

**CHARLOTTE SELECTBOARD  
MINUTES OF MEETING  
TOWN HALL  
OCTOBER 28, 2013**

**APPROVED**

**SELECTBOARD MEMBERS:** Charles Russell, Chair; Lane Morrison, Winslow Ladue, John Owen, Ellie Russell (arrived 6:06 p.m.).

**ADMINISTRATION:** Dean Bloch, Selectboard Assistant.

**OTHERS:** Nancy Wood, Patty Ristau, Bonnie Batchelder, Robert Mack, Moe Harvey, Mary Mead, John Snow, David McNally, Erik Hoekstra, Hugh Lewis Jr, Stephen Brooks, Joanna Cummings, Kate Lampton, Frances Foster, Patrice Machavern, Chris Preston, Charlotte Citizen; John Hammer, Charlotte News; and others.

**ITEMS TAKEN UP:**

- **Draft Audit Report for year ended June 30, 2013 – discuss with Bonnie Batchelder, Batchelder Associates, PC – action item**
- **Preliminary budget review: Charlotte Land Trust & Conservation Fund; CVFRS – discussion only**
- **CVFRS Memorandum of Agreement – discussion only**
- **2788 Spear Street Associates – action item**
- **Bridge 31, Dorset Street – action item**
- **Bridge 31 – action item**
- **Bridges 14, 30 & 31 – planning for repairs – discussion only**
- **Vermont Community Development Program Grant Agreement Resolution – for Green Mountain Habitat for Humanity project on Albert’s Way – action item**
- **Chittenden Unit for Special Investigations (CUSI)- Intergovernmental Agreement and invoice for \$5,072 for current fiscal year – action item**
- **Town Planner-Zoning Administrator – action item**
- **Selectboard – preliminary budget review (including Town lands) & Schedule – discussion only**
- **Selectboard Schedule – action item**

**CALL TO ORDER**

Mr. Russell, Selectboard Chair, called the meeting to order at 6:02 p.m.

**DRAFT AUDIT REPORT FOR YEAR ENDED JUNE 30, 2013 – DISCUSS WITH BONNIE BATCHELDER, BATCHELDER ASSOCIATES, PC – action item**

Bonnie Batchelder, Batchelder Associates representative, Nancy Wood and Robert Mack, Town Auditors, and Mary Mead, Town Treasurer, reviewed draft financial statements and the Batchelder Associates written responses, dated 10/22/2013, to Selectboard questions of the draft Audit Report for the year ending June 30, 2013.

Ms. Batchelder noted that “assigned” and “unassigned” language (page 7) was new terminology for “restricted” and “unrestricted” funds.

Mr. Russell explained that the Selectboard had no authority to sign warrants presented by elected officials. A concern was that those elected officials could overspend their budgets. It could be a legal question, said Mr. Russell. Ms. Mead asked how to prevent fraud if a legislative body didn’t review the warrants. The legislative body should look at everything, stated Ms. Mead.

Mr. Brooks, Cemetery Commission member, asked if there wasn’t an ‘implicit’ policy that a committee shouldn’t overspend a budget if ‘X’ amount of money has been approved. If the Cemetery Commission signs a warrant and presents it to the Town Treasurer, the Treasurer pays it. If it was a bill that was over the budget, then it shouldn’t get paid. On another matter, was there any issue regarding the expenditure of cemetery funds raised privately, asked Mr. Brooks.

Ms. Batchelder said that the Selectboard had no authority over an elected official group. An internal control policy was needed. However, if a bill was presented that exceeded the budget then the Selectboard had a right to say ‘it exceeded the budget’, said Ms. Batchelder.

Mr. Bloch asked for clarification regarding a tax sale (page 24) that received no bids. Ms. Batchelder replied that it was a material issue and would appear on the tax roll for another year and should be addressed.

Upon request by the Selectboard, Ms. Batchelder would remove the reappraisal column appearing on page 30b.

