

TOWN OF WEATHERSFIELD, VERMONT

SELECT BOARD

Select Board

Martin Memorial Hall
5259 Route 5, Ascutney VT
Monday, January 21, 2019
6:30 PM

REGULAR MEETING

MINUTES

APPROVED 2/7/2019

Select Board Members Present: N. John Arrison
Daniel Boyer
C. Peter Cole
Tom Leach
Kelly Murphy

Select Board Members Absent:

Ed Morris, Town Manager

Others Present:

Edith Stillson	Michele Wright	Jeff Epstein
Steve Hier	Darrin Spaulding	Sean Whalen
Armand Wright	Nancy Nutile-McMenemy	

1. Call to Order

Ms. Murphy called the meeting to order at 6:30 PM.

2. Executive Session as per 1 VSA §313(3)(E) AVFD Possible Litigation (6:30 PM)

3. Review and Accept Petition

The Town Clerk received a completed petition to place an article on the town meeting warning regarding funding for a municipal fire department. The signatures have been verified by the Clerk. The petition reads:

"Shall the Town vote to spend \$265,070 – of which \$245,070 is to be raised by taxes, for a new Municipal Fire Department for Fiscal Year 2019-2020?"

Town Attorney Nate Stearns was present to assist in the discussion. He had been given a copy of the petition and asked what it meant in terms of whether the select board is required to put it on the warning for town meeting. States statutes require the board to place a completed petition with the right number of signatures on the warning, but the VT Supreme Court has narrowed the statute to preclude the requirement if the petition is in regard to a matter that is not generally within the authority of the voters to decide. There are a couple of cases that relate directly to putting an article onto the warning that breaks the

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budget out into smaller increments than how the select board wants to present the budget. In general, the select board has complete discretion on how it wants to present the budget. Thus there is no requirement for the board to warn this particular petition as a separate article. (They can if they want to.)

If the budget as presented by the board is not approved, there is a statutory provision that prescribes how it gets revised.

If a piece of the budget were broken out separately and it didn't pass, then the board would follow the statutory provisions for how that piece of it would get revised – there would be a re-vote on that piece. (Just the same as if the whole budget didn't pass.)

There is no time limit on when a failed article would have to be brought back to the voters. Time limits only apply when the date is set to have the re-vote.

Motion: To accept the petition

Made by: Mr. Arrison

Ms. Murphy asked if the motion should contain anything else. Mr. Stearns said only if the board wants to make revisions to it. He said the board could accept the petition and put it onto the warning just as it is written; the board could change it if they wanted to so that it would be accomplishing something similar. There is no requirement to place this on the ballot – it is at the board's pleasure. If the board changed the language, then it would in effect not be accepting the petition, but rather revising the way in which it presents the budget.

Mr. Stearns felt the wording of the petition was adequate for what it is proposing.

Mr. Arrison said he made the motion thinking the board would continue to talk about the articles later in the meeting. He said his motion is just to accept the petition.

Second: Ms. Murphy

Mr. Stearns said the board could accept the petition, but it would have to finalize what articles would be put on the warning.

Mr. Morris recommended making a decision on this at this point in the meeting.

Mr. Cole said he was concerned about the wording of the petition – that it could be misinterpreted as meaning a quarter of a million dollars of new money is being requested. He suggested rewording it.

Ms. Murphy said \$180,000 is what's needed to provide fire services in the town.

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Mr. Morris said the article would be presented at town meeting like any other, but suggested it be worded similarly to other budget articles.

Ms. Murphy said 140 taxpayers signed off on the language of the petition – it is what they wanted.

Mr. Leach said he was in favor of petitions and the involvement of people in local government, but “unfortunately, looking at social media and speaking with other people, this petition was put out there and unfortunately fueled by misinformation and allegations of mishandling things by the select board and fear-mongering.” There were allegations of the select board hiding things and not being honest. He said after 16 meetings, special meetings, discussing this and discussing the volunteer and municipal fire ideas, he was dismayed at this response. He felt the way it was handled was inappropriate and not in the town's best interest. He said the board had been completely open and that all of the discussions and proceedings can be viewed on SAPA TV or by reading the minutes of the meetings on line. He said no one on the board is hiding anything or trying to mislead anyone. There is nothing for board members to gain personally from this – it's all about managing the town efficiently and safely.

Vote on the motion: Unanimous in favor

Mr. Arrison asked if the number in the petition was accurate. Mr. Morris said the number is consistent with the budget – they are the exact numbers out of the budget.

Nancy Nutile-McMenemy(VT Standard) asked if the \$20,000 for hazmat reimbursement had been confirmed? Mr. Morris said he had as best he could, using numbers from both fire departments.

Mr. Morris asked if the petition would be placed on the warning as is.

Motion: To change the wording (of the petition) so it's consistent with other budget articles.

Made by: Mr. Leach

Mr. Morris suggested: “Shall the voters of the town Weathersfield approve the expenditure of \$265,070 for the support and operation of a new municipal fire department? \$245,070 shall be raised by property taxation allowing the select board to set the appropriate tax rate.”

