\$5,000
<b>Culture and Recreation Subtotal</b>		<b>\$550,774</b>	<b>\$505,540</b>



**Expenditures**

Account	Purpose	Voted Appropriations	Actual Expenditures
<b>Conservation and Development</b>			
4611-4612	Administration and Purchasing of Natural Resources	\$3,550	\$3,550
4619	Other Conservation	\$0	\$0
4631-4632	Redevelopment and Housing	\$0	\$0
4651-4659	Economic Development	\$0	\$0
<b>Conservation and Development Subtotal</b>		<b>\$3,550</b>	<b>\$3,550</b>
<b>Debt Service</b>			
4711	Long Term Bonds and Notes - Principal	\$261,188	\$261,188
4721	Long Term Bonds and Notes - Interest	\$72,716	\$73,955
4723	Tax Anticipation Notes - Interest	\$1,000	\$0
4790-4799	Other Debt Service	\$0	\$0
<b>Debt Service Subtotal</b>		<b>\$334,904</b>	<b>\$335,143</b>
<b>Capital Outlay</b>			
4901	Land	\$0	\$0
4902	Machinery, Vehicles, and Equipment	\$175,500	\$88,046
4903	Buildings	\$45,000	\$40,903
4909	Improvements Other than Buildings	\$0	\$0
<b>Capital Outlay Subtotal</b>		<b>\$220,500</b>	<b>\$128,949</b>
<b>Operating Transfers Out</b>			
4912	To Special Revenue Fund	\$0	\$0
4913	To Capital Projects Fund	\$0	\$0
4914A	To Proprietary Fund - Airport	\$0	\$0
4914E	To Proprietary Fund - Electric	\$132,760	\$52,066
4914O	To Proprietary Fund - Other	\$0	\$0
4914S	To Proprietary Fund - Sewer	\$1,074,238	\$897,964
4914W	To Proprietary Fund - Water	\$505,358	\$447,953
4915	To Capital Reserve Fund	\$425,000	\$425,000
4916	To Expendable Trusts/Fiduciary Funds	\$78,200	\$83,200
4917	To Health Maintenance Trust Funds	\$0	\$0
4918	To Non-Expendable Trust Funds	\$0	\$0
4919	To Fiduciary Funds	\$0	\$0
<b>Operating Transfers Out Subtotal</b>		<b>\$2,215,556</b>	<b>\$1,906,183</b>
<b>Payments to Other Governments</b>			
4931	Taxes Assessed for County	\$0	\$3,713,521
4932	Taxes Assessed for Village District	\$0	\$0
4933	Taxes Assessed for Local Education	\$0	\$8,184,346
4934	Taxes Assessed for State Education	\$0	\$2,755,463
4939	Payments to Other Governments	\$0	\$0
<b>Payments to Other Governments Subtotal</b>			<b>\$14,653,330</b>
<b>Total Before Payments to Other Governments</b>		<b>\$7,826,340</b>	<b>\$7,447,746</b>



**Expenditures**

<b>Plus Payments to Other Governments</b>		<b>\$14,653,330</b>
<b>Plus Commitments to Other Governments from Tax Rate</b>	<b>\$14,653,330</b>	
<b>Less Proprietary/Special Funds</b>	<b>\$1,712,356</b>	<b>\$1,397,983</b>
<b>Total General Fund Expenditures</b>	<b>\$20,767,314</b>	<b>\$20,703,093</b>





