

**Town of Charlotte
Board of Selectmen
Minutes**

**Monday, January 17, 2005
7:00 PM, Charlotte Town Hall**

MEMBERS PRESENT: Chairman Charles Russell
Jennifer Steele Cole
Eleanor Russell
Ed Stone
Francis Thornton

OTHERS: Dean Bloch (Selectboard Assistant)
Jean Giard
Patrice Machavern
Hazel Prindle
Debbie Ramsdell
Nancy Sabin
Bob Shea
Allana Kline (clerk)

The meeting was called to order at 7:00 pm.

The items on the agenda were as follows:

Adjustment to Agenda / Approve Minutes for January 3, January 10, 2005 / Public Discussion / Discussion with Town Auditor / Discussion about discontinuing position of elected auditors / Discussion regarding budget / Selectboard Update: review draft of articles for Town Meeting / Bills and Warrants / Adjournment

Adjustment to Agenda
None.

Approve Minutes for January 3, January 10

Motion made by Ellie Russell, seconded by Ed Stone:

"To approve the selectboard meeting minutes with corrections for January 3rd, 2005".

Vote: all in favor.

On pg. 2, 3rd paragraph under Discussion of Charlotte Park/Wildlife, omit first sentence, 2nd sentence change, 'doing this stretch' to, 'doing a 1200 ft. stretch', move whole paragraph to join paragraph two above.

On pg. 3, 1st paragraph under Dave Knowles heading, 3rd sentence, insert 'kennel' between 'Margaret' and 'doors'.

On pg. 4, under Discussion salaries, budget, articles, 3rd bullet, 1st sentence, replace, 'raided' with, 'approve' and, 'so' with, 'and'. Omit 3rd sentence.

Under Constables heading, 1st bullet, insert, 'Reserve' between, 'Fire and Rescue' and, 'Fund'.

Under Selectboard Update heading, 1st bullet, 2nd sentence, correct typo to read, 'AOT'.

Add to end of minutes-The Selectboard came out of Executive Session at 10:00 PM. No motions were made.

Public Discussion

A brief discussion took place regarding the graffiti on the *Welcome to Charlotte* signs in town. Mr. Bloch noted that the matter would be addressed.

Discussion with Town Auditor

Hazel Prindle and Nancy Sabin, both elected auditors for the town, were present for this discussion.

Mr. Bloch introduced Ms. Jean Giard to the board. Ms. Giard was hired by the town to act as the town's auditor.

Ms. Giard opened the review of her findings to the board by offering some suggestions on how to change current budgeting practices. She noted that the town has 'overspent' in some areas, and overall, would benefit from changing their planning strategies to follow a more 'business-like' format. She explained that switching budgeting practices from a short-sighted one year planning time span, to more of a long term approach would help the town to better determine appropriate spending. She also pointed out that her findings have incorporated the required guidelines as defined by GASB 34 (Government Accounting Standards Board).

Ms. Giard then began a review of her findings for the board.

A discussion took place regarding Thompson's Point. A question was raised regarding the market value price listed in the findings. Ms. Giard explained that the price listed represents only the land on the parcel and does not include the prices of any of the buildings located on the property. She also stressed that all of the prices listed are based on the date of purchase, not current market values. She further explained that she had limited resources to investigate for Thompson's Point. She noted that the list of properties included in her findings was compiled based on available documentation, and that her research did not go further back than 1913. The board noted that they believed the property dates back to the mid 1800's.

Ms. Giard noted that the Conservation Fund had been removed from the general funds because it is such a large item in and of itself and should be handled as its own entity. She explained that this is done for the purpose of better record keeping and does not affect the fund or the budget.

Chair Russell inquired if the general fund figures included the highway budget. Ms. Giard answered, yes.

Ms. Giard pointed out that the town is showing a negative general fund balance. She explained the state has statutes in place that determine procedures for this occurrence. She explained that, 'in a nutshell' the state requires 5% of the Grand List be set aside for payment until the town can cover its loss. She stated that she brought copies of the law with her and would distribute them at the end of her presentation for the board's review.

