

Georgia Selectboard Budget Meeting
Chris Letourneau Meeting Room
Monday, January 7, 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:

Deb re-opened the budget meeting that was continued from December 11, 2018 at 6:10 p.m.

Deb asked for any additions, deletions or comments for the agenda.

Additions/Deletions:

1. Review and act upon Check Warrant Report AP#88, AP #89 and PR# 2.
2. Removing the Library Trustees from Public Appearances. They have been rescheduled for January 14, 2019 at 6:00 pm.
3. Review and act upon the minutes from the December 19, 2018 regular meeting.
4. Table the discussion about the 2018 Equalization Ratio Report to the January 14, 2019 meeting.
5. Review and act upon email and communications from the Recreation Manager, Bob Larose.
6. Notice from the Town Clerk regarding the BOA meeting scheduled for January 15, 2019 at 7:00 p.m.
7. Add Franklin County Budget Meeting at the courthouse is scheduled for January 21, 2019 @ 9:00 a.m.
8. Add a legal communication for the Selectboard from Attorney McLean regarding the highway garage. Is it germane to anything that we are going to add to this budget; do you have numbers for us? Mike states that there are no numbers attached to it, but there are some directions from him that could result in numbers being added to the budget.

Deb suggested that this should be reviewed by the Road Commissioner. Ric believes that it should be reviewed by the whole Selectboard.

Review of Minutes:

Minutes of the January 2, 2019 special meeting were reviewed and discussed.

Motion made to approve the 1/2/19 special meeting minutes, as presented, made by Tara, second by Deb. No further discussion. All in favor.

Minutes of December 19, 2018 regular meeting.

Motion made to table the review and approval of the 12/19/18 minutes until the January 14, 2019 meeting, made by Tara, second by Steve. No further discussion. All in favor.

Check Warrants:

Revised Check Warrant Report AP#88. There were two invoices that we found that should have been added which include the computer that we purchased in 2018 for the Planning Coordinator as well as an invoice for the Conservation Commission.

VIS payment. The Selectboard took an action to execute, essentially, a Change Order, for one of these charges. The third charge for \$935 is for doing the capital budget work and attending a Selectboard meeting. VIS was asked to prepare some 6-year capital budget projections for both the highway garage and the library and this was where the \$1.36M and the \$300,000 project quotes were produced. Deb doesn't want to pay this invoice because we didn't get the 6-year approach that we had requested. There was a general conversation regarding this invoice.

It is the general consensus of the Selectboard to hold the payments for VIS for further investigation by Thursday. Mike will contact the Chair as he was the one who gave VIS direction and ask Matt what his direction to VIS was, what was the guidance given and is close to \$6,000 worth of invoices appropriate for the information and services we received. Did VIS understand what the Selectboard was looking for, he seemed to believe that we were running two very expensive big ticket items through the Capital Budget. It seemed like we were educating him while he was sitting here. Who talked to Brian Haas and what did they tell him? What was the timeline, what instructions was he given by whom and when? Maybe it is appropriate to pay half of this, but it is the general consensus of the Selectboard that they don't believe what he presented was what we were requesting.

Motion made to pay Check Warrant AP #88, subtracting the three invoices to VIS to give Mike an opportunity to discuss them with Matt. If Matt says that this is money that is appropriate because VIS was provided direction and produced what they believe we were looking for, we will pay it in 2018; if Matt pushes back and/or Amber doesn't get a reply from Mike, it is a 2019 expense, made by Tara, second by Ric. No further discussion. All in favor.

Motion made to approve Check Warrant Report AP #89, made by Tara, second by Ric. No further discussion. All in favor.

Motion made to approve Check Warrant PR #2, made by Tara, second by Ric. No further discussion. All in favor.

Budget Review and Discussion:

The Selectboard went through the 2018 & 2019 budgets, starting at the top.

We show \$450,000 on line 52 for 2018: that is \$100,000 for the TAN and \$350,000 for the new fire truck, as approved by the tax payers. The only thing that will sit in line 52 for 2019 is replacement of the 2010 tandem. Amber has been waiting for Peoples Trust to give her an amortization schedule for further breakdown of dollar amounts.

The Selectboard had a discussion regarding the box culvert to be put in on Mill River Road. We will be applying for a Vermont structures grant. The grant is an 80/20 match. The total estimated cost of the project is \$250,000.00. The construction grant would be \$175,000 and we would pay the difference of the \$75,000. We have enough money in the "bridge and culverts" line of the budget, perhaps we should reduce the amount that we fund that line for this year. It is the general consensus to reduce this line by \$10,000 because we increased the equipment fund by \$10,000 in the highway budget.