Revenues

Account	Source of Revenues	Estimated Revenues	Actual Revenues
<b>Taxes</b>			
3110	Property Taxes	\$0	\$18,773,509
3120	Land Use Change Tax - General Fund	\$0	\$12,963
3121	Land Use Change Taxes (Conservation)	\$0	\$0
3180	Resident Tax	\$0	\$0
3185	Yield Tax	\$0	\$18,474
3186	Payment in Lieu of Taxes	\$0	\$0
3187	Excavation Tax	\$0	\$73
3189	Other Taxes	\$0	\$0
3190	Interest and Penalties on Delinquent Taxes	\$60,000	\$72,609
9991	Inventory Penalties	\$0	\$0
<b>Taxes Subtotal</b>		<b>\$60,000</b>	<b>\$18,877,628</b>
<b>Licenses, Permits, and Fees</b>			
3210	Business Licenses and Permits	\$825	\$825
3220	Motor Vehicle Permit Fees	\$790,000	\$818,972
3230	Building Permits	\$55,000	\$54,665
3290	Other Licenses, Permits, and Fees	\$36,000	\$38,615
3311-3319	From Federal Government	\$0	\$0
<b>Licenses, Permits, and Fees Subtotal</b>		<b>\$881,825</b>	<b>\$913,077</b>
<b>State Sources</b>			
3351	Shared Revenues	\$0	\$0
3352	Meals and Rooms Tax Distribution	\$177,168	\$177,168
3353	Highway Block Grant	\$122,211	\$226,639
<i>Explanation: \$104,430 in Additional SB38 Highway Block Grant Funds</i>			
3354	Water Pollution Grant	\$0	\$0
3355	Housing and Community Development	\$0	\$0
3356	State and Federal Forest Land Reimbursement	\$0	\$0
3357	Flood Control Reimbursement	\$0	\$0
3359	Other (Including Railroad Tax)	\$7,508	\$5,295
3379	From Other Governments	\$104,054	\$104,054
<b>State Sources Subtotal</b>		<b>\$410,941</b>	<b>\$513,156</b>
<b>Charges for Services</b>			
3401-3406	Income from Departments	\$80,000	\$144,415
3409	Other Charges	\$2,000	\$4,450
<b>Charges for Services Subtotal</b>		<b>\$82,000</b>	<b>\$148,865</b>
<b>Miscellaneous Revenues</b>			
3501	Sale of Municipal Property	\$130,000	\$130,962
3502	Interest on Investments	\$35,000	\$52,019
3503-3509	Other	\$26,000	\$17,122
<b>Miscellaneous Revenues Subtotal</b>		<b>\$191,000</b>	<b>\$200,103</b>



**Revenues**

Account	Source of Revenues	Estimated Revenues	Actual Revenues
<b>Interfund Operating Transfers In</b>			
3912	From Special Revenue Funds	\$45,000	\$41,424
3913	From Capital Projects Funds	\$0	\$0
3914A	From Enterprise Funds: Airport (Offset)	\$0	\$0
3914E	From Enterprise Funds: Electric (Offset)	\$132,760	\$142,267
3914O	From Enterprise Funds: Other (Offset)	\$0	\$0
3914S	From Enterprise Funds: Sewer (Offset)	\$1,074,238	\$1,258,017
3914W	From Enterprise Funds: Water (Offset)	\$505,358	\$545,036
3915	From Capital Reserve Funds	\$159,000	\$159,000
3916	From Trust and Fiduciary Funds	\$0	\$0
3917	From Conservation Funds	\$0	\$0
<b>Interfund Operating Transfers In Subtotal</b>		<b>\$1,916,356</b>	<b>\$2,145,744</b>
<b>Other Financing Sources</b>			
3934	Proceeds from Long Term Bonds and Notes	\$0	\$0
<b>Other Financing Sources Subtotal</b>		<b>\$0</b>	<b>\$0</b>
<b>Less Proprietary/Special Funds</b>		<b>\$1,712,356</b>	<b>\$1,945,320</b>
<b>Plus Property Tax Commitment from Tax Rate</b>		<b>\$18,696,429</b>	
<b>Total General Fund Revenues</b>		<b>\$20,526,195</b>	<b>\$20,853,253</b>