Ms. Giard then pointed out that the cemetery fund is currently not following proper procedures. She explained that the fund can not have more than 35% of its entire fund in common stocks. She noted that this would need to be fixed and referenced a copy of the state statute addressing this topic.

Ms. Giard commented that in general, the town has too much of its investment funds invested in common stocks. She noted that this is the reason the funds fluctuate so much and suggested the town not use common stocks for any type of investments because the market is too unpredictable.

Ms. Giard noted that there is no expense line in the budget for the transfer of taxes to the Land Conservation Fund. She cited this as the reason for the town's overspending. A discussion took place regarding this. Mr. Russell asked if a wrong tax rate was set. Ms. Giard answered that it was not set high enough to cover costs. Ms. Prindle pointed out that if no line item was set at Town Meeting then it could not have been taken into account. Ms. Giard agreed with Ms. Prindle and urged the board to consider the fund as its own entity to avoid confusion in the future.

Ms. Giard stated that overall the town has fantastic accounting practices, but that she sees room for improvement by way of better time management. She explained that currently 17 fund balances are handled manually. She suggested that the town take time to improve internal controls. She named NEMRC as a system the town uses for the general fund that could be used to consolidate tasks and reduce work for the town. Mr. Stone asked if the new system would be new expenses for the town. Ms. Giard answered that the expense would be minimal and that the time gain would be well worth the effort of putting the system in motion. She volunteered to help get the program up and running with the town.

The board pointed out that \$20,000 in grant funds was not included in the Recreation Fund. Ms. Giard made note and said she would make the necessary adjustments to include the grant money.

Ms. Sabin requested that notes be made referring to where and how grant money is being used in the report. Ms. Giard agreed this was a good suggestion and said she would indicate where grant money is being used on the next draft.

A discussion took place regarding the Fire and Rescue Departments record. Ms. Giard noted that her figures did not take into account donations, grant, or patient billing information as she did not have access to that information. She strongly suggested that the department keep track of these figures and also suggested an outside audit of the department. A member of the Rescue Squad spoke from the audience and stated that it was his understanding that the department was more than willing to do so. Ms. Russell said she believes those records are kept but are managed in a different office. Ms. Giard suggested that this fund balance be handled as an ongoing expense to help clean up bookkeeping practices.

Ms. Giard noted that in general any and all donations should be audited with notes stating how the money was wished to be used.

Discussion about discontinuing position of elected auditors

After discussing the matter, the board was in agreement that the elected auditor positions should remain in place.

Discussion Regarding Budget

Request for Additional Funds. Bob Shea and Patrice Machavern requested additional funds be put toward field repair and maintenance at the Berry Field Park. Mr. Shea explained that currently, money raised by the Little Leaguers that use the small outer fields on the grounds, is used to maintain the larger middle field. Mr. Shea further explained that the middle field is used by adult leagues and the high school, not by the Little League Teams. Mr. Shea requested for an additional \$2,500 to cover the cost of bringing the all fields up to better and safer playing standards.

Mr. Stone suggested the town consider allotting more funds than requested to ensure the repair work is done properly. Ms. Russell voiced her concern with allotting a large amount of town money to a field that only a small percentage of residents use. She requested information be submitted stating an estimate of the percentage of Charlotte residents who use the field. Mr. Shea pointed out that the Berry Farm is regarded as one of the most scenic fields in the league and noted that he has received many positive comments from both residents of Charlotte and visiting towns on the aesthetics of the land. He stated that his request is to bring the fields up to the level that the site deserves. Ms. Machavern said she would look into gathering data. After discussing the matter further, the board agreed to change the line item from \$7,500 to \$10,000. It was noted that this change would need to be defended at town meeting.

