

**Town of Starksboro
Selectboard Special Meeting minutes
December 14, 2017
DRAFT**

PRESENT: Susan Jefferies, Peter Marsh, Tony Porter, Keegan Tierney, Koran Cousino
Rebecca Elder (SB assistant)

VISITORS: Celine Coon, Robert Turner

The meeting was called to order at 5:00 p.m.

The purpose of this meeting was to discuss the preliminary proposed budget. Susan Jefferies provided copies of the draft budget for discussion purposes.

The biggest decisions that will have impacts on the budget include:

- cost-of-living percentage increases for town employees;
- hourly increase for elected officials (listers, town auditors, health officer all of whom are currently set at \$12)
- Increase in minimum wage to \$10.50/hr (election officials)

**For estimating purposes, a 1% increase roughly equals \$2800 to be added to budget.
A \$16K increase in budget = increases municipal tax rate by 1 cent**

K. Cousino asked what has been customary for annual increases. The SB has tried to keep up with inflation. For example, 2% increase last year, some years up to 3%, other difficult years there was no increase.

Social Security is increasing by 2% this year.

Health insurance costs are particularly difficult to estimate; anticipate a double-digit annual percentage increase. 2018-19 Town budget must include funds to cover costs 12-18 months from now. Given the current discussion of changes at the national level and impacts to State budgets, costs are in flux. In addition, there are now a few employees on Medicare. The Town has typically then paid the supplemental policy cost of \$159/per person. Health insurance monthly costs for 2018 are: \$751 (single person), \$1268 (couple), \$1846 (family).

[Budget Discussion on line items:](#)

**Major Maintenance (capital expenses of \$500 and above)
Spent \$2669**

- Back up generator or battery supply for the Town Office for emergencies – research needed; Tesla battery from Green Mountain Power is not an option at this time. Look into other possibilities and keep on SB list for action in 2018.
- Jerusalem School furnace (if needed) or repairs. Possible option: heat pump.
- Painting – Diette requested a contract before end of year. Follow up to see if work can be done in summer of 2018.
- Porch repairs – Mitch Horner (±\$4K)
- Fire station roof repairs – still needed?

Road Equipment Reserve fund - Pick up truck is needed for the road. Tom mentioned a state contract price at last meeting. Leases don't need to go for a public vote.

- More information coming from road foreman for budget request.

- **Solar trackers/electricity usage** - Town is currently using all the electricity produced plus more (this may be due to the impact of larger garage and more usage).
- **No grant expenses** – costs are deducted from grant proceeds.
- **Insurance** – estimate 14% increase
- **Workers comp** - refund is received at end of year if there have been low/no claims.
- **Municipal loan** \$101,276 – payment come from the schedule; Celine to inquire with bank about schedule updates (recalculation of principal amount; interest accrual). If there was a surplus, could Town pay down principle? Yes, there is no prepayment penalty – \$1.65M base.
- **Addison County Regional Planning Commission** - Published rate
- **Animal control** – Cost is for tags, forms.

Audit Discussion

The board discussed whether to continue with an annual audit by an independent firm or to move to a three-year audit cycle. The bank does not require an audit for the town garage loan, therefore there is nothing requiring an annual audit. Bank will accept Auditor's report.

T. Porter asked if there would be a savings for the Town if changed to the 3-yr cycle. Robert Turner (auditor) did not think the audit provided much useful information for the Town. The audit process produces a lot of work for the treasurer and assistant clerks. P. Marsh said the last audit surfaced items that were designated to the wrong category, but no financial errors were found. R. Turner explained that the complexity is in whether dollars are accounted for in the right place and how effective the Town systems are, how well do we report out to the residents, and how much does the Selectboard and Auditors know what is going on. Auditor found small things, but not sure there is enough complexity that would require a regular audit and associated costs and staff impact.

Only a forensic audit would discover a potential fraud situation. Because the Town has both a Treasurer and an Assistant Treasurer, there are two people involved in the accounting process, providing some level of double-checking of information. The financials and bills are also reviewed by the Selectboard and then the Auditors, thus the Town has several "checks and balances" in place.

S. Jefferies noted that it is important to have an audit at a time of major change such as when a new treasurer comes into office. Perform an audit before the handing over of the books. Town has solid history, good tracking systems, and people looking carefully on a regular basis. S. Jefferies also said that a lot of towns and some school districts are on a 3-year cycle if they are not required to have an annual audit by an outside party. If Town received \$.5M in federal funds, then an audit would be required.

- Susan will leave out for the next draft and see where things land.

Celine said the Town has a loan available that can be used for a fire truck. Tony said bill should be coming shortly.

