

Bakersfield Town Select Board Budget Informational Meeting
February 18, 2020

Meeting called to order at 7:01 by Lance Lawyer

Members present: Lance Lawyer (chair), Josh Goss, Sam Cribb, David Houston

Members absent: Gary Denton

Residents/Guests present: 77

Abbey Miller-Town Treasurer Mac Newitt- Road Foreman/Commissioner

Allen Hulbert	Anthony Gregoire	Christina Gregoire
Jason Curtis	Joy Barber	Corey Gratton
Dan Gaffney	Brian Pecor	Russell Stone Sr.
Shaun Montague	Ivan Stone	Ralph Madison
Barb Salg	George Salg	Todd Elkins
Tori Tabor	Matt Tabor	Mike Mudgett
Pam Mudgett	Daniel Goss	Robert Willey
Todd Cosgrove	Hobert Gates	James Monett
Abbey Monette	Leshia Tibbits	Alice Foote
Gary Foote	Rosalie Williams	Ray Saloomey
Judy Bugbee	Clem Paquette	Bernard Machia
Vera Lawyer	Alan Lawyer	Cheryl DeRue
Mary Schwartz	Dennis Jewett	Kim Goss
Heather Tamner	Pat Evans	Sharon Evans
Dave Jacobs	Chris Brigham	April Walker
David Walker	Jamie Ballowe	Jeremy Wilkins
Erionah Williams	Rosaire Paquette	Terri Gates
Diana Paquette	Angie Boardman	Lance Boardman
Kerry Flieger	Betsy Reed	Larry Westcom
Brenda Westcom	Ginger Miles	Steve Maynard
Lisa Maynard	Alicia Panko	David Pratt
Sharon Lawyer	Stacey Maynard	Willie Maynard
David Haselton	Arlene O'Rourke	Mike O'Rourke
Nathanial Cobb	Wendy Cobb	Paul Stanly
Linda Stanly	Gary Rounds	Tami Brennan

Lance began the meeting by presenting the budget proposal to reschedule and shift the budget year to be approved and funded one year ahead, so that we would be voting and collecting funds during the present year in October to fund the following year beginning on Jan. 1, which would eliminate the need to borrow money to operate while the Town waits for funds to be collected nine months into the budget year. He started by giving the example of a household or a business, who plans their budget at the beginning of the year for the current year they are entering, then finds out if the boss will approve and give wages to afford their proposed budget in March and then finally giving the actual funds to pay the expenses in that budget in October, a full nine months into the year, which would leave a household, business, or in our case, a municipality financially behind before they even begin. This schedule of

funding leaves such entities more vulnerable when unexpected circumstances arise. Lance explained that in order to reschedule a full year forward, the board has envisioned a temporary two-year tax increase to rotate the budget year forward, six months at a time, which is why they have scheduled these informational budget meetings before Town Meeting seeking community input. He also explained that the Nov. 1st storm hit us at a financial low and we're going to have to borrow to continue road operations and repairs. The Town has spent \$32,600.00 on road repairs (an estimated 40% of total repairs needed) due to the flooding so far, to make as many roads passable as possible until the snow leaves. Another estimated 60% of repairs remain.

When asked about FEMA status, Lance said that Mac and himself had attended a FEMA meeting in St. Albans two weeks ago. The Bakersfield damages were officially declared an emergency on Jan. 16, 2020, officially beginning the process. We have not yet been assigned an Emergency Management Director, but we expect to move to the next level of paperwork around the second week in March. FEMA reimburses 75% of the damage costs that they themselves determine and the Town expects up to 12½% reimbursement from the State, which would leave about 12½% payable by Bakersfield. FEMA monies are not expected for 6-12 months. All our money has been spent and The Town will apply for a bank loan to provide funds until we collect taxes in Oct. 2020. Lance expressed appreciation for the good turn out for this budget meeting and reminded everyone that while the proposed budget has been warned already because of mandated deadlines and cannot be changed in the Town Report, it can still be changed on the floor at Town Meeting. It doesn't have to be just a yes or no, it can be amended.