The board next reviewed the Operating Budget. The following line items were discussed:

Revenues (pg. 1)

- Insert \$2,500 for the Ag. Lease-Charlotte Park line item
- Change Beach Fees from \$6,500 to \$5,500
- Set Highway Grant at \$10,000

Expenses (pg.3)

- A discussion took place regarding the increase to the Administrative Assistant line item under the Fire and Rescue Heading. Ms. Russell explained that the position had been budgeted based on half a year's salary for the previous year. She noted that the salary would likely need to be more than the \$7,000 currently set. After discussing the matter further the board agreed to up the salary amount to \$10,000.
- A discussion took place regarding the Gravel Rd. line item under the Highway heading. The board discussed the need to develop a precise manner of predicting the overall cost of the entire project on a yearly basis. It was determined that this figure should take into account a reasonable timeframe that a specific number of miles of road can be upgraded per year. It was noted that cost should be monitored in relation to the estimated cost of paving roads to help evaluate if it is in the town's best financial interest to maintain a road as gravel, or to pave it.
- A discussion took place regarding Higbee Rd. The board commented that the road is dangerous and needs attention. Mr. Bloch noted that repairs to the road to bring to safer standards are estimated at \$25,000. The board agreed that this figure should be added as additional funds to the gravel road maintenance line to bring the total to \$135,000.

Expenses (pg.4)

- Park Maintenance-add \$3,000 for a steel gate to be installed at Charlotte Park.
- Ball Park (Lake Field)-add \$500 for the cost of dirt to bring playing field up to standards
- The board discussed upping the allotment of specific donation amounts. After discussing the matter the board determined that it is best follow the current policy of allotting what is asked for. Mr. Stone spoke in favor of allotting more when it is brought to the board's attention how well used a specific charity is by Charlotte residents and noted that it is his understanding the 30-40 Charlotte women use the Women Helping Battered Women on an ongoing monthly basis. Ms. Russell stated that although she is highly in favor of promoting all of the good services these programs provide she does not feel it is within the Selectboard's parameters to determine which program deserves more of the town's money over another. Although there was disagreement there was a majority consensus to maintain the current policy.
- Change title of Intramural Sports to Organized Sports for clarification purposes

Expenses (pg.5)

-Mr. Bloch initiated a conversation regarding the anticipated costs of two new photocopiers for the Town Hall offices and the rewiring of the building. After discussing the matter further the board agreed that 14,000 for photocopiers should be

added to the equipment line item and \$2,500 for the cost of rewiring the building needs to be added to the maintenance line item under the Town Hall heading (pg 5).

Expenses (pg.6)

-A discussion took place regarding possible means for the Senior Center to explore to increase revenue for the programs. It was noted that the center is a valuable well used service in the town by both residents and non residents. The board suggested the center raise workshop fees to help cover operation costs. Mr. Stone voiced his concerns with raising costs of programs as many who use the service live on limited incomes.

-A discussion took place regarding raising the annual stipend of the town dog catcher. Mr. Stone suggested at least \$300, stating that, "anything less would simply be an insult to the man." The board then discussed the possibility of having all town employees (fire warden, Health Officer etc) function on the 3% raise policy. It was left undecided if this should be put into action.

-A discussion took place regarding the Charlotte Land trust. Mr. Stone pointed out that it is nearing the end of the ten year time allotment. It was noted that this matter would need further review. Mr. Bloch suggested the matter be reviewed with Articles at a future meeting.

General

A discussion took place regarding the cost of the new ambulance. The board suggested that the cost of selling the old one be counted towards the price of the new one. The board agreed an Article should be drawn up to address this matter.

Mr. Stone suggested that the funds for the Thorpe Barn be taken out of its matching fund account and be put into a maintenance operating budget. They agreed this was a good suggestion, but that it will require further research before a final answer can be determined.

Selectboard Update: review draft of articles for Town Meeting

The board reviewed a petition regarding Green Mountain Power Company. A resident denied a ROW across their land, GMP reoriented the route of the line to accommodate said resident. The board reviewed the submitted proposal by GMP that depicted the route of the lines and the heights of the poles.

Motion made by Ed Stone, seconded by Ellie Russell:

"To accept GMP's submitted plans marked #103070".

Vote: 4 ayes, 1 abstention.

Bills and Warrants

Signed as appropriate.

Adjournment

Motion made by Ellie Russell, seconded by Ed Stone:

"To adjourn the selectboard meeting".

Vote: all in favor. Meeting adjourned at 10:57 PM.

Minutes respectfully submitted by Allana Kline.