Second: Mr. Arrison

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Armand Wright said the town has two separate departments that have been working for a lot of years. Now you (the select board) want to combine them into one. He said most of the voters would have voted on the budget not knowing what that money was appropriated for. He said he didn't understand why the board was doing this.

Ms. Murphy welcomed the question saying it was good to keep explaining why this was happening.

The board suggested how Mr. Wright could learn more about what had transpired. Mr. Morris offered to provide copies of pertinent reports.

Ms. Murphy asked to have the words of the motion read back. Mr. Morris re-stated: "Shall the voters of the town Weathersfield approve the expenditure of \$265,070 for the support and operation of a new municipal fire department? \$245,070 shall be raised by property taxation allowing the select board to set the appropriate tax rate."

[It was noted that this was not actually the motion on the floor – the motion was, "To change the wording (of the petition) so it's consistent with other budget articles." Mr. Leach, who made the motion, offered to change the motion to what Mr. Morris had said.]

Motion: To change the wording of the petition to read, "Shall the voters of the Town Weathersfield approve the expenditure of \$265,070 for the support and operation of a new municipal fire department? \$245,070 shall be raised by property taxation allowing the select board to set the appropriate tax rate."

Made by: Mr. Leach

Mr. Arrison agreed to the change.

Vote: 3 in favor; 2 opposed

Ms. Murphy said she opposed the motion because the petitioners had worded the petition the way they wanted it.

4. School Board and Select Board Budget Reports

Sean Whalen was present to discuss the highlights of the school budget.

- They had to add in the cost of a previously grant-funded position (\$50,000);
- They voted collaboratively with Hartland to get out of cafe services, which caused a \$20,000 increase in the budget;
- Special education services have gone up;
- The cost of tuitions is up; (no, they are not considering limiting school choice as people feel it is worth the expense to keep it)
- The SU assessment is up;
- There is an overall increase of 7-10 cents from last year's budget;

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- They will be using surplus funds from last year plus \$100,000 from the rainy-day fund to reduce the budget increase

Mr. Morris gave a summary of the town budget for Mr. Whalen to bring back to the school board:

- Total general fund (not counting county taxes) \$1,115,040 – up .0159 from last year
- County tax \$25,300
- Local education tax (estimated) \$17,000
- Highway fund - \$947,777 – down 0.7%
- Total municipal tax need of \$2,105,308 – up 0.0095, just under a penny; this includes a transition to a municipal fire department; upgrading the town office telephone system; changes in the health insurance plan to a high deductible; reduction of a half of position in office staff; increasing the Land Use Administrator to full time; digitizing town records to make them more accessible to the public; paving Center Road from Rt. 131 to the Springfield line; purchasing a new grader while the old one is still under warranty; purchasing a roller to go behind the grader; implementing an assistant highway superintendent position
- Transfer station – no change, other than looking into the punch card system with West Windsor
- Saving for a new compactor

Mr. Cole, Ms. Murphy and Mr. Morris will present the budget for the select board on SAPA TV before town meeting (like last year); Sean Whalen and David Baker will present for the school.

5. Comments from Select Board and Town Manager

The board extended compliments to the highway department for taking such good care of the roads during the latest snow storm.

The 2019 Town Challenge will be held on March 23rd.

a. Website Update

The town staff is learning how to work with the new website. It should be released to the public some time in February.

b. Tax Sale

The next tax sale is moving forward – four properties are still on the list. The sale is slated for February 7th.

c. Years of Service Anniversary

Town Accountant Darlene Kelly was honored for completing her one-year probation.

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6. Comments from Citizens on topics not on the agenda

There were no comments.

7. Review minutes from previous meetings – 1/7/2019

Additions/corrections/deletions:

a.

Motion: To approve the January 7th minutes

Made by: Mr. Arrison **Second:** Mr. Leach

Vote: Unanimous in favor

Review minutes from previous meetings – 1/10/2019

Additions/corrections/deletions:

a.

Motion: To approve the January 10th minutes

Made by: Mr. Cole **Second:** Mr. Boyer

Vote: Unanimous in favor

8. Approve Certificate of Highway Mileage

This is an annual task. Highway mileage changes this year due to the reclassification of a portion of Cady Hill Road.

Motion: To approve the Certificate of Highway Mileage for 2019

Made by: Mr. Arrison **Second:** Mr. Cole

Vote: Unanimous in favor

9. Review FY2018 Audit

Town Accountant Darlene Kelly and Town Treasurer Steve Hier reviewed the draft audit report with the board. Overall, things went well, especially in light of Ms. Kelly joining the Town's employ in mid-year and having to learn everything from scratch.

In terms of findings, deficiencies and recommendations, Mr. Hier said there are 2 or 3 things they don't agree with at all and will be presenting back to the auditors. Some have already been addressed (e.g. not having the person who signs the checks be the person who reconciles the bank statements), but because they were done mid-year, the auditors still included them in this report. Others are being addressed currently.