Josh thanked people for coming and asked for a show of hands of how many were interested in having the annual Town Meeting to be scheduled for an evening or a Saturday so more residents that can't get the day off could attend and a large number of those in attendance raised their hand. He said that it was too late to change the time of this year's Town Meeting, but that was a topic that could be voted on at Town Meeting for future years. He then reminded everyone that this meeting was scheduled solely to discuss the budget and that for any other concerns the Select Board would welcome and address the concern at a Regular Select Board meeting, the next one being Monday, Feb 24., and then he asked Abbey to explain the proposed temporary increase, as well as the proposed road budget for the current year, on the budget handout. She stressed that this budget meeting's information only refers to the Municipal budget. The school budget is completely separate and managed by a different entity and will be presented at the School budget meeting tomorrow night in Montgomery, Wed. Feb 20. The proposed municipal road budget for 2020 is \$300,000.00 which breaks down into the general categories of \$170,000.00 for Winter Work and \$130,000.00 for Dirt Work. She also highlighted the Equipment Repair line item, in regard to our aging equipment, which cost us \$48,000.00 in repairs in 2019, \$20-25,000 more than the amount of a new truck payment. She brought attention to the 2017 and 2018 repair costs as well. Mac's truck needs to be replaced this year and

Mac and the Select board are working on a plan to meet the needs of replacing additional aging equipment, which is expensive, as well as providing a schedule for regular timely replacement in order to keep equipment current and in need of less frequent and costly repairs. She explained the proposed budget line for the State Police regarding speed enforcement as a response to concerns that many residents have brought forward. One resident said this was a bad year to add to the budget for the Police. Another said that every year, people ask for the police coverage.

The last page of the handout is an example of a tax bill giving a sample of the temporary increase of \$342.21 in municipal taxes on a residence with the assessed value of \$152,500.00, if the proposed budget year adjustment line was approved by the town. The additional taxes for two years would allow a six month shift in funding each of the two years, which would result in allowing the Town to vote, approve and fund a budget to be ready for the following year that would begin three months after the funds are collected instead of collecting funds for a budget already nine months behind in funding. A resident asked if the planned shift could be more gradual, such as a three year plan for \$100,000.00 each of the three years, to reduce impact a bit, and was told that would definitely be worth considering, but to extend beyond that might stretch the adjustment out too far to notice a timely effect.

Many residents expressed concern about not being able to attend Town Meeting because of work, which would allow the small number of voters that were able to attend to have the power to pass a budget for all the residents and requested the Town to consider using an Australian ballot system. The Select Board said that was definitely something that could be looked into and voted on, although it was too late to change to Australian ballot for this year. Another resident mentioned using paper ballots but that still only allows the people in attendance to vote. The Select board thought that if there was a motion to postpone the vote on the budget year adjustment line item, the vote could be deferred, giving the town time to change to Australian ballot, if approved, in the meantime.

One resident suggested that we charge each tax household an impact fee not connected with property taxes, of around \$200.00, to be collected soon after town meeting, that would provide some funds toward shifting the budget year forward or allow access to funds to begin the road repair work needed. The Selectmen were not sure if that was allowed but it could be looked into.

Another resident suggested offering a 5% reduction in taxes as incentive to get residents to pay their taxes early, but that would not be possible for those with taxes that must be escrowed and it would reduce the amount of taxes needed for operating costs. A resident suggested collecting taxes twice a year but we're presented with the problem of not getting the state numbers that allow us to set the property tax rate until July, which would make the first tax bill and payment due almost immediately and then the town is mandated to pay 90% of the school budget within 30 days after taxes are collected, leaving the municipal side pretty much in the same spot that they are in. Collecting taxes twice a year would work if we funded for the year ahead, but would also be

unnecessary in that case. One resident said that towns always borrow funds while they wait for taxes to be collected and they just planned on paying the interest accrued in the practice.

One resident expressed concern about being reassured that the money allotted for the budget schedule adjustment would remain untouched until Jan 2021, since the Town had shuffled funds to make ends meet before. He was assured that this money would be approved for a separate calendar year and would not be used until then. While not appropriate and not really legal without Town approval for each inter-borrowing of specifically designated funds (which requirements we were not aware of at the time and would check with VLCT as to how this could be legally permitted and which we always paid back), the previously shuffled funds had at least been approved for expenditure for the year that they were used to meet alternate operating costs.

