

**CHARLOTTE SELECTBOARD  
MINUTES OF MEETING  
TOWN HALL  
JANUARY 19, 2015**

**APPROVED**

**SELECTBOARD MEMBERS:** Lane Morrison, Chair; Charles Russell, Ellie Russell, Fritz Tegatz, Matthew Krasnow.

**ADMINISTRATION:** Dean Bloch, Town Administrator.

**OTHERS:** Ed Cafferty, Peter Trono, Mary Mead, John Snow, Vince Crockenberg, Valarie Graham, Lynne Jaunich, Jenny Cole, Jill Lowery, Carrie Spear, John Hammer, Charlotte News; Robin Reid, Charlotte Citizen; and others.

**ITEMS TAKEN UP:**

- **5:00 p.m. FY16 Budget – discussion only**
- **7:10 p.m. Two Year contract with Steve Williams as Thompson’s Point Wastewater System Operator. Action under consideration: approve**
- **7:15 PM FY16 Budget. Action under consideration: approve**
- **8:15 PM Town Meeting warning. Action under consideration: approve**

**CALL TO ORDER**

Mr. Morrison, Chair, called the meeting to order at 5:00 p.m.

**FY16 BUDGET – discussion only**

Mr. Bloch reviewed FY16 budget expenses. The proposed CVFRS Operating budget represented a 9 percent increase in expenses and a \$80,000 revenue reduction in the allocation to the Fire & Rescue Capital Reserve Fund based on a previous discussion, said Mr. Bloch.

**CVFRS BUDGET:**

Mr. Tegatz asked for clarification of the line items regarding the following:

- Professional services: it appeared that a ‘pro forma’ column was used as an estimate for end-of-year expenses.
- Professional expenses shown as \$10,000 in FY15 did not match a Town Report line item of \$1,000 in the budget - was this an error.
- Fire payroll and Fire benefits seemed to be a combination of line items – the numbers did not match.

Mr. Tegatz said that CVFRS explained their definition of pro forma as a ‘best guess’. If it was based on percentages then they over expended more than the \$33,000 that Fire and Rescue estimated, said Mr. Tegatz.

Ms. Russell pointed out that Fire and Rescue had a surplus to cover any overages. Pro forma numbers may be a better number to use than percentages. The budget should be left as proposed. The budget was an increase, but not a big one when compared to expenses for the year, said Ms. Russell.

Mr. Morrison summarized that the Town appropriation of \$557,439 was \$47,000 over this year's actuals. The Capital fund could be reduced to \$100,000 from \$180,000. A concern was that by underfunding the Capital fund the Town could be 'kicking the can down the road' if a new truck was needed, said Mr. Morrison.

Mr. Russell reviewed options that included setting aside Capital funds every year, bonding, or a hybrid of funding some and bonding the remainder. There was \$142,000 accumulated currently, said Mr. Russell. Ms. Mead stated that Fire and Rescue had plenty to pay for Capital requests and notes without putting in more money.

Mr. Russell calculated that with a \$100,000 Capital fund line item then the tax rate went up from 0.1582 to 0.1666 which represented a \$95,000 increase.

The consensus of the Selectboard was keep \$100,000 in the CVFRS Capital fund, and a 9 percent increase in the operating expense budget.

### **Town Budget:**

Following Selectboard discussion regarding potential cuts, Ms. Mead suggested waiting until the end of the year before considering a reduction to the buffer in the fund balance. If the Selectboard set a policy to set aside 5 percent, represented as \$150,000, then the board should test it by waiting until the end of the year, suggested Ms. Mead. Mr. Russell pointed out that the intent to set aside 5 percent was to create a buffer so the Town would not need to borrow money. The Selectboard should consider changing the 10 percent set aside in the CVFRS MOA to 5 percent as well, said Mr. Russell.

The Selectboard members' consensus was to retain a 5 percent set aside, and to foot note that a surplus/deficit was unknown.

There was further discussion regarding increased hours in the Listers line item to cover additional hours for reappraisal; a zero Cost of Living (COL) increase for this year; and a Vermont League of Cities and Towns (VLCT) recommendation for draft Town Meeting article language to adopt a municipal budget to show money raised from taxes and revenues. Mr. Krasnow suggested that '...the Selectboard propose a budget of \$x, of which \$x was anticipated to be raised by taxes and \$x was anticipated to be raised by non-tax revenues.'