Ms. Batchelder stated that the Town’s revolving charge account use for the Recreation Commission, Highway Department, Thompson’s Point and Town needed a strong policy to control items purchased and presentation of receipts to support those purchases. The policy would include a Purchase Order request process prior to shopping, for example, on the Blue Tarp accounts, explained Ms. Batchelder.

There was discussion regarding a Wednesday payroll/pay date process related to sending payroll to the bank on Mondays that should be coordinated with Selectboard review and sign off of the payroll warrants. Ms. Mead explained that she created a NEMRC file on Mondays that was electronically sent to the bank. The Selectboard could review and sign the warrants anytime on Monday before 12:00 p.m., stated Ms. Mead. Mr. Morrison suggested having payroll warrants ready two days prior to a Monday in order for the Selectboard to review them.

Ms. Batchelder said she would make changes to the Audit report in time for the next Selectboard meeting.

## **ADJUSTMENTS TO AGENDA**

None.

**MINUTES: September 23, September 30 and October 7**

**MOTION by Mr. Owen, seconded by Ms. Russell, to approve the Selectboard minutes of 09/23/2013, as written, with edits.**

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

**MOTION by Mr. Owen, seconded by Ms. Russell, to approve the Selectboard minutes of 09/30/2013, as written, with edits.**

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

**MOTION by Mr. Owen, seconded by Ms. Russell, to approve the Selectboard minutes of 10/07/2013, as written, with edits.**

**VOTE: 4 ayes, 1 abstention (Mr. Owen); motion carried.**

#### **PUBLIC COMMENT**

Mr. Brooks asked if the bridge discussion would include accommodation for a future superstructure on the bridges.

Mr. Brooks asked if the Chittenden County Unit for Special Investigations funding request for \$5,000 could be earmarked for the purpose of fund raising education versus a flat fee. That way the organization could raise their own funds, suggested Mr. Brooks.

Mr. Brooks asked if the Selectboard would consider earmarking funds for further opening of the Route 7 view corridor.

Mr. Brooks reported that the Cemetery Commission has been offered a land donation in New York. Would the Selectboard consider adding acceptance of the tax letter and land donation through the Town in order for the commission to liquidate the donation. The commission was not a non-profit organization, clarified Mr. Brooks.

Mr. Mack asked for a discussion of the Fire and Rescue financial budget details.

#### **PRELIMINARY BUDGET REVIEW: CHARLOTTE LAND TRUST & CONSERVATION FUND; CVFRS – discussion only** **Charlotte Land Trust draft budget**

Kate Lampton and Frances Foster, Charlotte Land Trust representatives, explained a proposed Charlotte Land Trust budget request of \$7,500.

Mr. Ladue asked if the Land Trust had spent the budgeted amount last year. Ms. Foster replied that the funds were expended on base line document reports as noted in the Town Report, page 14.

#### **Conservation Fund**

Ms. Lampton explained reports that included yearly trends, strategies and a potential projects list. Every project listed has had property owner contact and were in different

stages of development. The allocation ran through the middle of 2015. The request was for \$0.02 on the tax rate, said Ms. Lampton.

Ms. Wood asked if the Conservation fund could include an affordable housing category. The Affordable Housing Committee was dissolved and there were funds remaining, explained Ms. Wood. Ms. Lampton cautioned that it would become a dual goal fund for an already complex fund. The Trust declines some projects. If the land looks appropriate for housing then that project was recommended to the VHCB, said Ms. Lampton.

Ms. Cummings said that the Conservation Commission supported the Conservation fund and its overall goals. The commission could provide information and reports related to land values in Town. The Town should consider the ecological services provided through the protection of land, such as water quality, said Ms. Cummings.

Mr. Ladue suggested further discussion regarding a request of \$0.02 on the tax rate.

#### **CVFRS draft budget**

David McNally, John Snow, CVFRS members, and Patrice Machavern, CVFRS Administrative Assistant, reviewed a draft CVFRS financial statements, dated 10/28/2013, and revenue and expenses through the end of September by department. Income/expenses of 25 percent have been spent of the Town appropriation with total expenses of 17.59 percent. The trend was expected to continue barring unexpected events. The department has two new volunteers, which would impact the payroll. A new fire fighter/EMT job description has been developed, said Mr. McNally.

