

**CHARLOTTE SELECTBOARD
MINUTES OF MEETING
TOWN HALL
FEBRUARY 25, 2013**

APPROVED

SELECTBOARD MEMBERS: Charles Russell, Chair; John Owen, Winslow Ladue, Ed Stone (departed 9:50 p.m.), Dennis Delaney (departed 9:30 p.m.).

ADMINISTRATION: Dean Bloch, Selectboard Clerk.

OTHERS: Patrice Machavern, Lynne Jaunich, Edward Cofferty, Moe Harvey, Martha Perkins, Peter Trono, John Snow, Mary Mead, Robert Mack, Mike Cook, Ellie Russell, Stephen Brooks, Dick St George, Chris Davis, Ronald Pender, Waverly Purdon, Nancy Wood, Peter Carreines, Kim Ziegelman, David McNally Lou Bressor, Robert Chutter, Amy Cronin, A. Haigney, Jenny Cole, Sue Smith, Sharron Balaban, Ed Sulva, Hugh Lewis Jr, Carol Casey, Charlotte Citizen, John Hammer, Charlotte News, and others.

(NOTE: the published agenda was heard out of order, but appears in order for continuity.)

CALL TO ORDER

Mr. Russell, Chair, called the meeting to order at 7:00 p.m.

ADJUSTMENTS TO AGENDA

Added: Change to the first March Selectboard meeting date.

PUBLIC COMMENTS

None.

MINUTES: January 14, January 28, February 11, February 15

MOTION by Mr. Owen, seconded by Mr. Ladue, to approve the Selectboard minutes of 01/14/2013, as written, with additions/corrections.

VOTE: 5 ayes; motion carried.

MOTION by Mr. Owen, seconded by Mr. Ladue, to approve the Selectboard minutes of 01/28/2013, as written, with additions/corrections.

VOTE: 5 ayes; motion carried.

MOTION by Mr. Owen, seconded by Mr. Ladue, to approve the Selectboard minutes of 02/11/2013, as written, with additions/corrections.

VOTE: 5 ayes; motion carried.

MOTION by Mr. Owen, seconded by Mr. Ladue, to approve the Selectboard minutes of 02/15/2013, as written, with a global correction to the name "Bill Fraser-Harris".

VOTE: 5 ayes; motion carried.

INTERVIEW: DANA B OLTON, FOR CONSERVATION COMMISSION, FOR TERM ENDING IN APRIL, 2014

An interview with Dana Bolton was cancelled.

SELECTBOARD MEETING DATE

A scheduled Selectboard meeting date on Monday, March 11, 2013 was changed to Tuesday, March 12, 2013 at 7:00 p.m.

LUND FAMILY CENTER – REQUEST TO USE TOWN ROADS AND SENIOR CENTER FOR RIDE FOR CHILDREN ON MAY 11TH – action item

Amy Cronin, Lund Family Center representative, reviewed a request to use Charlotte roads on Saturday, May 11, 2013, for the 5th Annual Ride for Children 30 and 50 mile bike rides. A rest stop would occur at the Charlotte Senior Center. The rides were fund raisers; not races, clarified Ms. Cronin.

There was discussion regarding posting of police officers and volunteers at road intersections for safety. Mr. Russell suggested reversing the 30 mile ride route so that bikers could go south down Mt Philo Road, which would make the turn at the four-way stop by the Charlotte Central School safer. Ms. Cronin agreed to reverse the 30 mile ride route.

MOTION by Mr. Owen, seconded by Mr. Ladue, to approve a request by Lund Family Center to use Town roads and the Senior Center for the May 11, 2013, 30 and 50 mile bike rides, with the modified 30 mile ride route.

DISCUSSION:

Mr. Harvey noted that Charlotte has been asked to host many races, and expressed concern that the number of uses would impact the vehicle traffic of Town residents.

Mr. Delaney asked what the amount realized by the fund raiser was. Ms. Cronin replied that the Lund Family Center goal was \$111,000 from this one event.