Balance Sheet

Account	Description	Starting Balance	Ending Balance
<b>Current Assets</b>			
1010	Cash and Equivalents	\$7,081,219	\$9,846,299
1030	Investments	\$0	\$0
1080	Tax Receivable	\$459,816	\$489,156
1110	Tax Liens Receivable	\$191,051	\$193,521
1150	Accounts Receivable	\$0	\$0
1260	Due from Other Governments	\$0	\$11,882
1310	Due from Other Funds	\$461,006	\$577,595
1400	Other Current Assets	\$69,945	\$11,578
1670	Tax Deeded Property (Subject to Resale)	\$22,193	\$35,451
<b>Current Assets Subtotal</b>		<b>\$8,285,230</b>	<b>\$11,165,482</b>
<b>Current Liabilities</b>			
2020	Warrants and Accounts Payable	\$150,423	\$676,385
2030	Compensated Absences Payable	\$0	\$0
2050	Contracts Payable	\$0	\$0
2070	Due to Other Governments	\$0	\$0
2075	Due to School Districts	\$5,268,711	\$5,279,001
2080	Due to Other Funds	\$247,308	\$262,513
2220	Deferred Revenue	\$0	\$2,508,716
2230	Notes Payable - Current	\$0	\$0
2270	Other Payable	\$243,609	\$72,528
<b>Current Liabilities Subtotal</b>		<b>\$5,910,051</b>	<b>\$8,799,143</b>
<b>Fund Equity</b>			
2440	Non-spendable Fund Balance	\$69,945	\$11,578
2450	Restricted Fund Balance	\$0	\$0
2460	Committed Fund Balance	\$0	\$0
2490	Assigned Fund Balance	\$6,150	\$86,954
2530	Unassigned Fund Balance	\$2,299,084	\$2,426,807
<b>Fund Equity Subtotal</b>		<b>\$2,375,179</b>	<b>\$2,525,339</b>



**2018**  
**MS-535**

**Tax Commitment**

Source	County	Village	Local Education	State Education	Other	Property Tax
MS-535	\$3,713,521	\$0	\$8,184,346	\$2,755,463	\$0	\$18,773,509
<b>Commitment</b>	\$3,713,521	\$0	\$8,184,346	\$2,755,463		\$18,696,429
<b>Difference</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$77,080</b>

**General Fund Balance Sheet Reconciliation**

Total Revenues	\$20,853,253
Total Expenditures	\$20,703,093
<b>Change</b>	<b>\$150,160</b>
Ending Fund Equity	\$2,525,339
Beginning Fund Equity	\$2,375,179
<b>Change</b>	<b>\$150,160</b>



**Long Term Debt**

Description (Purpose)	Original Obligation	Annual Installment	Rate	Final Payment	Start of Year	Issued	Retired	End of Year
Lake Ave (Water)	\$706,741	\$45,000	4.25	2024	\$324,241	\$0	\$45,000	\$279,241
Library (Library)	\$975,000	\$48,750	2.76	2034	\$877,500	\$0	\$48,750	\$828,750
Perkins Pond (Sewer)	\$1,585,000	\$0	2.50	2042	\$1,526,296	\$0	\$58,704	\$1,467,592
Safety Services Building (General Government)	\$3,133,625	\$0	3.97	2024	\$859,347	\$0	\$164,928	\$694,419
Water Filtration #1 (Water)	\$469,350	\$0	2.42	2027	\$233,389	\$0	\$18,158	\$215,231
Water Filtration #2 (Water)	\$778,910	\$0	2.42	2027	\$730,611	\$0	\$56,842	\$673,769
WWTP (Sewer)	\$1,500,000	\$0	3.50	2042	\$1,434,035	\$0	\$34,724	\$1,399,311
	<b>\$9,148,626</b>				<b>\$5,985,419</b>	<b>\$0</b>	<b>\$427,106</b>	<b>\$5,558,313</b>

## 2018 TAX RATE COMPUTATION

### TOWN PORTION

Total Appropriation	\$8,152,825	
Less: Net Revenues		
(Not Including Fund Balance)	(\$3,569,453)	
Less: Fund Balance to Reduce Taxes	( <b>\$300,000</b> )	
Add: War Service Credits	\$84,500	
Add: Actual Overlay Used	\$35,000	
<b>Net Required Local Tax Effort</b>		<b>\$4,402,872</b>
<b><i>Town Tax Rate</i></b>		<b>\$3.38</b>

