



Town of Barre VERMONT

BARRE TOWN BUDGET COMMITTEE MEETING PROPOSED BUDGET FOR FISCAL YEAR 2024-2025

Tuesday, February 20, 2024

AGENDA

1. Call to order.....6:00 p.m.
2. Consider approving agenda
3. Consider approving February 13, 2024 meeting minutes
4. Acknowledge guests, if any, for non-agenda items
5. Questions about material received and reviewed to date
6. Review Proposed FY25 Sewer Fund Budget
7. Review Proposed FY25 Water Fund Budget
8. Review Proposed FY25 Highway Fund Budget
9. Distribute Proposed FY25 Ambulance Fund Budget and Proposed FY25 General Fund: Police and Fire Budgets
10. Public comment, if any.
11. Adjourn

MINUTES

The duly warned meeting of the Barre Town Budget Review Committee for the proposed 2024-2025 fiscal year budget was held on Tuesday, February 20, 2024 at the Barre Town Municipal Building, Emergency Operation Center, Websterville, VT.

Budget Committee Members Present: Norma Malone, Paul White, Justin Bolduc, Bob Nelson, Mike Gilbar, Chris Neddo, Todd Provencher, Jamie Cushman, Josh Howard, and Lindsey Lozier.

Budget Committee Members Absent: None.

Staff Members Present: Town Manager Chris Violette, Town Clerk Tina Lunt, Finance Director Katelyn Kran, Town Engineer Josh Martineau, and DPW Supervisor Richard Tetreault.

Others Present: None.

CALL TO ORDER: The meeting was called to order at 6:06 p.m. by Chair Malone.

APPROVE THE AGENDA:

On a motion by Justin Bolduc, 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 Mike Gilbar, the Budget Committee voted unanimously to approve the February 13, 2024, Budget Committee minutes with minor spelling and grammatical corrections.

GUESTS: None.

QUESTIONS:

Mr. Provencher asked if Mr. Violette had a target budget amount yet. Mr. Violette said he is close to providing the Committee with this number.

Mrs. Malone inquired about the revised 5-Year Paving Plan with pricing.

SEWER FUND:

Proposed 2024-2025 budget amount: \$1,205,871 (-4.46%)

The Sewer Fund is an Enterprise Fund, or a self-sustaining fund intended to provide a service to the public for a fee. The Sewer Fund funds the operation of the Town's wastewater collection system. It is noted this fund is up \$51,516 from FY24.

All Barre Town wastewater flows to the City Wastewater Facility where it is treated accordingly. This treatment comes at a significant cost which the Town pays the City, which is the single largest line item in the Sewer Fund. The Manager noted the proposed cost this year is \$850,000, up from \$825,000 last year. Additionally, the Manager reported other significant increases throughout the Sewer Fund Budget such as wages and health benefits. The Manager has projected a 5% wage increase.

The sewer rate is set by the Selectboard. The Manager stated, based on proposed expenses, the sewer rate would need to be adjusted to \$358 a year per unit up from \$350 to cover operational costs. The Manager noted due to some recent news there may be a substantial increase in revenue in the Sewer Fund based on ongoing review of two large sewer users (HP Hood and Vermont Creamery). Mr. Martineau stated he has notified HP Hood and Vermont Creamery of the increase in cost of BOD. Conversation continued as the Committee discussed the cost, capacity, and treatment of BOD. Mr. Provencher suggested a future opportunity with the City of Montpelier as they have full capacity at their plant. A question was asked if there were any other opportunities for other high-capacity users. Mr. Martineau said there currently were not at this time, but they are reviewing other potential customers.

Mrs. Malone inquired about the Equipment Fund vs. Fleet Maintenance Fund expenses being down in the Sewer Fund. She echoed Mr. Provencher's concerns from last week's meeting.

WATER FUND:

Proposed 2024-2025 budget amount: \$622,596 (+19.55%)

The Water Fund is an Enterprise Fund. The Water Fund funds the Barre Town water system. The original Barre Town water system primarily encompassed the Lower Websterville area but has grown in recent years by assuming responsibility for the former East Barre Fire District and more recently, the Websterville Fire District. Water comes from various sources including surface and underground water which the Town treats. Additionally, the Town purchases water from Barre City and the Graniteville Fire District.