Mr. Hier remarked that it is interesting to note the differing perspectives of new auditors. He also noted the difficulties present for a while when the town was short-staffed. The auditors cited practices that occurred during that time that are no longer the case now. Other points raised/discussed included:

- Reconciling grants – is being done now

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- Journal entries are overseen by two people (being done now)
- Ensuring budget spread sheets are accurate (being done now)
- Document accounting procedures (in progress)

Mr. Hier referenced additional recommendations contained in a letter (separate from the report and which the board apparently did not receive a copy of):

1. Investment banking and cash management policy needed – can use VLCT models
2. Fraud prevention policy needed
3. Fraud risk assessment needs to be done
4. Should formally document internal control systems
5. The fixed asset listing should contain salvage values
6. Loans receivables – either collect them or write them off (minor – less than \$1K)
7. Reconcile transfer station punch cards to revenue
8. Update procurement policy to be in alignment with federal procurement guidelines
9. Classification of agency funds – in progress
10. Make sure the budget amount voted matches
11. Reserve funds – pushing back on this one – Mr. Hier has a file showing authorization for each fund we have
12. Proctor Library, Cemetery, Trust Funds – should these separate funds be collapsed into general fund? (to be considered and discussed)

Ms. Murphy asked for a copy of the letter. She asked Mr. Hier to come back to the board after his conversation with the auditors. The board also asked for a timeline and prioritization of addressing each of the recommendations. Who will do what by when?

Mr. Arrison commented on the difficulty of receiving the report so late in the budget process. He was assured that things should be better next year.

Ms. Murphy asked that the report has the auditors name on it.

10. Finalize Budget

Cynthia Porter reviewed the budget spreadsheet and found one formula error. It has since been changed. The error added \$20,000 to budget. The Town Staff went back to work to reduce the budget back to below 1 cent increase and changed the following:

- Reduce delinquent tax expense from \$4,000 to \$1,000;
- Reduced the grader lease budget to \$34K after consulting with CAT;
- Reduced paving to \$51,000 (\$50,000 for Center Road and \$1,000 for maintenance)
- The Center Road budget was reduced to \$550,000 with
 - \$175,000 from grant funds

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- \$75,000 from reserves
- \$250,000 loan
- \$50,000 paving budget.

Summary:

- General Fund Expenditure (including municipal fire budget) \$1,268,472
- Highway Expenditure \$1,224,522
- Solid Waste Expenditure \$261,512

Mr. Arrison noted that article 6 (general fund) did not match what was just read. Ms Murphy explained that article 6 is the general fund minus the fire budget. Article 9 is the fire budget.

11. Approve Warning for Town Meeting (See above)

Ms. Murphy read through the articles on the warning, then called for questions. There were none.

Motion: To accept the articles as presented

Made by: Mr. Boyer **Second:** Mr. Leach

Mr. Boyer changed his motion to:

Motion: To accept the warning for the town meeting

Vote: Unanimous in favor

12. FY2019 Budget to Actuals

We are now six months into the fiscal year.

Ms. Kelly said she wants to look more in depth into the revenue side of the solid waste budget. She said she wasn't concerned, but not quite sure about the reconciliation. We are on track, even with having to make up the missed payment.

Ms. Kelly said she wasn't clear on the revenue side of solid waste – not quite sure of reconciliation of punches to revenue; everything else looks on track, though; nothing alarming. C&D waste continues to be a challenge.

Mr. Stapleton said that waste metals price is going down. Composting costs \$114 a month – the program does not seem to be working well.

13. Appointments

Ms. Murphy read the list of openings.

14. Approve Warrants

Motion: To approve the warrants for 1/21/2019 as follow:

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General Funds	Operating Expenses	\$32,324.56
	Payroll	\$14,950.31
Highway Fund	Operating Expenses	\$34,402.89
	Payroll	\$11,812.40
Solid Waste Management Fund		
	Operating Expenses	\$4,986.68
	Payroll	\$1,521.48
Library	Operating Expenses	\$3,663.73
	Payroll	\$1,956.32
Grants	Operating Expenses	\$60.00
Agency Monies	Operating Expenses	\$0.00
Reserves		\$40.00
Long Term Debt		\$0.00
Grand Totals	Operating Expenses	\$75,477.86
	Payroll	\$30,240.51

Made by: Mr. Arrison

Second: Mr. Boyer

Vote: Unanimous in favor

15. Future Meeting Agenda Items

16. Adjourn

Motion: To adjourn the meeting

Made by: Mr. Boyer **Second:** Mr. Leach

Vote: Unanimous in favor

The meeting adjourned at 9:01PM.

Respectfully submitted,

deForest Bearse

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WEATHERSFIELD SELECTBOARD

N. John Arrison, Selector

Daniel E. Boyer, Selector

C. Peter Cole, Vice-Chairperson

Tom Leach, Clerk

Kelly Murphy, Chairperson