Mr. Ladue asked if the budget summary line item 53101 would decrease if the fire fighter/EMT position was filled. Mr. Snow said that there were no real expectations of a savings in the EMT payroll. There could be a savings for any 'out of service' time, and the potential for higher billing if there were more runs, said Mr. Snow.

Mr. McNally said that actual net revenue for patient billing was \$23,387.07, which was developed as a result of the 5-year audit.

There was further discussion regarding the last three years actuals versus current figures; a multi-year project list projection prioritized by importance and funding sources; effects of radio reception 'holes' within the service area and efforts to improve communications; and a historical graphic depiction of CVFRS budgets from 1996 to the present.

Ms. Russell suggested plotting capital improvements on a Capital Improvement chart.

Mr. Ladue asked if CVFRS was willing to engage the help of the Energy Committee regarding a heating plant. Mr. McNally replied yes.

Mr. Mack asked where the department was regarding the proposed \$60,000 fire fighter/EMT position. Mr. Snow replied that the money was being held in the operating

fund. Once the position was filled then it would be in the budget for next year, said Mr. Snow.

Mr. Harvey asked when a preliminary FY2014-2015 budget would be presented. Mr. McNally replied that a draft budget was not ready at this point. It was acknowledged that a draft would need to be ready by December 9, 2013, said Mr. McNally.

Mr. Harvey explained he understood that surrounding towns had a cost for fire/rescue service at \$30-45 per person. In calculating Charlotte's cost per person it came to \$213 per person. Would the Selectboard consider putting fire/rescue out to bid, asked Mr. Harvey. Mr. Russell said that the Town would be willing to look at that option.

Mr. Mack asked if CVFRS would present financial reports to the Town every quarter. Mr. McNally explained that the draft MOA spelled out quarterly meetings between the Town and CVFRS. Financial reports would be forwarded monthly, clarified Mr. McNally.

Mr. Mack asked if the financial reports would be available by the 10<sup>th</sup> of each month before a Town appropriation check was written. Ms. Russell suggested that monthly reports would be available subsequent to approval by the Corporate Board.

Ms. Mead asked if that would include a copy of the Corporate Board minutes. Mr. McNally replied yes.

#### **CVFRS MEMORANDUM OF AGREEMENT – discussion only**

Mr. Russell briefly reviewed a draft MOA between the Town and CVFRS, and a three-page outline for two lease exhibits by the Town Attorney. The changes have been discussed by CVFRS membership.

Proposed changes/edits were discussed as follows:

- Page 2, Section 2, 5<sup>th</sup> paragraph, change to read: “Where CVFRS operating expenses and operating revenues were expended more than is budgeted...” and “...short fall (the “Deficit”) shall be equal to a cap of 10% of the average operating appropriation from the Town the CVFRS for the three prior fiscal years.”
- Page 2, Section 3, 1<sup>st</sup> paragraph, 3<sup>rd</sup> sentence, change to read: “...that CVFRS, or the Town, seeks to modify...” and “...geographical area, each shall provide the changes with at least 90-days...”; and 4<sup>th</sup> sentence, change to read: “In addition, CVFRS and the Selectboard shall meet to discuss the budgetary...”.
- Page 3, Section 5, 2<sup>nd</sup> paragraph, 1<sup>st</sup> sentence, change to read: “...CVFRS Corporate Board meeting minutes, monthly...”.

Ms. Mead asked if the monthly CVFRS financial statements would include the operating account bank reconciliation statements to see if the Town appropriation was deposited, or not, and patient billing deposits. A concern was that a previous forensic audit showed Town appropriations of \$43,000 being transferred into the Barrow's fund. There was no

documentation to support such a fund balance for the Barrow's revenue. Requesting bank reconciliation statements was good business, stated Ms. Mead. Mr. Mack asked what the Batchelder Associates auditors had to say about that.