VOTE: 5 ayes; motion carried.

NATIONAL MULTIPLE SCLEROSIS SOCIETY – REQUEST TO USE TOWN ROADS FOR GREEN MOUNTAIN GETAWAY ON AUGUST 3RD AND 4TH – action item

MOTION by Mr. Ladue, seconded by Mr. Delaney, to approve a request by the National Multiple Sclerosis Society to use Town roads for a Green Mountain Getaway benefit ride on August 3 and 4, 2013.

DISCUSSION:

There was discussion regarding the proposed two-day event route that would utilize a Saturday rest stop at the Old Lantern, number of participants anticipated at 125 riders, and possible conflicts of with a previously scheduled Rayne Herzog bike race on the same date and route on Greenbush Road. Both bike routes would go in the same direction and there should be no interference between event participants.

VOTE: 5 ayes; motion carried.

**LYNNE JAUNICH – DISCUSSION OF 0.225% OF EDUCATION TAXES
RETAINED BY THE TOWN – discussion only**

Lynne Jaunich, Charlotte Central School Board representative, explained educational tax formula changes enacted by ACT 60. As per state statutes the Town would retain \$26,000 +/- of the educational tax money to offset some of the Town staff administrative work. She understood that the Town used the money to offset the municipal budget. However, if the school retained that revenue it could be used to offset the school budget and the taxpayer would have a reduced educational tax rate. The Town realized \$100,000 of educational funds over the past 5 years. It was an expensive use of school tax dollars. The School Board was looking for ways to increase school revenue, said Ms. Jaunich.

Ms. Mead explained that the Listers set the Grand List on July 1st and the Selectboard then set the tax rate. The Grand List was subject to changes, such as late homestead and Current Use filers. New tax bills had to be sent out due to those late changes. This year the state was late getting Current Use changes to the Town. The Town lost \$14,400 +/- in taxes since the Town didn't have that information in July. The Town should retain that 0.225 percent to offset those unexpected changes to the Grand List, stated Ms. Mead.

Mr. Russell asked how the ACT 60 and 68 rebate process affected the taxes. Ms. Mead explained that the state sends a download to the towns and tax bills were generated that showed a rebate credit. New data comes from the state on a weekly basis and new tax bills were then sent out. ACT 60 was a new Educational tax formula that was a burden on towns. The state law says towns could keep that 0.225 percent, said Ms. Mead.

Mr. Ladue asked if the Town took Ms. Jaunich's suggestions then what were next steps. Ms. Jaunich said that a meeting between herself, Bob Mason, the Selectboard and Ms. Mead would be a start of a discussion to diminish everyone's tax bill.

Mr. Ladue asked Ms. Mead if a shortage situation occurred every year. Ms. Mead replied that the shortage situation could not be planned for since it changed every year.

Mr. Owen suggested looking into another way to cover any Town shortfalls other than using the 0.225 percent.

Ms. Jaunich reiterated that it would be cheaper to put the cost for Town staff to administer the educational tax in the Town budget and let the school keep the 0.225 percent amount to give the Town a lower educational tax rate.

Mr. Owen suggested holding off any action until after March Town Meeting when there would be a new Selectboard.

TOWN MEETING SOLUTIONS COMMITTEE – action item

John Hammer, Ad Hoc Committee member, reviewed proposed steps the committee would like to undertake as follows:

- Conduct a survey during March Town Meeting and hand out informational sheets to the Town voters.
- Create a base line of Town Meeting attendees via a head count during the 2013 March Town Meeting.
- Send out a survey on how to make Town Meetings more accessible and ideas to increase voter participation following March Town Meeting via postal mail, e-mail, posting links on the Town website and Front Porch Forum.
- Hold a series of educational meetings in May, June and September.
- Identify and make recommendations to the Selectboard in early November, or by the end of December using data gather from the public informational meetings.

