



REPORT OF THE TOWN MANAGER

February 7, 2024

Exemptions: As part of the revaluation process, I have been reviewing our elderly exemption levels. For those who may not know, State Law allows municipalities to provide people over the age of sixty-five an exemption on the value of their property if they qualify by having income and assets (excluding the value of their home and two acres) below a certain level. In Newmarket, our levels are as follows:

<u>Newmarket</u>	<u>Exemption Amount</u>		<u>Income</u>		<u>Asset Limits</u>
65-74	\$ 125,000.00	Single	\$ 35,000.00	Single	\$ 175,000.00
75-79	\$ 150,000.00	Married	\$ 50,000.00	Married	\$ 175,000.00
80+	\$ 175,000.00				

This means that if you are single and have an annual income level of less than \$35,000 and assets, excluding your house of less than \$175,000, you are eligible to have your home assessment reduced by \$125,000. On a \$350,000 home of an individual over eighty, this is an annual savings of \$5,161 off their tax bill.

Currently, we have ten individuals receiving the exemption between the ages of 65-74; eleven between the ages of 75-79; and twenty-one over the age of eighty. This impacts the valuation of the Town by reducing it by \$6,575,000. This requires an additional \$193,896 to be made up by other taxpayers or about seventeen cents on the overall tax bill.

I did a quick comparison of the levels that other communities provide and here is a breakdown.

<u>COMMUNITY</u>	<u>65-74</u>	<u>75-79</u>	<u>80+</u>	<u>INCOME SINGLE</u>	<u>INCOME MARRIED</u>	<u>ASSETS</u>	<u>TAX RATE</u>	<u>YEAR</u>
DURHAM	\$125,000	\$175,000	\$225,000	\$32,500	\$43,700	\$200,000	\$20.48	2023
EPPING	\$120,000	\$130,000	\$140,000	\$30,000	\$40,000	\$70,000	\$23.40	2023
EXETER	\$152,251	\$183,751	\$236,251	\$40,426	\$51,976	\$194,251	\$26.78	2023
GREENLAND	\$90,000	\$115,000	\$145,000	\$37,500	\$60,000	\$125,000	\$12.27	2023
LEE	\$217,500	\$262,500	\$337,500	\$46,500	\$59,400	\$222,500	\$23.63	2023
NEWFIELDS	\$200,000	\$200,000	\$200,000	\$36,000	\$48,000	\$150,000	\$20.96	2022
STRATHAM	\$125,000	\$145,000	\$160,000	\$36,000	\$60,000	\$200,000	\$20.91	2023

Our exemption amount is among the lowest in comparison to our neighboring communities. To have a similar exemption amount we would have to provide the following:

	<u>65-74</u>	<u>75-79</u>	<u>80+</u>
AMOUNTS NEEDED TO	\$187,500	\$225,000	\$262,500
OBTAIN SIMILAR TAX REDUCTION	\$3,686	\$4,424	\$5,161

I would recommend that we increase the exemption amount to the following:

65-74	\$	200,000.00
75-79	\$	225,000.00
80+	\$	250,000.00

By increasing the exemption to these levels, we would increase the amount to be exempted from the valuation from \$6,575,000 to \$9,725,000. Currently, we make up \$193,896 in taxes from the exemption, with the new levels we would have to make up \$286,790 or an additional \$92,894. This would be spread around to other taxpayers as a nine-cent increase. However, this would be reduced due to a new tax valuation.

If we were to increase the exemption amount, a person over the age of eighty with a \$350,000 home would see their tax bill go from \$5,092 to \$2,949.

As for income limits, we are comparative to the other surrounding communities. I would not recommend increasing these at this time.

We are slightly lower on our asset limits. To qualify for the exemption, you must also have assets (cars, other properties, savings, etc.) less than \$175,000. We could increase this to \$200,000. We do not know the impact of this, since we only have asset records on those who currently qualify. We would have to wait to see what the number of people who now qualify would be.

I will work with assessing to have a resolution written up this spring.

Recycling Agreement with Newfields: It was mentioned that Newfields may be looking for a location to eliminate their recycling. As the council is aware, I contacted the Select Board there and let them know that our previous agreement had expired. The Select Board was interested in having Newmarket provide this service again. I provided their Board with an amendment to our current transfer station agreement. This agreement outlines:

1. Residents of Newfields may only dispose of recyclables in an approved container.
2. Residents of Newfields will pay \$5 per 18-gallon container that they bring to the Newmarket Transfer Facility.
3. The Newmarket Transfer Facility will not accept cash or checks for disposal. Residents of Newfields must purchase prepaid punch cards.
4. Newmarket reserves the right to change the fee or any of these procedures after communication with Newfields.

This is the same agreement we had previously. Newmarket made money from this agreement.

I have heard from the Chair of the Newfields Select Board, and they are going to review it at their next board meeting. I am attaching the amendment to this report.

ONGOING PROJECTS

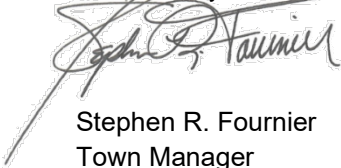
****This section will not be reported orally to the Town Council at the meeting but will use this as a chance to update on any developments in ongoing projects. ****

- Deliberative Session and Town Election Preparations
- Collaborating with Legal Counsel on Clay v. Newmarket
- Meti with NHDOT on 1/17 to discuss.
- Parking Study: We had a kick-off meeting with the Regional Planning Commission. They will begin studying this spring.

Contracts Signed on Behalf of the Town Since Last Meeting:

- Impact Fee Transfer – 1/16/24
- Bennett Well SRF Loan Agreement
- Energy Grant Agreement
- Water Project Funds Transfer
- Commitment Letter - Energy Audit
- Impact Fee Transfer – 1/31/24
- CWSRF Loan - Disbursement Request No.1 - Moody Point SW Project
- CW Grant - Disbursement Request No.1 - SW Asset Management Project
- AP Check Run 01-18-24.
- AP Check Run - 1/4/24
- Employee Payroll Register - 1/25/24 - \$149,561.35
- ACH PYMTS 01-25-24.

Respectfully Submitted,



Stephen R. Fournier
Town Manager