Ms. Machavern asked if the Town Treasurer gave bank reconciliation statements to the Selectboard. Ms. Mead replied yes.

Ms. Mead said that when she provided bookkeeping service for CVFRS Ed Sulva wanted financials by the 8<sup>th</sup> of the month from the Town. Why can't the information flow to the Town that way too, asked Ms. Mead. Mr. Snow pointed out that CVFRS tried to provide a manageable amount of information done by volunteers. Bank statements were internal control documents that were available to the auditors, said Mr. Snow.

Mr. Mack said that Patrice's job was to provide those documents. A question was at what stage it was done and at what date it was done/provided, said Mr. Mack. Mr. McNally asked if the paid audit done at the end of year met the needs of the Town. Ms. Wood said that bank reconciliation was an internal process. The auditor does study it. To see where the money flowed a Profit and Loss and other financial reports completed monthly were needed, explained Ms. Wood.

Following further discussion regarding the monthly Corporate Board meeting dates, and if approved financial reports were required, or in draft form, the Selectboard said that draft reports were acceptable.

Ms. Mead asked for clarification of the operation reserve fund and if there was a surplus, would it be offset in the following fiscal year. For example, this year the \$60,000 of taxpayer money was put into a CVFRS reserve fund. It should show up in the budget to decrease the tax payer expenses, stated Ms. Mead. Ms. Russell explained that the \$60,000 could only be used for operating expenses. Mr. Owen explained that it allowed CVFRS to use it when they went over the budget. Ms. Mead said that they had patient billing revenue coming in. Te Town starts the budget July 1<sup>st</sup>. Why create a 5th reserve fund of taxpayer money. That was not containing costs, said Ms. Mead.

Mr. Mack said that if CVFRS increased a level of service to a new geographic area he would like to see the revenue from the service returned to the Town, said Mr. Mack.

Mr. Morrison suggested meeting with CVFRS on Monday, November 4, to finalize and approve potential changes and to discuss the Town Attorney's comments, Attachment I and II. Ms. Russell said that as the Selectboard/CVFRS liaison she wanted to discuss Attachment I and II with the Corporate Board. She would bring comments to the Selectboard, said Ms. Russell.

Mr. McNally reported that the membership empowered the MOA Committee with negotiating with the Selectboard regarding the MOA.

**2788 SPEAR STREET ASSOCIATES – action item**

**MOTION by Mr. Owen, seconded by Mr. Ladue, to approve an Open Space Agreement for the 2877 Spear Street Associates subdivision project as presented.  
VOTE: 5 ayes; motion carried.**

**BRIDGE 31, DORSET STREET – action item**

**MOTION by Mr. Ladue, seconded by Mr. Morrison, to approve a proposal to remove the weight restriction from Bridge 31, Dorset Street as presented.**

**DISCUSSION:**

**Mr. Bloch reviewed an e-mail from the engineers and Dick Hoskins regarding removal of a weight restriction up to the legal weight limit of 24,000 pounds.**

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

**BRIDGE 31 – action item**

**MOTION by Mr. Ladue, seconded by Ms. Russell, to approve a \$6,000 incentive to the contractor, Blow and Cote, for not closing Bridge 31 during the pier repair project.**

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

**BRIDGES 14, 30 & 31 – PLANNING FOR REPAIRS – discussion only**

Mr. Ladue reviewed a Sources and Uses of Funds report related to Bridges 14, 30 and 31, dated October 28, 2013. He has taken photographs of the bridges that will be available at a future meeting. Costs for repairs for the upper bridge have not been obtained at this time, said Mr. Ladue.

**VERMONT COMMUNITY DEVELOPMENT PROGRAM GRANT AGREEMENT RESOLUTION – FOR GREEN MOUNTAIN HABITAT FOR HUMANITY PROJECT ON ALBERT’S WAY – action item**

Mr. Bloch noted that the Town Attorney has reviewed the Vermont Community Development Program Grant Agreement Resolution for a Green Mountain Habitat for Humanity project on Albert’s Way and made some changes.