Mr. Hammer said that the 7 Ad Hoc members decided to continue as an informal committee rather than a formal Town committee following a recent meeting. The Ad Hoc Committee would use open meetings, publish minutes of meetings, and create an e-mail list to disseminate information to the public. It was the same format used by the Middlesex Committee, said Mr. Hammer.

Mr. Brooks suggested that the Selectboard approve a Resolution to recognize the informal Ad Hoc Committee versus a motion to appoint a formal committee as warned in the agenda.

Mr. Ladue said he was fine with deferring a motion to receive more information.

CHARLOTTE PARK AND WILDLIFE REFUGE OVERSIGHT COMMITTEE – 2013 CONTRACT WITH VERMONT DEPARTMENT OF CORRECTIONS FOR COMMUNITY SERVICE WORK ON TOWN PROPERTY – action item MOTION by Mr. Owen, seconded by Mr. Ladue, to approve a 2013 contract between the Charlotte Park and Wildlife Refuge Oversight Committee and the Vermont Department of Corrections for community service work on Town Property.

DISCUSSION:

Jenny Cole and Sue Smith, Charlotte Park and Wildlife Refuge Oversight Committee members, explained that this was the second year of a contract. Changes to the contract included a port-a-pottie and tent facility on site that would be provided by the Corrections Department. The committee would provide gel bags. There have been discussions with the Corrections Department regarding additional projects, such as at the Quinlin School and Town Green. The contract should contain language authorizing other services, explained Ms. Cole.

Mr. Ladue asked for a list of services the corrections crew could provide. Ms. Cole explained that the women were interested in historic preservation, providing mowing services, create signage for the Park at their Northeast Kingdom workshop, and clean existing benches at the Park.

Ms. Cole said that the extra costs for the crew were included in the budget.

In response to questions, Ms. Cole said that the value of the contract covered a \$60 flat fee for one-half day for a 5-6 women crew. Two Correctional Department guards, Ms. Cole and Ms. Smith oversaw the crew. There was no “not to exceed” dollar amount in the contract. Last year the crew came two times per month, more or less, said Ms. Cole.

Mr. Trono asked if the crew had workmen’s compensation insurance. Ms. Cole said that the Corrections Department was asked that question and they are covered by insurance. The Park Oversight Committee did not ask for a copy of the insurance, said Ms. Cole.

AMENDMENT to the motion by Mr. Owen, seconded by Mr. Ladue, to include that a Certificate of Insurability was obtained, unless there was an exemption by State Statute.

VOTE on the amended motion: 5 ayes; motion carried.

TOWN GREEN COMMITTEE – REQUEST FOR FUNDING TO REMOVE INVASIVE SHRUBS AND DISEASED TREES, IMPROVE DRAINAGE, AND PLANT NEW TREES AND SHRUBS – action item

and

TOWN GREEN COMMITTEE – REQUEST TO PLACE PROCEEDS FROM THE SALE OF CHARLOTTE 250TH ANNIVERSARY T-SHIRTS INTO A FUND TO BE USED FOR MOVING THE WWII MONUMENT TO THE TOWN GREEN – action item

Following a lengthy presentation of proposed site plans of a two-part project by Ms. Cole and Ms. Smith that included a Plantings Plan, a Monument Garden Plan and a discussion of drainage issues at the Town Hall, Mr. Russell suggested that approval to place T-shirts proceeds into a WWII monument moving fund be deferred until after the March Town Meeting.

REQUESTS FOR MOWING AND BRUSH-HOGGING DIBS – action item

Mr. Bloch reviewed proposed bids for mowing and brush-hogging at the Town Beach and Town Hall that included a fall clean up of leaves and brush, raking the two ball fields, fertilizing the Little League field, and edging and mulching of flower beds. The Flea Market was a part of the brush-hogging bid, clarified Mr. Bloch.

Mr. Brooks pointed out that the Flea Market property had a slope at the road and that slope should be included in the brush-hogging bid.

