

**Meeting of the Waterbury Select Board
January 27th, 2020
28 North Main Street**

Present: C. Viens, M. Frier, J. Brown, M. Bard, and N. Fish, Select Board; W. Shepeluk, Municipal Manager; A. Imhoff, ORCA Media and C. Lawrence, Town Clerk.

Public: D. DeSanto and C. Ostler, Library Commissioners; A. Landauer, Library Director; and C. Kletecka, Friends of the Waterbury Reservoir.

The meeting was called to order at 7:00pm.

APPROVE AGENDA

M. Bard made a motion to approve the agenda. The motion was seconded by N. Fish and passed unanimously.

CONSENT AGENDA ITEMS

N. Fish made a motion to approve the consent agenda items including the minutes of the January 20th meeting and a liquor license for Black Back Pub. The motion was seconded by M. Bard and passed unanimously.

PUBLIC

There was no public comment.

LIBRARY COMMISSIONERS – 2020 BUDGET

D. DeSanto explained that the Library budget has a zero percent increase in the taxes necessary to fund it. He distributed statistics for a comparison of 2018 – 2019 year-ends. The Library has seen increased usage over the past year. A. Landauer explained that more people are visiting due to the new building, new services, outreach, and programs. W. Shepeluk reviewed the Library revenue and expenses. The budget spending is up 4.56% from that of last year but the taxes needed are level. The Library Trust fund was discussed.

DISCUSS STATE OF VERMONT AQUATIC NUISANCE CONTROL – GREETER GRANT OF BEHALF OF FRIENDS OF THE WATERBURY RESERVOIR

W. Shepeluk distributed the grant application to the Board. The grant would pay 25% of the total program cost of \$8,613. The Friends of the Waterbury Reservoir would make up the difference. C. Kletecka was present to describe the program. There were 600 boater transactions last year where the greeters educate boaters about invasive species. The Friends would like to continue with the same level of staffing with 2 greeters working 1 weekend day each week. J. Brown made a motion to authorize the Town to apply for the grant and to authorize the Manager to sign the grant application. The motion was seconded by M. Frier and passed unanimously.

MANAGER'S ITEMS

Budgets

W. Shepeluk had previously distributed budget information. Last week, he presented the General Government, Library and Highway budgets. Those budgets kept the tax rate at a level 51 cents. The CIP budget was in deficit and needed a 4 cent tax rate. Last week the board discussed a combination of increasing the tax rate and borrowing. During the past week, W. Shepeluk worked on adding 3 cents to the tax rate and identified places to borrow for infrastructure and vehicle purchases. If the tax rate is increased, the CIP budget will end with a positive fund balance. This scenario contemplates new borrowing of \$393,200, not including borrowing that was authorized at the November Special Town Meeting.

C. Viens stated that he is in favor of a 3 or 4 cent tax rate increase to cover the costs of the paving projects planned for the year. The increase does not have to be permanent and could be reduced down the road. A 4 percent increase in the tax rate causes a \$120 increase in taxes on a \$300,000 home. Over the past several years, there has not been enough revenue placed in the CIP Fund to keep up with the necessary projects. W. Shepeluk explained that there are more projects than paving, so generating a 4 cent tax rate increase will not cover those projects that need to be done and borrowing will be necessary. W. Shepeluk will update the Board on capital needs for the foreseeable future sometime in the spring.

W. Shepeluk had previously distributed an updated spreadsheet showing outstanding debt and the discussion on level of borrowing continued. M. Bard feels the Board needs to look at a combination of an increase in the tax rate and long-term borrowing. He looked at the budget and stated that the Town doesn't seem to look at decreases in expenses or program cuts. This is something that can be explored next year. N. Fish suggested changing some staff practices in an effort to decrease expenses.

Discussion returned to what combination of an increase in tax rate and/or borrowing is necessary to support the budgets. As suggested at a previous meeting, the Town can borrow from itself and pay interest to itself. N. Fish and M. Frier stated that they support a 4 cent increase in the tax rate and borrowing of \$300,000. W. Shepeluk stated that the increase in the tax rate will be converted into a dollar amount. A 3 cent increase in the tax rate would require \$393,000 of borrowing.

W. Shepeluk reviewed some expenses in the General Fund budget including the municipal vehicle. The vehicle currently cannot be inspected due to rust in the undercarriage. A new vehicle needs to be purchased or leased. The Manager looked at hybrids and plug-ins for both lease or purchase. He prefers that the Board adjust his pay in lieu of a new vehicle. Inflation would only be added to the current base salary in the future. M. Frier made motion to change the Manager's compensation by replacing the car benefit with \$7,000 in pay. The motion was seconded by M. Bard and passed unanimously.

M. Bard made a motion to direct the Manager to make changes to the operating funds to include a 4 cent tax rate increase for transfer into the CIP Funds and to recommend to the voters borrowing of up to \$300,000. The motion was seconded by N. Fish and passed unanimously.

Town Meeting Warning

M. Bard made a motion to approve the Town Meeting Warning for the Annual Meeting on Tuesday March 3, 2020 and to switch the order of Articles 7 and 8. The motion was seconded by N. Fish. M. Bard asked that in future years for the special articles, that the organization send a representative to speak to the motion. The motion passed unanimously.

There being no further Select Board business, the meeting adjourned at 9:55pm.

Respectfully submitted,

Carla Lawrence, Town Clerk

Approved on: February 18, 2020