The Conservation Commission Reserve has about \$80,000 in the line. It has been discussed in previous years that the Conservation Commission might not always get a reserve in years that money is very tight, but the Selectboard is willing to wait until we get to the bottom line. The Selectboard has had this discussion, but we haven't discussed anything with the Conservation Commission to date so no action will be taken at this time.

The Selectboard continued to go over the budget line by line to answer any questions that they had.

There is \$8,600 sitting in a reserve fund for Administration. This line has not been used since 2007. This money did not come in through the Capital Budget, it's like a rainy day fund. Can we use these funds to help pay for some of the upgrades required at the Town Office? We are purchasing capital budget items of carpet and furniture, so instead of running it through the capital budget and using impact fees, we could take it from this reserve fund and free up impact fees for everything else. Whatever we take out of that reserve fund, we reduce the budget by that much. We went from not doing any improvements in the municipal office building that we should have, to now having things that need to be addressed, but we are also hitting those impact fees really hard and it should never go to zero. We can't increase impact fees so the Selectboard would rather have something to carry out of 2019 for impact fees, we would like to have a balance in there. If we could get done the necessary items in Clerk's Office but use money that has already been collected, and leave our impact fees alone, that would be our preference.

Steve asked about what line was added for future purchases of land, and have we talked about that yet? We discussed having the need to purchase land, but nothing has been included in this budget or discussed yet. We only need to put seed money in there because we only have to have negotiating money and a good faith offer. We will need to go to the voters for approval of any purchase.

We can put money in the budget line so that we can hold a property, until it was approved by the voters. Deb thinks that this should go on line 194 and all agreed.

If we are going to move forward with the land purchase, we need to get someone working on getting the Selectboard an appraisal. Mike spoke with Bill Hinman and Bill will get Mike the information requested.

After a brief discussion, it is the general consensus of the Selectboard for Mike to reach out to a third party with land appraisal experience and ask for an appraisal on the land. We need a fair market value on this land. If we are going to hire someone, we need to put some money into consultant services, probably about \$1,000.00. We need this process to start as soon as possible. The Selectboard would like both Bill and this person to provide appraisals so the Selectboard has them for comparison. These appraisals should be done by the 24th of January. We need Bill to give us a price when he is here in the office on Thursday and Mike will reach out to someone tomorrow to give us the second appraisal number.

The Selectboard also has to be ready to do an Article to go into the Town Report. Amber will speak with Cheryl to have her research the proper procedure for this.

AmCare Contract. The number has been built into the budget so you can see it. Matt asked Mike to give the Selectboard a recommendation, do you believe that this makes sense for us? Mike's thought is why not have Walt do it as a three year contract, which is the longest term that any Selectboard member sits; therefore, there is at least one active Selectboard member sitting when the change comes rather than the possibility of five new people not understanding the intent. If we sign a five year contract, the price increase remains level, so isn't there an advantage for signing the five year contract with a 2% increase. What is the advantage of having a three versus five year contract? Mike thinks that three years is a good number, it gives board members some flexibility.

This is what the motion would look like, to attempt to secure a three year contract with AmCare at the 2% per year increase, locking in to protect our budget and the citizens and task Mike with nailing that down tomorrow. If five years is all that Walt will do, what is the second piece of that, do we move ahead anyway? We try for three, but would we accept five or do we not execute the contract? The five year contract protects the 2% increase for two additional years, including after the 2020 Census.

Motion made to attempt to secure a five year contract with AmCare at the 2% per year increase, locking in to protect the budget and the citizens, and to task Mike with nailing that down tomorrow, authorizing the Chair to sign on behalf of the Selectboard, made by Ric, second by Tara. No further discussion. All in favor.

The Selectboard continued their budget discussion regarding the Fire Department. There are still some adjustments that need to be made. Mike will speak to the Fire Chief to get his opinion on whether he was thinking that they would take a loan to do the corrosion control now or if it could wait. The feeling from the Selectboard is if he could wait until 2020 it would be appreciated. So if we are asking him to potentially push in to 2020 for the repairs, what does he think he needs to do now and what could be deferred for another year. Will the truck be taken out of service for this issue before we fix it or will the repair later on be substantially more than it would cost us if we did it now? These are specific questions for Mike to ask the Fire Chief.

The Auditors asked for a pay increase. Does this require an additional, official, action from the Selectboard in response? They haven't presented anything in writing to the Selectboard. They are requesting \$17.50/hour in 2019. Currently the Auditors are all at \$14.51/hr. They are asking for a total \$3,750 for their salary line in 2019. The Auditors salary is usually set at the Re-Organizational Meeting after Town Meeting.