In response to a question, Ms. Mead explained that property sales for non-tax payment collections may be under-estimated in FY15/16. There were five properties to be sold in May 2015, and the amounts may be higher. The Current Use revenue, actuals, was in the \$72,000-74,000 range, said Ms. Mead.

Ms. Mead asked for clarification regarding construction and engineering costs for two bridges. Mr. Bloch explained that the \$455,000 budgeted was dependent upon receiving grants. The Town match was \$84,000 shown under revenues from the Highway Fund. The Town would stipulate in the bid package that without the grant funds the projects would not occur, said Mr. Bloch.

**Town Budget – Expenses changes proposed:**

- Town Lands: Mr. Bloch reviewed that the Land Maintenance budget changes included additions for mowing the Big Oak Trail, brush hogging at the Plouffe Lane and Flea Market, and \$150 was added for winter plowing of trail access areas. Village wastewater added \$1,200, which was a yearly cost. The school field and gym expenses were for Town recreation use of the school facilities. Recreation fee revenues offset Recreation program expenses.
- Donations – no changes.
- Recreation - \$1000 for tennis court maintenance was in the Recreation Reserve Fund, and \$500 for a defibrillator at the school.
- Conservation – Lewis Creek requested \$3,474 (Ms. Mead stated that Lewis Creek Association needed to provide written documentation with their invoices. She would write a note to remind Mr. Tegatz.)
- Town Hall – staff to review proposed changes under “Equipment” from \$5,500/\$2,300 to \$3,700/500, a reduction of \$2,500, and change Computer Service from \$4,000 to \$4,550.
- Senior Center – adjust the Trash line item to \$1,025 from \$900. Ms. Mead noted that there was \$10,500 revenue in the FY15 Senior Center budget, to be used to pay one-half of the Volunteer Coordinator’s salary as per Wally Gates’ report from last year.
- Miscellaneous – Deputy Health Officer – need to advertise the position; Animal Control Officer – change the title to read “Canine Control Officer”. Staff to research the Animal Control Ordinance language. Change the line item from \$2,300 to \$2,600, an increase of \$600 versus \$300.

The Selectboard Chair called a break from 6:40 p.m. to 7:00 p.m. A Town Budget review would be continued.

**ADJUSTMENT TO AGENDA**

None.

**PUBLIC COMMENT**

None.

**MINUTES: January 5 (9:00 a.m.), January 8, 2015, January 12, January 15**  
**MOTION by Ms. Russell, seconded by Mr. Tegatz, to approve the Charlotte**  
**Selectboard minutes of January 5, 2015 (9:00 a.m.) as written, with edits.**

**VOTE: 4 ayes, 1 absent (Mr. Krasnow); motion carried.**

**MOTION by Mr. Krasnow, seconded by Ms. Russell, to approve the Charlotte**  
**Selectboard minutes of January 8, 2015, 2:00 p.m. as written.**

**VOTE: 5 ayes; motion carried.**

**MOTION by Mr. Russell, seconded by Mr. Krasnow, to approve the Charlotte**  
**Selectboard minutes of January 12, 2015, 10:00 a.m. as written.**

**VOTE: 5 ayes; motion carried.**

**MOTION by Mr. Russell, seconded by Ms. Russell, to approve the Charlotte Selectboard minutes of January 12, 2015 as written, with the following edits:**

- Page 3, line 139 – replace the word “raises” with “compensation”;
- Page 5, line 232 – add “...and still allowing for Australian ballots;” following “tradition”.