Josh reminded the voters of why they voted to increase the Select board to five positions instead of two. The present Select board has gone through one cycle of town meeting to discover that the present budget funding schedule is not working well. The Nov. 1 flooding exposed the shortcomings of the present program. He also reminded those present that the Select board lives here too and pays taxes and they want to keep taxes low and meet the needs of the Town residents at the same time. He also said that the board has also considered proposing that the town go to a fiscal year which would run from July 1st to June 30, instead of beginning in January, which reduce the funding schedule problems from a 9-month delay, to a 3-month delay in receiving funds. This would require voting on an 18-month budget for one year to make the adjustment. But in that case, it would require funding the entire General budget for 18-months, not just the road funds.

Other questions and concerns were:

Why were we paying for heat for the North building since the Fire Dept didn't operate out of it anymore? Town equipment that shouldn't freeze is still in there, including the pressure washer that has water in it. And the water charge for that building remains regardless.

Why did Misc. increase so much? Misc. included permit charges for storm drains that were extra this year and also reflected the proposed change in overtime policy during the winter for the road crew from 5 hours/week to 8-10 hours/week, before going to comp time, because of the high demand for continuous hours clearing roads and that that figure was an over estimate that was higher than what it would actually come to and can be decreased on the floor at Town meeting. This would fall under winter work. No overtime in the summer. The resident mentioned that salaries has been frozen for teachers in Enosburg. One asked about having the road crew receive a salary and not have overtime or comp time.

One resident wanted to know why she should vote for a road budget when her road wasn't kept up enough. She was reminded that residents on the main road that the state upkeep still pay toward the secondary road needs and residents with no children in school still paid toward the school budget. As a community we all share in the burden of the whole and pay for providing for

things that we may not personally benefit from. And also, to keep in mind that the actual road budget is not increasing very much, it stays pretty steady. The temporary two-year rise in taxes of \$150,000.00 each of the two years, are to rotate the approval and funding schedule.

One resident wanted an explanation of the rise in the salt budget and concern about salt in his spring.

One resident pointed out that if the budget year adjustment was approved, then the increase in taxes on a house assessed at \$300,000.00, if the resident began saving for the increase in taxes, they would need to put aside \$25.00/week, from now to Oct. 1, to cover the increase. Then if they saved during the 12 months before the next tax bill was due, they would need to save \$12-15.00/week to have the money to pay for the increase. She also pointed out that most of us live in houses assessed for less than \$300,000.00. and that by the age of most of the people attending the meeting, in 10 years we would be the ones on fixed incomes.

The question was asked about the rumor that the Justices-of-the-Peace were getting a raise. They were assured that was not the case and must just be a rumor.

Where was the break down for winter work and dirt work? In the Bakersfield Town Report available in the foyer.

What would happen if the budget schedule adjustment proposal doesn't pass at Town meeting? The budget schedule adjustment proposal is a separate line item from the operating budget. Voting yes or no to the schedule adjustment would have no bearing on the vote to approve the current operating budget.

Can the town look into other government borrowing options? Yes, we can definitely look into and consider other borrowing options. We have currently done business with Community bank that has a dept. that deals with municipalities and has low municipal borrowing rates.

Do we fund 100% health insurance premiums for the three full time town employees for 3600.00/month? Yes, for two singles and a family.

Why does this show a jump from 2017? Because before that we weren't paying anything toward Mac's insurance at all, and then Obamacare increased the expense as well as rises in insurance cost since then.

Is the town going to look into charging the employees for part of the premiums? We can consider that. We are currently in the middle of adopting a Personnel Policy, based a lot on the current Enosburg plan which is well constructed.

Why are the costs for the flood damage so high, (\$32,600.00 so far to repair around 40% of the damage)? Working 10-12 hours a day, 7 days a week to get roads passable enough for residents to get to and from their homes, costs money. Also, some of the work was contracted out. One resident on Whitney road attested to the road crew indeed working by her home for long days for a full week to get her road passable after the flooding. The road crew was quick to act to close roads that were unsafe and get the roads that they could, safely open enough for residents to get through. There are still two roads that remain closed...Jordan Rd and Goat Path road which the state condemned since the bridge footings had been completely undermined. Belvidere Mtn. Rd is 40-50%

complete. Waterville Mtn. road has one lane open. 60% of work remains to be done.

