

**CHARLOTTE SELECTBOARD  
MINUTES OF MEETING  
TOWN HALL  
OCTOBER 7, 2013**

**APPROVED**

**SELECTBOARD MEMBERS:** Charles Russell, Chair; Ellie Russell, Lane Morrison, Winslow Ladue. Absent: John Owen.

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

**OTHERS:** Peter Trono, Moe Harvey, Mary Mead, Betsy Tegatz, Robert Mack, Nancy Wood, John Snow, Ed Sulva, David McNally, Hugh Lewis Jr, Chris Preston, Charlotte Citizen; Brett Sigurdson, Charlotte News; and others.

**ITEMS TAKEN UP:**

- **Grand List – Certificate No appeal or Suit Pending - action item**
- **Draft Audit Report for year ended June 30, 2013 – discuss with Bonnie Batchelder, Batchelder Associates, PC – discussion only**
- **CVFRS Memorandum of Agreement – discussion only**
- **Town Highway right-of-Way Access and Use ordinance – discussion only**
- **Thompson’s Point leases: Lots 138 and 139 at 301 Deer Point Road; Lot 24 at 2577 Thompson’s Point Road; Lot 154 at 260 north Shore Road - action items**

**CALL TO ORDER**

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

**ADJUSTMENTS TO AGENDA**

None.

**PUBLIC COMMENT**

None.

**GRAND LIST – CERTIFICATE NO APPEAL OR SUIT PENDING - action item**

Ms. Tegatz, Charlotte Lister, reviewed a request to validate and close the 2012 Grand List, which required the Selectboard member’s signatures.

**MOTION by Mr. Morrison, seconded by Mr. Ladue, to sign the Certificate of No Appeal or Suit Pending for the April 1, 2012 Grand list as presented.**

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

The Selectboard members signed the document.

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

Mr. Russell explained that Nancy Wood, Town Auditor, had reviewed the draft audit report and had submitted comments. A new draft that included more detail was received from Batchelder Associates, said Mr. Russell.

There was lengthy discussion regarding proposed comments/changes to the draft as follows:

- Page 3, Financial Highlights, 1<sup>st</sup> paragraph: there was a question regarding year end balances of \$7.131 million that related to page 6, starting balance of net assets for 2012, and page 5 that had a different ending balance at the page bottom.
- Page 3, 3<sup>rd</sup> paragraph, there were fund differences and the numbers were questionable. The Town didn't have a policy.
- Page 4, Governmental Funds: non-major governmental funds were referenced. A correction to the title was made.
- Page 5: typo was corrected to read "...the Town of Charlotte..." there was a question regarding the 2012 balance.
- Page 6, total revenue and total expense amount were not in agreement with the Town Treasurer's numbers. Ms. Wood asked if some depreciation was included.
- Page 7, General Fund balance of \$319,779 represented 2.3 percent of General fund expenditures – Ms. Mead asked what that meant. Ms. Mead said that some of the special funds were missing, such as HRA, Thompson's Point Wastewater Capital Improvement fund and subdivision escrow accounts (see pages 7 and 21). Ms. Wood said that the \$133,000 of the \$319,000 reserve for paying against the tax rate was not shown in the report.
- Page 8, Capital Assets, Note 5: vehicle and equipment was a question. Ms. Mead asked if the numbers included depreciation, and referenced page 92 of the Town Report. Ms. Wood said that the note on page 31 regarding detail of 2013 depreciation should be relabeled as 'vehicles and furniture'. There were 3-4 vehicles missing from the list, said Ms. Wood.
- Page 12: Ms. Wood said that Reserve fund and Non Reserve funds were not shown.
- Page 13: Ms. Wood said that the revenue and expense charges and interest were not divided between the ski and conservation funds. Mr. Russell asked if the Town acted as a holding account for the ski fiduciary fund, which should not be lumped together with the conservation fund.
- Page 16: change the wastewater presentation. There was a question on where the amounts were shown.
- Page 20, A, last paragraph, last sentence: reads "...primary government is the town and is responsible..." there was a question if the cemetery and library should be removed.
- Page 22: there was a question regarding special revenue funds.
- Page 24, reads "...no allowance for uncollected taxes..." needs clarification.
- Page 26, #9: reads "...cash basis" and "accrual basis" – needs clarification.
- Page 30: there were questions regarding the tables for transfers. Ms. Mead said that the table on page 43 made more sense. There should be another column for reappraisal funds.