**VOTE: 5 ayes; motion carried.**

**TWO YEAR CONTRACT WITH STEVE WILLIAMS AS THOMPSON’S POINT WASTEWATER SYSTEM OPERATOR. Action under consideration: approve**  
**MOTION by Mr. Tegatz, seconded by Ms. Russell, to accept a two-year contract with Steve Williams as the Thompson’s Point Wastewater System Operator as presented.**

**VOTE: 5 ayes; motion carried.**

**FY16 BUDGET. Action under consideration: approve**

(Continued from 5:00 p.m. discussion)

- Miscellaneous: Traffic Enforcement line item – change from \$40,000 to \$30,000; in the Excel spreadsheet ‘hide’ the 250<sup>th</sup> Celebration Party row.
- Government Tax/Dues – in the Excel spreadsheet ‘hide’ the Special Investigations row.
- Transfer to Reserve Funds – Improvements and Repair Fund line item – staff to provide a breakdown of Town Hall improvements - for example, carpet expenses – for Town Meeting presentation. Ferry Road drainage more information was needed. Selectboard consensus was to leave the line item at \$55,000.
- Delinquent Tax Collector – consensus was to level fund the current amount.
- Surplus/Deficit - a \$125,000 change was deleted.

In response to a question, Mr. Morrison explained that the CVFRS Operating budget proposed 9 percent increase consisting of a 6 percent cost of operations increase totaling \$46,000, and a \$15,000 3 percent reduction in revenues.

Mr. Morrison reviewed that with the proposed budget changes the estimated tax rate will go from \$0.1582 FY14/15 to \$0.1655 in FY15/16, a 5 percent increase. A true tax rate would be calculated in August after the end-of-year, said Mr. Morrison.

**MOTION by Ms. Russell, seconded by Mr. Tegatz, to approve an anticipated expense budget of \$3,461,556 for FY2015/2016, as amended on 01/19/2015.**

**VOTE: 5 ayes; motion carried.**

**TOWN MEETING WARNING. Action under consideration: approve**

The Selectboard reviewed proposed Town Meeting Warning as follows:

- Article 1 – no changes.
- Article 2 – correct the date “2014” to read “2015”.
- Article 3 – consider changing the wording to read: “Will the Town adopt the Selectboard’s expense budget of \$3,461,556 for FY July 1, 2015 to June 30, 2016,

of which \$1,573,072 is anticipated to be raised by taxes, and \$1,888,484 is anticipated to be raised by non-property tax revenues.”

**MOTION by Mr. Russell, seconded by Ms. Russell, to draft Article 3 wording as recommended by Vermont League of Cities and Towns, and as reviewed by the Town Attorney:**

**Will the Town adopt the Selectboard’s expense budget of \$3,461,556 for FY July 1, 2015 to June 30, 2016, of which \$1,573,072 is anticipated to be raised by taxes, and \$1,888,484 is anticipated to be raised by non-property tax revenues.**

**VOTE: 5 ayes; motion carried.**

- Article 4 – retain the word “drainage”, consider changing the wording to read “Highway Capital Reserve Fund” to distinguish it from a NEMRC Highway (Operating) Fund line item (Staff to re-write Article 4 language for Selectboard approval at the 01/26/2015 meeting)
- Article 5 – Staff to re-draft language related to “highway operating account”, “Highway Capital Reserve Fund” or “Highway Reserve Fund”.
- Article 6 - it was noted that the Town Attorney reported that an Australian ballot article was required to have specific language. Consider an article following Article 3, adoption of the FY2015/2016 budget, to advise the Selectboard to draft a municipal Charter to adopt a two-part municipal budget process; or consider calling a special Town Meeting to avoid waiting a year. Staff, Mr. Russell and Mr. Crockenberg to work on re-drafting Articles 6 and 7.

Mr. Morrison asked staff to have an amended Town Warning ready for the Monday, 01/26/2015, Selectboard meeting as an action item.

### **SELECTBOARD UPDATES**

Ms. Russell would make corrections to the Listers salary/hours as exempt employees.

Monday, 01/26/2015 Selectboard meeting agenda:

- 6:00 p.m. Dubois and King report on Ferry Road project - discussion
- Amended Town Warning – action item
- Town Report – discussion
- Approval of Minutes

### **APPROVE WARRANTS TO PAY BILLS**

The Selectboard signed warrants to pay bills.

### **ADJOURNMENT**

**MOTION by Mr. Russell, seconded by Mr. Krasnow, to adjourn the meeting.**

**VOTE: 5 ayes; motion carried.**

The meeting was adjourned at 8:34 p.m.

Minutes respectfully submitted, Kathlyn L. Furr, Recording Secretary.