Auditors' request for \$17.50/hour represents a \$3.00/hour increase and based on the \$1,200 actual that they billed in 2018, doesn't support their 2019 proposed pay increase. Based on their 2018 actual dollars billed, their 2019 proposed dollars don't work. The 2019 proposed should be approximately \$1,500. The Selectboard is going to load that number into the Auditors' budget. What do they plan to do in 2019 that warrants a 19% increase in hours and money over the 2018 billed amount? Mike will speak with the Auditors regarding these questions.

In 2014, we asked the outside company that does our Town Reports to please reduce the number of reports printed, because so many people now read it online, etc. Can we ask the Auditors if they would ask again if we could reduce the number of books printed, so we don't have to keep increasing this budget line every year? Deb tasked Mike with speaking with the Auditors to please push back on the company the produces the Town Reports, we would like a reduced number of reports printed. In 2018, we printed 1,100 town reports and there are still unopened boxes left.

The Selectboard went over the Recreation budget. After a general discussion, the Selectboard is putting \$6,500 in the recreation budget, utilizing their cell tower reserve funds. If we are able to get this work done with the work crew we have been utilizing from the State Corrections Department, we may be able to do this work for much less. We are going to seal the cracks in the tennis courts, and replace the boards and trim on the pavilion as detailed by Bob Larose. Mike will send a message to the Recreation Department regarding their budget.

Library Budget. The Selectboard is still unclear about this budget. Matt or Mike have to speak with the Trustees to follow up on their requested 28% increase in their budget. Everyone else is under 3%. What is their number one stated goal for 2019 and how are they going to do it with a 3% increase. That is the appropriate discussion to have with them Monday night because when they came in and presented their 2019 budget, they stated that for our "per capita" we don't spend as much compared to other towns. Nationally, per capita is 32% and we are at 29.65%. Have the Trustees taken into account all of the budget items that aren't in their budget that are funded by the taxpayers, like impact fees, grounds maintenance, consultant services, plowing, etc. The Selectboard feels that Georgia is in line with the national average if we consider everything that gets spent in the municipal budget for the Library.

It is the general consensus of the Selectboard to have Matt relay this information to the Chair of the Library Trustees. The Selectboard would like the Trustees to understand that we believe that Georgia spends more than 29.6% on a per capita basis, and that we are in line with the national average at 32.05%, if we take into account all of the lines that aren't in the Trustees budget, like the mowing, etc. The Selectboard supports giving them a 3% increase. The Town spent a large chunk of money at the Library updating the lighting and doing the administrative work necessary to support a grant for the ADA compliance work. That money needs to be spent elsewhere now to address deficiencies in other departments in 2019.

We need to add the paving plan to the budget so we have that information available for Town Meeting.

Mike summarized what his tasks are coming out of this meeting:

1. Call Matt and talk about the VIS billing, who did what, what the instructions were, and who provided guidance. If Matt is not ok with the invoices as presented, then Mike will notify VIS and make them aware of the situation. Amber requires an answer on this by Thursday so that she can close 2018 for the auditors.
2. Call Jim Cota of VTrans and get a timeline on the structures grant.
3. Contact Bill Hinman and independent third party regarding the estimated value of a portion of a property in town; and Mike will talk with the Town Clerk about getting an article ready to go for the purchase of said property.
4. Have Matt sign the five year AmCare contract.
6. Talk with the Fire Chief regarding corrosion control on the Fire Truck and if he can wait until 2020 or what is needed now if he can't wait.
6. Ask the Auditors and the printing company about reducing the number of Town Reports printed. Also send the Auditors information regarding their request for a \$3/hour increase based on the 2018 actuals. The Board is going to load \$1,500 for the 2019 budget for salaries, which works out to \$17.50/hour.

7. Mike will talk to Cindy and have her talk to Ric about a possible violation with an Oakland Station Road property.
8. Tell the Recreation Department that we are going to utilize reserve fund monies up to \$6,500 to resurface the cracks on the tennis court, and to replace some boards and trim on the pavilion structure.
9. Have Matt talk to the Chair of the Library Trustees about revising their proposed budget for discussion on Monday, January 14th, in line with other departments' 3% increase for 2019.
11. Figure out the best approach for the Highway Department drainage, with suggested dollar amounts to load in the budget for addressing it.
12. How many Town Reports were ordered in 2018 and how many did we have left over? Is there a minimum requirement for how many we have to print based on our current census?

Motion made to continue the budget meeting to January 14, 2019 at 6:00 p.m., made by Ric, second by Tara. No further discussion. All in favor.

Respectfully Submitted by Krissy Jenkins.