Equipment reserve fund

Five (5) years is included in the Article for town report. Susan to assess and update at next meeting. There will be a dip in the fund in 2024-25. The projections make assumptions about the number of years of time spent paying the items.

Cemeteries

Costs increased last year; some maintenance needed. There were trees damaged in the recent storm, head stones with damage, etc. Tony has spoken with Norm Cota about his thoughts on the cemeteries and current issues. If headstones deteriorate, that is likely the family's responsibility for repair. But some stones fell over in years past and the mowing company moved them, leaving unmarked graves. This left the Town in a difficult position, so all cemeteries are closed unless a plot is already purchased. Expenses now are limited to maintenance and mowing. Leave budget amount as is. Grants are available for head stone repairs.

Cota Ballfield

Contract was signed for the mowing for the ball field. \$2295 spent for mowing in the first half of year.

Election materials

State and national elections must use the tabulator. Est. \$1500 for primary plus general election. Local elections are less expensive.

Emergency preparedness

Town has been fortunate and hasn't had to use it. Funds could go toward maintenance of the generator. Tony said that amount wouldn't cover annual service as diesel service is more expensive. The unit has not been started or serviced in a while so a thorough check is needed. Quote needed.

- Going forward, there needs to be a written understanding with the school for a maintenance protocol including annual service and monthly starting, etc. Note – generator is property of town.

Gazette

The SB would like to again explore the cost/benefit of the Gazette. How many people read it? Put this on the agenda for discussion at Town Meeting. It is currently assembled by the Town clerk and assistant town clerk, printed at the office, and sent via bulk mail. Bulk permit is \$350 annually. The Gazette is the only mailing that requires the bulk permit. Other costs are for paper and copier usage and staff time. (Town office budget covers copier lease costs.)

Other options for a town newsletter exist that would save paper and postage such as an electronic email newsletter that could be sent to residents. It could also be distributed via Front Porch Forum, a link on the town website, and the town Facebook page. Rebecca noted that a service like Mail Chimp could be used for free.

- Raise topic for discussion at town meeting

Legal and professional fees – Should be increased to \$3000 minimum. The SB and town should always get legal advice if there's any question. Don't hesitate to ask as it is better to have a legal opinion at the outset of potential issues. If Jim Runcie cannot offer services any longer, more funds should be added. The town should be prepared for future legal issues as they arise.

Listers – Costs include program, maintenance, comparables. The number of labor hours slightly increased this year. \$1500 to be budgeted

Miscellaneous

Susan Jefferies and Celine Coon are determining what has been lumped into this category. There was a journal entry made because of the audit, which was an after-the-fact correction. These are allowed if there is a trail to show what the correction was for. There was a library surplus shown that also needs to be fixed.

Solar array – 5-yr maintenance agreement is in place; Minimal costs - \$250 should be adequate. Insurance covers damages but the deductible is \$1000.

Speed control

Town pays for 5 shifts per month. Costs are offset with traffic control income – people are slowing down so there is less money coming in (income to date is about ½ of the past). A government grant offsets some costs and is indicated on the bills with abbreviation. If there aren't enough sheriffs to cover shifts, then Town receives fewer days.

Town boards and officers (includes all except the listers)

- Training, supplies, equipment (not payroll)
- Slightly overbudget this year due to staffing changes and equipment needed.
- New email addresses for officers (proposed for 2018-19)

ADD a Technology and Website line item this year

Fund to be used for website enhancements, technology related upgrades for security, and adding town email addresses for key town officials and boards. Start with \$2000 (to be confirmed)

Vermont League of Cities and Towns

Cost not yet known.

Zoning

Costs are generally related to mapping and preservation of records. Plan budget amount based on Dave Wetmore's recommendations. There was a jump last year in expenses because there were no planning grant funds.

Payroll notes

- Percentage increase - 2.5% try this for the next draft – roughly \$7500
- Dollar rate increase for listers, auditors, health officer = \$12/hr. Other towns pay \$15-18/hr for comparison. Reappraisals are done by outside contractors, so roles are slightly different.
- Five years since last increase and the listers now have a greater level of responsibility and expertise. Hard to fill positions when the pay is very low. Discussion of \$14/hr. Health officer doesn't have much but when work comes, it isn't pleasant.
- Town auditors determine the Selectboards' budget.
- 2.5% for the next draft – roughly \$7500 impact

Town Report

Cost is roughly \$1200. Report is assembled by the Auditors. It requires a big time commitment.

S. Jefferies will update the draft budget and present for discussion at the next regular SB meeting on Tuesday, December 19, 2017 at 5:30 p.m. at the Town Office.

Respectfully submitted,

Rebecca T. Elder
Selectboard Assistant