The Manager reports the Water Fund has increased \$101,811. The addition of an employee is the largest increase in the Water Fund. The operation of the Town's water system requires a Class 4 Licensed Operator. The Town currently has one operator, with no backup. The new position within this fund is necessary to provide backup, but also to learn the complex of the system before the current water operator retires. Additionally, one of the plants has work that needs to be completed. These repairs have been added to the budget.

The Manger explained that revenue is based on a balanced budget. With this, the user rate decreases to \$6.95 per 100 cubic feet of water. The base fee would increase \$40/year to \$75/quarter based on the number of customers. Mr. Bolduc suggested leaving the fees the same. This would allow all users to be more in proportion with others. He notes the rates were raised to address the deficit and he does not feel the Committee should take a step back with this decision. Mr. Provencher stated Mr. Bolduc makes a good point and tiering usage may be something the Selectboard may want to look at.

A question was raised regarding the Websterville Fire District Special Assessment fee. The current fee of \$39/quarter does not cover the current expenses. Finance Director Katelyn Kran advised the amount of \$3,384 (\$27.29/per customer) is currently not being covered. This will be an item for Selectboard discussion.

Mrs. Malone inquired about the \$10,000 for the Websterville East Barre water interconnection engineering line item. She noted this expense is ARPA funded. She said there may be a duplication between ARPA and the Water Fund. The Manager will look into this matter.

HIGHWAY FUND:

Proposed 2024-2025 budget amount: \$4,461,165 (+20.07%)

The Highway Fund budget has nine departments within it and pays for road maintenance and items or work associated with roads. Additionally, the operation of the gravel pit in Williamstown, roadside tree removal, guardrail work, etc. is included in this fund.

As proposed, the Highway Fund budget increases by \$745,825 compared to FY24’s budget. The most significant increase is that the purchase of highway equipment (\$561,741) is now included in the Highway Fund. This includes lease payments on the new graders and excavator as well as all the other equipment purchased to either do road maintenance or support it. This includes cash or financed purchases along with interest if financed. Other significant increases are wages, which is attributed to an anticipated 6% increase in Public Works wages as well as split adjustments that also include some administrative employees not previously included. Furthermore, as discussed last week, paving is significantly up from the previous year.

Mrs. Malone noted that the Highway Fund did not show any revenue coming in for the other departments renting the equipment that is owned from the Highway Fund and asked staff to correct this. There was general conversation about any available options to reduce the Highway Fund budget. Ideas included financing the purchase of the Highway Fund dump truck, “trimming the fat” of the budget and phasing out the Equipment Fund. It was discussed that not all these options are viable. In the end, the Committee asked staff to take another look at the budget and see what they could do to lower the revenue required from taxes.

Mr. Gilbar suggests reviewing the General Fund before making any decisions. Mr. Violette stated Mrs. Kran and himself will look and see what creative ideas they can come up with to help offset numbers. He stated he fully understands the sticker shock.

Mr. Bolduc noted there is no revenue for the sale of the equipment. It is noted that rental fees and usage fees should appear as revenue. The Manager and the Finance Director will look into this item.

Mrs. Malone inquired about ARPA funds covering the cost of the Camp Street repairs. Mr. Martineau believes the funds should cover these repairs, noting the Town is using their staff and equipment which is already budgeted for. Additionally, Mr. Violette said the State should reach 90% funding for this project.

A brief conversation took place regarding where the ARPA fund expenses reside within the budget. Mrs. Malone asked if the FEMA reimbursements will appear in the Highway budget. Mr. Martineau explained these numbers are being tracked through two separate general line items. Mr. Provencher explained how the City of Montpelier handles their ARPA expenses. Mr Martineau notes approximately \$500,000 could possibly be expected from FEMA funds.

In closing, Committee members agreed to add the following two items to the white board for further discussion purposes:

- Aldrich Public Library
- Highway Fund

PUBLIC COMMENT: None

ADJOURN:

On a motion by Bob Nelson, seconded by Mike Gilbar, the Budget Committee meeting adjourned at 8:09 p.m.

APPROVED MINUTES
Barre Town Budget Committee

Filed in the Barre Town Clerk’s Office on this _____ day of _____, 2024.

ATTEST: _____, Barre Town Clerk.