- Page 31: Ms. Wood noted that there were vehicles missing from the list. The buildings and improvements numbers didn't match with the 2012 numbers.
- Page 34: the \$133,000 should appear here.
- Page 39: there was no mention on how the health insurance was funded, or spent.
- Mr. Russell said that the four page letter, dated August 8, required the Selectboard signature. He had questions on the letter content.
- Management letter: paragraph 2, change to read "...fiscal year ending June..."; paragraph 3, there were questions regarding grants. There was a question regarding 'management responsibilities' as noted in the contract with Batchelder Associates.

Ms. Russell asked for an explanation of 'elected' versus 'salaried' employees

Ms. Mead explained that the payroll direct deposit date was the pay date, not the processing date. Employees have enrolled in the program with the exception of three people, said Ms. Mead.

#### *TASKS:*

- Regarding the Management letter, paragraph 1: develop a purchase order form; develop a document/policy regarding the Town charge account modeled on a Financial Policy from VLCT, which would be discussed further at the next Selectboard meeting, October 28<sup>th</sup>.
- Include the Thompson's Point Wastewater charge account in a Town Policy (see above).
- The Batchelder Associates 'evidence' as noted in the Management letter needed clarification.
- Regarding 'elected' or 'salaried' employees – need to determine who approved time sheets as per a policy.
- Ski program and conservation funds were stand alone funds and should not be lumped together.
- Staff to send questions to Batchelder Associates.
- Schedule a meeting with Batchelder Associates for October 28, 2013.

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

Mr. Snow reported that Working Committee was reviewing the draft MOA.

Mr. Snow explained a proposed 'Unitary' budget spreadsheet that included columns for the Town appropriation and the department's Special Funds without creating an impression that it was a consolidated budget. The format would prioritize the process for the Special funds, how the numbers flowed over time and whether there would be a surplus or deficit. The numbers used in the draft spreadsheet were not actuals, but placeholders. Patient billing was included under the heading of "Grants and Billings". It moved patient billing out of the Town appropriation column. Special fund numbers were largely correct. The expenses were made up numbers except for the billing expense and Town appropriation numbers, said Mr. Snow.

Mr. Snow explained a Tower fund income opening balance of \$74,525. A \$1,000 transfer would create a \$26,801 balance as a start for a tower decommissioning reserve fund. The Barrow's Trust had an estimated income of \$28,600 for the year. Membership has to vote on expenses and priorities presented by the Corporate Board. He was not talking about a cap on any of the Special funds, said Mr. Snow.

Mr. Ladue asked for clarification regarding a cap. Mr. Snow said that over time it was hoped to get a clear set of expenses associated with providing a basic set of services. Anything beyond that would be funded through other sources, said Mr. Snow.

Mr. Russell asked if there would be a line item for a surplus to cover a deficit in the budget.

Mr. Ladue expressed concern that it would be possible to show a significant reserve in Special funds and still have a deficit in the Town side. Mr. Snow replied yes. There were some grey areas. For example, CVFRS radio expenses were not in the Town side. Or CVFRS may want to pay for other services/training from the operational side, said Mr. Snow.

Mr. Ladue said that the level of service was currently defined. Mr. Snow pointed out that the CVFRS water rescue boat wasn't paid by the Town. "Contracted" services were defined broadly, stated Mr. Snow.

Ms. Wood said that regarding the format, patient billing under Grants and Billings revenue should go against rescue expense in column one. That was where you were saying there would possibly be a surplus or deficit, pointed out Ms. Wood. Mr. Snow replied that the spreadsheet was a draft for discussion. From the CVFRS point of view they didn't distinguish between Fire and Rescue revenue, said Mr. Snow. Ms. Wood said that the way it was structured it was not showing what was paid for. The \$110,000 was paying for a service and CVFRS was collecting it, said Ms. Wood. Mr. Snow said that his thinking was to keep Town funds in column one clean. Ms. Wood said that grants were a separate thing.

