Georgia Selectboard Budget Meeting
Clerk's & Treasurer's Office
Wednesday, January 16, 2019
6:00 p.m.

Approved: **February 11, 2019**

Present: Selectboard: Deb Woodward, Tara Wright, Ric Nye, Steve Lamos; Mike McCarthy, Town Administrator; and Amber Baker, Treasurer

Absent: Matt Crawford

Public Present: None

Deb re-opened the budget meeting that was continued from January 14, 2019 at 6:00 p.m.

The Selectboard is looking at the 01/13/2019 budget that Amber worked on and delivered to the Selectboard. Deb would just like to go through the budget line by line with everyone's "gut check" on some of these numbers.

It has been suggested to Amber by the Auditors that we have a new line that is going to be Green Mountain Wind Revenue. They want that to sit on its own line and not put in Miscellaneous Revenue. We are going to call it GMCW Revenue.

There was discussion regarding our current practice for making the Town Report available to taxpayers. We mail a copy of the Town Report to anyone who calls and requests it, and we are able to hand-deliver a copy to anyone struggling with mobility, and it is available in three (3) public locations, as well as two (2) places on social media. This has been practice since at least 2002. There was no support for an action to write an Article. The board will take the Auditors suggestions under advisement.

So if you will notice on Line 70, Total Grants and Capital Revenue is down $50,000 for 2019; the Fire Department spent their reserve funds in 2018 toward the new fire truck.

There was a general discussion regarding some reserve fund purchases.

We are not going to run the TAN through this budget. The Selectboard took an action last year to have it be causal, because there is an Article that allows the Selectboard to borrow in anticipation of taxes, we will treat it as a Voter Approved Purchase. We will call it a Tax Anticipation Note, and that 2018 actual is $100,000, but it sits at zero for the 2019 budget. We only borrow what we need.

Capital Budget. We are going to reset this. Is it appropriate to load $4,100, which is the amount of money that VLCT estimated it would cost us to do the capital budget in 2018, or do we load the difference of $2,027 and make Bill Hall do it, or are we going to hope that Abigail Freidman takes pity on us and actually give us someone who will prepare it in the format that the taxpayers have traditionally seen, and the Selectboard has successfully used?

We have some of the ground work done, because Deb has done it. We are going to have to have a Selectboard discussion with Abigail and Bill. Do we re-load $4,100 and hope that we can work with someone else? We don't know if there is someone else. Are we going to be punitive and say Bill, you

have $2,000 and you signed a contract with us and we want a capital budget? Does that give us what we are looking for? Do we even have faith that Bill can do it correctly? The Selectboard had a general discussion regarding what the best next step would be. It is the general consensus of the Selectboard to load $4,000 into the 2019 budget. We have all the raw material together, all we have to do is get it in the right place. Deb would like to meet with Matt and Abbey from VLCT, and ask her to finish it for the $2,027 balance and we are going to return the difference to the taxpayers, this is Deb's goal.

Fire Department. We have a quote that has been provided by the Fire Chief. What we need to address is corrosion control. We don't have any meeting minutes from 2017 where the Chief came in and requested this and we pushed him off a year. Then he came in this year and we pushed him off a year. He does have a quote that will be honored for the 2017 price. This comes down to asset preservation.

It has been suggested that we could go out for a loan, take it out over three years and go to the State Loan program for 2% and not pack the whole total into this year's budget. If we go for a loan, the payment wouldn't come through the budget until 2020. The board members felt it was a bad practice to fund maintenance items with loans, and pay interest. Taking a short-term loan for a new asset, or an overhaul replacement, makes sense financially; but previous Selectboards have taken actions to get away from the practice of taking loans for maintenance projects.

If we were to agree to $21,500 to address corrosion control, what would that look like in this budget? The Selectboard action would be to have the Fire Chief and his officers understand that the Selectboard may ask them to look at their next six year capital budget with a very gentle eye and a really good sense of humor. We are recognizing up front that the proposed replacement schedule may be too aggressive, and may present a problem down the road.

After previous discussion, and consent from First Response, the dispatch invoice will be further split by the percentage of "tones" per the First Response and Fire Department. Amber performed that calculation based on 2018 calls: 2/3 and 1/3.

Line 285 in the auditors' budget was discussed. The board supports raising their wages to $15/hour as requested, and the dollar amount loaded for 2019 reflects the actual number of hours worked in 2018, including the hours for 4th quarter of 2018 that were submitted in 1st quarter of 2019, multiplied by their requested increase.

Library. After a brief discussion, the Library line will be funded at a suggested $129,000 for 2019, but next year, the Library budget will be reduced, more in line with the 2018 budget.

We will need the 2019 paving plan from the Highway Foreman before we go to Town Meeting. The Selectboard continued their discussion about the Highway Budget. It is the general consensus of the Selectboard to leave the Line 460 at $62,000 and task the Town Administrator with finding out an accurate price for installing a separator to address a floor drain issue. Deb states, "If you haven't heard back from them by 3:00 p.m. tomorrow, give them a call to get a real number." So we are going to wait for a real number that will be tied to a real project that we are going to seriously consider for this year. If it is within reason, we don't have a problem doing the job, but the cost may drive the project. This may be a discussion and action item at the 5:00 pm budget continuation on Monday, January 28th as to whether this is appropriate for a short-term loan if the board members feel strongly that it should be addressed in 2019 but is too much money to simply load the total.

Right now the bottom line is 11% over 2018. The total to be raised by taxes as it sits is $1,868,000.00. Cash on hand right now is $125,000.00. After applying the cash on hand we are at $1,843,000.00, which is a 9% increase from 2018. This translates to a $75.00 municipal tax increase for a $300k appraised home in Georgia.

The Town's revenue side is down; people are not coming in for planning/zoning permits or planning projects, we don't have the recording coming in, interest rates are going up, which means no one is refinancing. This suggested budget loads some reserve fund lines, without spending that revenue through this budget, but getting ready for the next necessary upgrades or purchases.

Motion made to continue the budget meeting to January 28, 2019 at 5:00 p.m. at the Fire Station before the AOT hearing, made by Tara, second by Deb. No further discussion. All in favor.

Respectfully Submitted by Krissy Jenkins.