Another resident said it was fairer to divide the tax increase equally between tax payers for the two years. Another mentioned that you choose where you live and back roads cost more to maintain.

Another asked if we considered a bond to cover the grader and equipment. The Select board said that they would consider a bond as one of the options. That they wanted input from the residents.

One resident asked how many times a year do we use the grader? 2? Would it be cheaper to outsource? The Select board is considering that as an option. And they have calls into S.D. Ireland and G.W. Tatro, for contracting quotes on the road repair work that still needs to be done. Also, FEMA requires a Hazard Mitigation Plan be in place for the town and may help fund some preventative upgrades to roads, i.e. larger culverts etc., which a contractor might be able to perform more quickly, leaving our guys to doing the regular work that needs to be done.

What about the uniform money? That was for uniforms for the road crew, and then instead of paying for the purchase and cleaning of uniforms, the town went with paying for boots, helmets, etc. and the crew washes their own clothes.

One resident wanted to know if we could borrow the schedule adjustment amount at around 2% instead of raising taxes. The Select board said they would look into that.

There were concerns expressed about too much salt used and not enough salt used. And the Select board assured all that they hear both sides.

One resident suggested that instead of funding the fireworks, we pass the hat. Another mentioned they have had no wage raise for 6 years.

The Select board reminded all that they could amend to change amounts on the budget after discussion on the floor at Town meeting.

How would we amend for the insurance? Propose to amend a line item for a certain reason, someone must second it and then all vote on the amendment. How would we defer the vote for the budget schedule adjustment? A resident proposed to defer the vote, someone needs to second it and then the vote goes to the floor. If the deferral is approved, then it needs to be warned for 30 days before a vote. Then perhaps we could have an Australian ballot in place for that. The thing about Australian ballot is that there is no opportunity to discuss and amend. It is simply a yes or no vote. And each time we set up for Australian ballot, there is a \$1500.00 polling fee that comes out of the general fund. The Select board can't pull the item off the warning, a resident has to propose deferral and amendment or vote it down, and the board will go back to the drawing board to propose another possible solution to the problem the following year. One resident proposed a plan to arrange for someone to take charge to propose a deferral on the floor at Town meeting for those of whom could not be there to do it and since they felt that the majority were not happy with the proposed budget schedule adjustment, would the Select board report that information to those who attended town meeting so that they would be

aware. The Select board also assured those present that the meeting minutes posted on the website would show the concerns expressed at this meeting as well.

One resident expressed the view that if you cared about the town budget you would come to the meeting and many at the meeting disagreed with this, reminding that many had no choice because of jobs they couldn't take the day off from.

One resident reminded the town that there was an interested buyer in the land that abuts the gravel pit, which may provide some funds. Another concern was expressed that the land may be valuable if turned into a quarry if permits allowed. Select board would look into these options.

Also, that Mac was the hired road foreman and voluntarily filled the role of Road Commissioner for no wages because no one else was willing to take the position. The board is looking for someone willing to take this position as well as Town constable which is also an unpaid position.

One resident expressed concern that the road repairs being done were to the standards demanded to get reimbursed by FEMA. They were assured that the work was being done to FEMA standards and would be inspected and approved by FEMA. Also, that FEMA will not reimburse for Class IV roads.

One person attending said that at some point, the town was going to have to "bite the bullet" and adjust to a fiscal year.

The Select board said that if the budget schedule adjustment proposal failed, they would look at the fiscal year option and bring it to the people much earlier for next year. They said they would even like to start the budget informational meetings as early as October to get resident feedback.

One resident asked if we still needed three guys on the road crew to keep up roads. They wanted to know if we could have two and outsource one when needed?

Another resident expressed concern about town residents and employees, being respectful of each other even when they disagreed and not to speak badly to others about those you disagreed with.

Another expressed concern about the reduction of money allotted for contracting labor.

A resident who had worked for an excavating company assured the Select board that an excavator could do the work twice as fast. And is there money available to rent equipment? The board is to borrow money to make the repairs and wait for what reimbursement FEMA will provide.

The meeting adjourned at 8:50pm.

The next Regular Select Board meeting is scheduled for Monday, Feb 24, 2020.

Meeting minutes recorded by Tami Brennan.

