



# Town of Barre VERMONT

## BARRE TOWN BUDGET COMMITTEE MEETING PROPOSED BUDGET FOR FISCAL YEAR 2023-2024

Tuesday, February 7, 2023

### AGENDA

1. Call to order.....6:00 p.m.
2. Consider approving agenda.
3. Consider approving January 31 meeting minutes
4. Acknowledge guests, if any
5. Questions about material received and reviewed to date
6. Continue review of budget appendices E-I; begin review of Building Fund and Equipment Fund
7. Public comment, if any.....7:45 p.m.
8. Adjourn.....7:50 p.m.

### MINUTES

The duly warned meeting of the Barre Town Budget Review Committee for the proposed 2023-2024 fiscal year budget was held on Tuesday, February 7, 2023 at the Barre Town Municipal Building, Selectboard Meeting Room, Websterville, VT.

**Budget Committee Members Present:** Norma Malone, Bob Nelson, Paul White, Justin Bolduc, W. John “Jack” Mitchell, Mike Gilbar, Chris Neddo, Todd Provencher, Jamie Cushman, and Josh Howard.

**Budget Committee Members Absent:** None.

**Staff Members Present:** Town Manager Carl Rogers, Assistant Town Manager Chris Violette, Town Clerk Tina Lunt, Finance Director Katelyn Kran, and Town Engineer Josh Martineau. Those present virtually: DPW Supervisor Richard Tetreault and Michael Martel (arrived at 6:15 p.m.).

**Others Present:** None.

**CALL TO ORDER:** The meeting was called to order at 6:00 p.m.

#### **APPROVE THE AGENDA:**

*On a motion by Bob Nelson, seconded by Josh Howard, the Budget Committee voted unanimously to approve the agenda as presented.*

#### **APPROVE THE MINUTES:**

*On a motion by Bob Nelson, seconded by Josh Howard, the Budget Committee voted unanimously to approve the January 31, 2023 meeting minutes with minor spelling and grammatical corrections as presented to the clerk.*

**GUESTS:** None.

#### **QUESTIONS ON MATERIAL:**

Mr. Howard inquired about the 5-Year Equipment Purchase Plan. He questioned why the Superintendent’s pickup truck is replaced every five (5) years versus the Engineer and Shop pickup trucks that are replaced every seven (7) years. Town Manager Carl Rogers explained that the Superintendent drives more frequently, therefore, puts on more miles.

#### **CONTINUATION OF BUDGET REVIEW:**

Mr. Rogers gave a brief explanation of the Object Codes. Budget review began in the Appendices section.

Budget Committee Meeting of February 7, 2023 Continued:

E – Reappraisal Fund: The State provides funds to towns annually specifically designated for Reappraisal, therefore, there is a separate cash account. The interest earned cannot be spent on anything other than reappraisal. Recently the Town used approximately \$220,000 of these funds for last year's town-wide reappraisal. There are no expenses expected for the '23-'24 budgets. The Committee had a brief discussion regarding where this money is invested and how it would be beneficial for the Town to speak with Edward Jones regarding their recommendations around investing opportunities.

F – Debt Service Chart: This is a listing of the Town's debt service to include the financing and when each debt will be retired. Mr. Rogers noted many of the items in the listing are equipment leases. Additionally, the list includes the Town's current loans.

G – Tax Stabilization Agreements: The Town has a Policy governing Tax Stabilization. As of April 1, there are no businesses holding tax stabilization contracts at this time.

H – Housing Loans: The Town has had several Community Development Block Grants (CDBG) for housing rehabilitation/weatherization. Proceeds from the repayment of loans is reused for new loans. In the lieu of making monthly payments, some property owners have opted for deferral, and the loan will be paid off at the time of sale or refinance. Currently, Down Street Housing & Community Development is managing the Town's existing loans. The Town has \$100,000 in the two programs with Downstreet Housing. Discussion focused on better communication efforts in letting residents know the availability of these programs.

I – Recreation Maintenance: This Plan is a work list of items. Items have been placed into sections (Painting & Staining, Court Surfaces, Fences (including backstops), Bike Paths, Bridges and Culverts, and Landscaping Maintenance).

### **BUILDING FUND:**

The Building Fund is similar to a Capitol Improvement Fund. All Departments/Funds which own buildings pay into the Building Fund. The Building Fund organizes all major projects.

The proposed budget increased 5.97%. (\$3,775). Based on Selectboard's decision, rates were increased 3%.

Conversation continued as Board members questioned if the amount being budgeted was enough. The idea of adding an inflation factor was taken into consideration. Mr. Rogers explained that from the time staff is working on quotes and when the project actually is completed prices can change. In some cases, a timeline of 18 months has passed.

### **EQUIPMENT FUND:**

The Equipment Fund pays for the overhead of the Town's Equipment. All the funds pay into the equipment fund as they are using the equipment. Rates vary and are based on life expectancy, repair, and maintenance.

Those present: Town Engineer Josh Martineau, DPW Supervisor Richard Tetreault and Shop Foreman Mike Martel.

The proposed budget is \$1,697,180, an increase of 9.09%.

### **Budget Highlights:**

- Equipment charges have to increase by 10%
- Equipment purchases, diesel, health insurance, and gasoline are increased \$156,595. All other accounts have a net decrease of \$14,035.
- Request for airjack for truck garage in the amount of \$2,100
- \$25,725 increase in Health Insurance premium

Revenues: Revenue sources include the sale of equipment, scrape metal, diesel fuel, land rent, and rent from the solar farm located at Websterville Road.

It is Barre Town's standard practice to transfer funds from the General Fund to the Equipment Fund. This is done in the case an item needs to be purchased that is not budgeted for.

Budget Committee Meeting of February 7, 2023 Continued:

Expenses: Wages, equipment purchases, service contracts, garage supplies, employee benefits, inspections and certificates, and insurances.

Some items impacting the 9.09% increase include an increase in the price of diesel (\$1.10 higher than in FY '22-'23) and the price of gasoline (\$0.26 higher than in FY '22-'23 and 500 more gallons are estimated).

Mr. Rogers stated Workers Compensation is noticeably increasing. The Experience Modification Rate has gone up from 1.35 to 1.55. The unemployment compensation expenses have gone down for Barre Town. Additionally, Mr. Rogers noted that another item impacting the budget is the health insurance premium as every Equipment Fund employee is using the Town's health insurance. Mr. Rogers said a few years ago a 3<sup>rd</sup> of employees were opting out of receiving health insurance, and now more employees are choosing to accept the health insurance.

**PUBLIC COMMENT:** None.

**ADJOURN:**

*On a motion by Josh Howard, seconded by Mike Gilbar, the Budget Committee meeting adjourned at 7:51 p.m.*

APPROVED MINUTES

Barre Town Budget Committee

Filed in the Barre Town Clerk's Office on this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

ATTEST: \_\_\_\_\_, Barre Town Clerk.