### COUNTY APPORTIONMENT

Net County Apportionment	\$3,629,169	
<b>Net Required County Tax Effort</b>		<b>\$3,629,169</b>
<b><i>County Tax Rate</i></b>		<b>\$2.95</b>

### EDUCATION

Net Local School Appropriations	\$1,187,215	
Less: State Education Tax	(2,744,111)	
<b>Net Required Local Education Tax Effort</b>		<b>\$ 8,443,104</b>
<b><i>School Tax Rate</i></b>		<b>\$6.87</b>
State Education Tax	\$2,744,111	
<b>Net Required State Education Tax Effort</b>		<b>\$2,744,111</b>
<b><i>State School Tax Rate</i></b>		<b>\$2.25</b>
<b><i>Total Tax Rate</i></b>		<b>\$15.65</b>

### VALUATION

	Current Year	Prior Year
Total Assessment Valuation with Utilities	\$1,229,041,113	\$1,217,848,748
Total Assessment Valuation without Utilities	\$1,218,951,391	\$1,208,240,148

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## 2018 TAX RATE COMPUTATION

### TOWN PORTION

Total Appropriation	\$8,152,825	
Less: Net Revenues		
(Not Including Fund Balance)	(\$3,569,453)	
Less: Fund Balance to Reduce Taxes	(\$350,000)	
Add: War Service Credits	\$84,500	
Add: Actual Overlay Used	\$35,000	
<b>Net Required Local Tax Effort</b>		<b>\$4,352,872</b>
<b><i>Town Tax Rate</i></b>		<b><i>\$3.54</i></b>

### COUNTY APPORTIONMENT

Net County Apportionment	\$3,629,169	
<b>Net Required County Tax Effort</b>		<b>\$3,629,169</b>
<b><i>County Tax Rate</i></b>		<b><i>\$2.95</i></b>

### EDUCATION

Net Local School Appropriations	\$1,187,215	
Less: State Education Tax	(2,744,111)	
<b>Net Required Local Education Tax Effort</b>		<b>\$ 8,443,104</b>
<b><i>School Tax Rate</i></b>		<b><i>\$6.87</i></b>
State Education Tax	\$2,744,111	
<b>Net Required State Education Tax Effort</b>		<b>\$2,744,111</b>
<b><i>State School Tax Rate</i></b>		<b><i>\$2.25</i></b>
<b><i>Total Tax Rate</i></b>		<b><i>\$15.61</i></b>

### VALUATION

	Current Year	Prior Year
Total Assessment Valuation with Utilities	\$1,229,041,113	\$1,217,848,748
Total Assessment Valuation without Utilities	\$1,218,951,391	\$1,208,240,148

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## 2018 TAX RATE COMPUTATION

### TOWN PORTION

Total Appropriation	\$8,152,825	
Less: Net Revenues		
(Not Including Fund Balance)	(\$3,569,453)	
Less: Fund Balance to Reduce Taxes	(\$400,000)	
Add: War Service Credits	\$84,500	
Add: Actual Overlay Used	\$35,000	
<b>Net Required Local Tax Effort</b>		<b>\$4,302,872</b>
<i>Town Tax Rate</i>		<i>\$3.59</i>

### COUNTY APPORTIONMENT

Net County Apportionment	\$3,629,169	
<b>Net Required County Tax Effort</b>		<b>\$3,629,169</b>
<i>County Tax Rate</i>		<i>\$2.95</i>

### EDUCATION

Net Local School Appropriations	\$1,187,215	
Less: State Education Tax	(2,744,111)	
<b>Net Required Local Education Tax Effort</b>		<b>\$ 8,443,104</b>
<i>School Tax Rate</i>		<i>\$6.87</i>
State Education Tax	\$2,744,111	
Net Required State Education Tax Effort		<b>\$2,744,111</b>
<i>State School Tax Rate</i>		<i>\$2.25</i>
<i>Total Tax Rate</i>		<i>\$15.57</i>

### VALUATION

	Current Year	Prior Year
Total Assessment Valuation with Utilities	\$1,229,041,113	\$1,217,848,748
Total Assessment Valuation without Utilities	\$1,218,951,391	\$1,208,240,148