Mr. Mack asked how many more years transmission space on the tower would be leased out. Mr. Snow explained that the leases contained some automatic extensions. A lawyer would need to review the contracts. To find out the life of the tower an engineering report was needed, said Mr. Snow. Mr. McNally pointed out that the tower height was perfect for broadcasting and that was an incentive to keep the tower maintained.

#### **TOWN HIGHWAY RIGHT-OF-WAY ACCESS AND USE ORDINANCE – discussion only**

Mr. Bloch reviewed a question regarding a draft Town Right-of-Way Access and Use - was it a policy, or ordinance. The Town Attorney determined that it was an ordinance, reported Mr. Bloch.

There was discussion regarding agricultural accesses, which was regulated via Chapter 117, Title 24, Land Use regulations. Mr. Russell said that Chapter 117 should be referenced in the ordinance. There was a question regarding temporary highway access for emergencies, said Mr. Russell.

Mr. Mack asked if fences were exempt. Mr. Russell pointed out page 4, G, H, and I related to a permit process for a fence in the Town right-of-way.

Mr. Ladue suggested a 'clean slate' for all utility companies to be grandfathered by a 'date' for anything in the Town right-of-way. Mr. Lewis asked who would be liable. Mr. Ladue replied the company.

Mr. Russell asked staff to have the Town Attorney review a proposal that the Town could grant a company amnesty, and if there was a fence, plant, or lawn in the Town right-of-way could the Town ask a property owner to remove it. A landowner could apply for a permit if they had to rebuild it. Also, could the Town permit plantings in a Town right-of-way with the understanding that the Town could have it trimmed for safety issues, asked Mr. Russell.

#### **THOMPSON'S POINT LEASES:**

##### **Lots 138 and 139 at 301 Deer Point Road**

**MOTION by Mr. Ladue, seconded by Ms. Russell, to terminate the lease to the Barbara E. Biddle Irrevocable Trust, Nancy Bates, Barbara Gallagher, Susan Dzyacky, Bruce Biddle and Phyllis Biddle, Trustees, and to approve a 20 year lease to Ernest and Doris Pomerleau for Lots 138 and 139 at 301 Deer Point Road.**

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

##### **Lot 24 at 2577 Thompson's Point Road**

**MOTION by Mr. Ladue, seconded by Ms. Russell, to terminate the lease to Carol Conard, and to approve a 20 year lease to Upper Deck, LLC, for Lot 24 at 2577 Thompson's Point Road.**

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

##### **Lot 154 at 260 North Shore Road - action items**

**MOTION by Ms. Russell, seconded by Mr. Morrison, to terminate the lease to Peter and Jain Doremus, and to approve a 20 year lease to Carol Conard for Lot 154 at 260 North Shore Road.**

#### **DISCUSSION:**

**Mr. Ladue asked if a parking space on the opposite side of the road that the Selectboard had approved was transferrable. Mr. Bloch replied no.**

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

#### **COMMITTEE UPDATES**

Mr. Ladue reported on events planned by the Park Oversight Committee.

Mr. Ladue said that he would attend an upcoming Energy Committee meeting.

Mr. Ladue reported on progress at the Dorset Street Bridge.

Mr. Ladue explained three proposed locations for placement of the monument at the Town Hall Green. Further discussion was needed with the wetlands agency, said Mr. Ladue.

#### **SELECTBOARD UPDATES**

Mr. Morrison reported on the recent VLCT work session he had attended.

Mr. Morrison noted that the Senior Center parking lights were being installed over the weekend.

Ms. Russell reported that the CVFRS membership had not approved the financials yet.

Mr. Bloch explained that Ralph Brooker had recommended a separate water treatment and ultra-violet system for both the Town Hall and Library systems at a cost of \$17,000.

The Selectboard members signed approved HAP 13-10 and 13-08 documents.

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

The Selectboard members signed warrants.

#### **ADJOURNMENT**

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

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

The meeting was adjourned at 9:40 p.m.

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