Mr. Ladue asked that the Wild Parsnip plants at the Town Beach and ball field should be controlled as well.

MOTION by Mr. Ladue, seconded by Mr. Owen, to approve Requests for Bids for Mowing and Brush-hogging for distribution.

VOTE: 5 ayes; motion carried.

Ms. Cole suggested including a Best Management Practice policy statement in the brush-hogging contract regarding cleaning of equipment between jobs to prevent the spread of invasive specie seeds. In the mowing contract for Ferry Road was there a way to include rolling the walking area to smooth it out and to fill in two post holes, asked Ms. Cole.

TOWN MEETING PREPARATION – discussion only

Mr. Ladue said that he would prepare a presentation regarding Article 3 for the March Town Meeting.

Mr. Mack asked for clarification regarding a proposal to create a reserve fund for repair or replacement of three Town bridges. The local names of the bridges should be used versus “Bridge #14, 30, or 31”, said Mr. Mack.

CVFRS AGREED UPON PROCEDURES REPORTS (5-YEAR FINANCIAL AUDIT) – action item

MOTION by Mr. Ladue, seconded by Mr. Owen, to accept the CVFRS Agreed Upon Procedures Reports (5-year Financial Audit).

DISCUSSION:

Mr. Brooks asked if everyone read the reports and did the narrative make sense. Mr. Russell clarified that the motion was to accept the three reports for Patient Billing, Accounts Receivable and Special Funds.

VOTE: 4 ayes, 1 nay (Mr. Stone); motion carried.

Mr. Stone noted that Mr. Sulva’s CVFRS responses and/or actions to the annual audit by Batchelder Associates memo summarized that there were things CVFRS would accept and things they won’t accept. The Town spent \$35,000 on the audit and they should accept all 11 recommendations by Bonnie Batchelder, said Mr. Stone.

Mr. Bloch said that the first step was accepting the three reports, and the next was to accept the audit recommendations. Ms. Perkins asked if the items were accepted, then does that mean they could be discussed. Mr. Russell replied yes. A draft audit was discussed at previous meetings and issues were found. The draft was revised and the Town has now received a signed audit report, said Mr. Russell. Mr. Sulva said that he was satisfied with the reports.

Mr. Sulva read a written statement into the record regarding CVFRS responses to the audit. The recommendations were fair and CVFRS has agreed to all the recommendations except for one related to reporting patient billing. CVFRS agrees that findings are complete, except for two, which will be completed within one month. No fraud found by the auditor and State of Vermont, stated Mr. Sulva. Mr. Sulva thanked a list of people for their assistance during the audit process.

Mr. Sulva explained that a number of recommendations in the financial statement were repeated in the report findings. Recording revenue at the time of a run was an issue that he didn’t agree with. If they went on a call and that call information was given to Newport Ambulance then it would be recorded at “x” amount. CIGNA may only pay a

portion of that amount and the rest would need to be billed. Charlotte residents were not billed for services and that outstanding amount would cause an overstated income (page 3, #5), explained Mr. Sulva.

Mr. Brooks said he understood Mr. Sulva's logic, but wouldn't there be 'uncollectable calls' protocols. It could be stated that "...service runs 'X' percentage of income." There must be industry standards regarding booking revenue when it happened and then adjustments could be made at the year end, suggested Mr. Brooks. Mr. Russell asked if that could be looked into further.

Ms. Balaban explained that Town staff worked with federal mandated codes. For example, a code submitted to contracted insurance companies was set for a certain amount for a service. When the code was inputted the exact contracted amount came up every time. That amount could be for a portion of a charge and the rest was called 'not covered expenses.' Once you start codes at the beginning of the year the code amount never changed. The uncollected amount would be written off, said Ms. Balaban.