**MOTION by Mr. Ladue, seconded by Mr. Owen, to approve a Vermont Community Development Program Grant Agreement Resolution for a Green Mountain Habitat for Humanity project on Albert’s Way.**

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

The Selectboard signed the document.

**CHITTENDEN UNIT FOR SPECIAL INVESTIGATIONS (CUSI)- INTERGOVERNMENTAL AGREEMENT AND INVOICE FOR \$5,072 FOR CURRENT FISCAL YEAR – action item**

**MOTION by Ms. Russell, seconded by Mr. Ladue, to approve payment of the Chittenden Unit for Special Investigations (CUSI) intergovernmental Agreement and invoice for the amount of \$5,072 for the current fiscal year.**

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

**TOWN PLANNER-ZONING ADMINISTRATOR – action item**

Mr. Russell reported that 6 candidates were interviewed by the Interview Committee.

Mr. Bloch suggested that the Selectboard enter Executive Session for discussion regarding the Town Planner/Zoning Administrator offer of employment.

**SELECTBOARD – PRELIMINARY BUDGET REVIEW (INCLUDING TOWN LANDS) & SCHEDULE – discussion only**

Discussion was deferred until the next Selectboard meeting, November 4, 2013.

**SELECTBOARD SCHEDULE – action item**

Selectboard meeting dates were discussed as follows:

- Move the December 23<sup>rd</sup> date to December 16<sup>th</sup>
- Add November 18<sup>th</sup> to the Selectboard schedule

**COMMITTEE UPDATES**

Mr. Owen reported on a Community Safety Committee meeting

Mr. Morrison reported that the installation of lights at the Senior Center parking lot has been delayed.

Mr. Ladue reported that the Energy Committee would like to help with the budgetary process related to energy issues.

Mr. Ladue reported that the Energy Committee had suggested splitting the cost for a Library furnace replacement study utilizing the committee's budget.

Mr. Ladue reported that the Mucklow's have surveyed the boundary lines between their lot and the Charlotte Park and Wildlife Refuge, and have a state approved agricultural access off Route 7 into their lot. This might be an opportunity to make permanent lot marker's, suggested Mr. Ladue.

Mr. Ladue noted that the Mucklow's, private property owners, have cut a path on their lot, into the Park property without permission, and connected it to the Park trails. A next question was if large riding horses could/should go across the Park's pedestrian bridges, said Mr. Ladue. Mr. Russell expressed concern that this might invite the public to go onto private land from the Park.

**SELECTBOARD UPDATES**

Mr. Ladue asked for an update regarding a recently approved Highway Access Permit off Ferry Road with drainage as per the Road Commissioner's recommendation. Mr. Lewis said that he and Mr. Russell met at the location and recommended against a drain. There was an existing telephone pedestal 3' from the access. The driveway was at a higher level and water didn't drain to it, but below from there, said Mr. Lewis.

Mr. Ladue asked if an existing 30 mph speed sign located south of the Spear Store met the legal 5 year wait period to become a 'posted' legal speed sign. Mr. Lewis explained that the sign has been there for 30 years, but was not legally posted.

Mr. Ladue reported that he and Ms. Russell have been working on a draft Burn's Property agreement.

Mr. Ladue reported that Dave Marshall has offered to donate engineering expertise for the Town Hall Green drainage issue.

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

The Selectboard members signed warrants.

#### **EXECUTIVE SESSION**

**MOTION by Mr. Owen, seconded by Mr. Ladue, to enter Executive Session for the purpose of discussing a Town Planner/Zoning Administrator offer of employment where premature knowledge would place the Town at a disadvantage, and to invite the Selectboard Assistant to attend.**

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

The Selectboard enter Executive Session at 10:06 p.m.

#### **ADJOURNMENT**

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

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

The meeting was adjourned at 10:20 p.m.

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