Ms. Mead said she agreed with Mr. Sulva that the way to report patient billing was via a cash basis. It was important to know all calls made go to Newport. They know the calls – you can see the Newport bill and what came in. Cash comes in monthly to the Town and CVFRS operates on a cash basis. Some revenue came in from 2009, which was harder to document and deal with. It would be easier to document cash as it came in, said Ms. Mead. Mr. Snow said he agreed that CVFRS does cash based accounting in this case. There was no economic value to doing accrual accounting, noted Mr. Snow.

Ms. Cole asked if patients were billed for the uncovered portion of a service call. Mr. Sulva replied yes, except for Charlotte residents. He would be traveling to Newport on Wednesday and he would follow up on Accounts Receivables. Generally, CVFRS personnel were not a collection people, but collections should be followed up on as they age, said Mr. Sulva. Mr. Snow clarified that everyone got billed at the same level for the same service as per federal law. If the recipient of a service was insured then they would receive a statement from the insurance company of what was paid and what was owed. Our practice was not to collect outstanding amounts from Charlotte residents, explained Mr. Snow.

Mr. Stone asked if Patrice Machavern was assisting the CVFRS did that mean that Mary Mead was fired. Mr. Sulva replied no. Patrice was helping with updating procedures and policies. We met with Mary regarding workmen's compensation. We provided her with information and she inputted the data and said she'd get back to Fire and Rescue in a few weeks, explained Mr. Sulva.

Mr. Stone asked if Fire and Rescue would agree with all 11 recommendations. Mr. Sulva said that they preferred a cash basis accounting. There could be further discussion. Fire and Rescue considered the signed audit a 'working document' that would be posted on the Town website. That document could be read and updated as needed. If you called and asked if "x" has been done, then he could said that "x" would be done by "y" time, said

Mr. Sulva. Mr. McNally said that the audit was well worth the Town money spent. He thought of the audit as a negotiation. The audit did articulate where there were issues and we should continue to act on it to find the best solutions. He thinks of the recommendations as a guide. He agreed with most of the recommendations, said Mr. McNally.

Mr. Russell said that one key recommendation was to come up with a formal agreement between the Town and CVFRS to work together.

Mr. Trono asked Mr. Sulva if Fire and Rescue was paying Patrice for her work. Was it appropriate for a Town Auditor to be paid, asked Mr. Trono. Ms. Machavern said that as a Town Auditor she would not submit an invoice to Fire and Rescue as long as she worked for the Town. She was assisting Fire and Rescue to focus and stay on track regarding deadlines, clarifying multiple procedures and recommendations. Mary Mead pays the bills, said Ms. Machavern. Mr. Russell pointed out that Fire and Rescue was following Robert Mack's recommendations to hire a professional and get things done.

Mr. Mack asked for clarification of page 8 of the audit regarding patient billing and page 9, Procedure 9, accounts payable. There was a difference of amounts written off for years 2008 through 2011 of \$49,000 to \$35,000 and \$202 for year 2012, said Mr. Mack. Mr. Sulva noted that in 2012 Fire and Rescue billing to Newport was changed to an automated program directly from Fletcher Allen to Newport.

Mr. Mack asked if Fire and Rescue were still writing subscriptions in 2012. Mr. Sulva replied that forms were still in the Town Hall racks, which was a mistake. The forms were removed as soon as it was discovered, said Mr. Sulva. Mr. Snow explained that some of the mutual aid towns still have subscription agreements that Charlotte had honored. That practice has been discontinued, said Mr. Snow.

Mr. McNally said that CVFRS would hold an open house on Sunday, March 3rd from 2:00 p.m.-4:00 p.m. Questions and comments would be welcome at that time, said Mr. McNally.

There were no further questions.

SELECTBOARD UPDATES – discussion only

None.

APPROVE WARRANTS TO PAY BILLS

The Selectboard members signed warrants.

ADJOURNMENT

MOTION by Mr. Stone, seconded by Mr. Ladue, to adjourn the meeting.

VOTE: 5 ayes; motion carried.

The meeting was adjourned at 10:04 p.m.

Minutes respectfully submitted, Kathlyn Furr, Recording Secretary.