

**BARRE TOWN BUDGET REVIEW
FOR THE PROPOSED BUDGET 2014-2015**

January 28, 2014

BUDGET COMMITTEE MINUTES

January 28, 2014

The duly warned meeting of the Barre Town Budget Review Committee for the proposed 2014-2015 fiscal year budget was held January 28, 2014 at the Barre Town Municipal Building, Emergency Operation Center, Lower Websterville at 6:30 p.m.

The following members were in attendance: Jeff Blow, Greg Donahue, Rob LaClair, W. John "Jack Mitchell", JP Isabelle, Chris Day, and Rolland Tessier. Members not present included: William Wolfe, Jeff Newton, and Jay Perkins.

Also in attendance were: Town Manager Carl Rogers, Town Clerk-Treasurer Donna J. Kelty, and Paul McGinley.

CALL TO ORDER

Town Manager Rogers called the meeting to order at 6:32 p.m.

BUDGET COMMITTEE OF 10

The Budget Committee consists of the five Selectboard members and five citizens; two appointed by the Selectboard; one appointed by the Town Clerk-Treasurer; this group of three then appoints the final two members.

GENERAL INFORMATION

Self introductions were made and each of the members stated his/her goals, priorities, and objectives for this budget. A contact sheet was distributed. Members were asked to verify their telephone numbers and email address.

ELECT A CHAIR & MINUTE APPROVAL

There was discussion as to whether or not a chair should be elected for this Committee. In the past the Selectboard Chair usually led the group. The consensus is to wait until next meeting and have the discussion when more members are present.

In accordance with State Law all Committees, like this one, where motions/considerations are made, meeting minutes will be taken in accordance with the Open Meeting rules. Barre Town does take minutes but they have not been formally approved. This year the Manager will add adoption of the meeting minutes to the weekly agenda. Minutes should be available in a draft form no later than 5 days after the meeting. Draft minutes are posted on the Town website (www.barretown.org) under Boards/Budget Committee.

BUDGET PROCESS

The Manager distributed a budget flow chart detailing the lengthy process (beginning to end).

The proposed FY 13-14 expense budget was prepared by the various department heads and reviewed by the Town Manager. The budget being considered by this Committee is the Manager's revised budget. The Budget Committee will make the final budget decision(s) and adopt the proposed budgets by fund. The final General Fund (including Highway) Budget will be presented to the voters on Town Meeting Day, May 14, 2013.

MEETING TIME & PROCESS

This Committee will meet Tuesday evenings, 6:30 p.m. - 8:00 p.m., in the Emergency Operation Center at the Municipal Building in Lower Websterville. The Manager will prepare a tentative calendar outlining the date a particular fund is to be discussed. Sometimes the Budget Committee will need hold an extra meeting or there will be a double meeting should

BUDGET COMMITTEE MEETING OF January 28, 2014 continued:

they fall behind in their schedule or if there is a topic which needs more discussion. During these double meetings there will be a recess (8:00 p.m. - 8:15 p.m.) to allow the Selectboard to hold a short meeting to conduct necessary weekly business (approving warrants, minutes, etc.).

Committee members are encouraged to ask questions and participate, especially if they have an area of special interest. Snacks and beverages will be provided at the meetings.

The group discussed whether or not Department Heads should be required to attend the meeting(s) while their budget is being discussed. Department Heads include: Town Clerk's Office - Donna Kelty; Zoning & Planning - Chris Violette; Police Department - Mike Stevens; Fire Department - Chris Violette; Ambulance Service - Dave Jennings; Emergency Management - Jack Mitchell; Cemetery & Recreation - Don Gainey; Public Works (Equipment, Sewer, Water and most of the Highway) - Richard Tetreault; and Engineering (Municipal Building, Highway, Sewer, and Water) - Harry Hinrichsen. The consensus of the Committee is that a department head will attend a meeting when their department budget is being reviewed. Department Heads will receive a copy of the tentative meeting schedule so they are aware of when their department budget(s) are being reviewed.

During the budget review and discussion process each member should make notations of changes they would like to see and/or items which require a more in depth discussion. Once all fund budgets have reviewed a list of those items which have notations will be given to the Manager to prepare a final discussion list. The Budget Committee, by fund type, will then review, discuss, and determine from those items on the list what action, if any, is necessary (leave it in, add to, take it out, amend, etc.).

CITIZEN BUDGET TOUR

The citizen budget tour has been scheduled for Saturday, February 15, 2014, 8:00 a.m. through 12:30 p.m. Coffee will be provided at 7:30 a.m. The tour route will include visiting the various buildings throughout the town. Dress warm and come early to enjoy the "food." The public is welcome.

BUDGET PRACTICES

The Manager stated Department Heads do not inflate their budgets by percentages. They are instructed to be precise and not to overstate. Rounding is done to the closest 5 or 10 dollars. Wages, utilities, debt service, employee benefits, and insurances are budgeted by the Manager.

BUDGET BOOK CONTENTS

The budget notebooks were distributed. Each fund type (tabbed section) in the budget book is setup in the same manner. The first page is a summary of revenues and expenses for the current fiscal year and the proposed FY 2014-2015. The second page (light green) will detail "What's In, What's Not & Significant Changes" for the fund. The third page (canary yellow) reflects the proposed revenue. The remaining pages (white) are the proposed expenditures. On the revenue and expense pages note the headings of the seven columns. Column 6 (Manager's proposed budget) contains the information which is being reviewed. For your information the current fiscal year is 2013-2014 or July 1, 2013 through June 30, 2014. The proposed budget this committee will review is fiscal year 2014-2015, (July 1, 2014 through June 30, 2015).

CHART OF ACCOUNTS

The general ledger chart of account numbers for the Town is represented in a twelve digit numeric format, "XXX-XXX-XXX-000." The first set of three numbers (XXX-xxx-xxx-000), represent the fund type. The second set of three numbers (xxx-XXX-xxx-000), represent the department and the last three numbers (xxx-xxx-XXX-000), represent the line

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item/object. The Chart of Accounts is located in the front of the budget book. These numbers are consistent throughout the various funds and departments.

Fund Types are:

- | | |
|---------------------|---------------------|
| 011 = General | 400 = Equipment |
| 012 = Highway | 500 = Sewer |
| 050 = Building Fund | 600 = Water |
| 200 = Cemetery | 700 = Ambulance/EMS |

Departments refer to departments within the Town, such as Police, Fire, Town Manager's Office, Assessor's Office, Town Clerk's Office, etc.

Line item/objects are types of revenues (property taxes, dog licenses, water receipts) or expenses (wages, supplies, insurance, purchases, etc.).

APPENDIX REVIEW

The last section of the Budget Book (Appendix tab) contains the following:

- 5-Year Equipment Fund Plan
- 5-Year Paved Road Plan
- 5-Year Gravel Road Plan
- 5-Year Building Plan
- Wage Schedule
- Debt Service Chart
- Tax Stabilization Contracts
- Housing Loans.

The 5-Year Plans were approved by the Selectboard earlier this fiscal year to assist with the preparation of the FY 2014-2015 proposed budget. The other appendices are used as aides to assist the Manager with budgeting as well.

The Committee reviewed the Equipment, Gravel Road, and Building Plans. The remaining plans will be presented to this committee at a later date.

REVENUE SOURCE TABLE

Fund	Revenue Source
General and Highway	Property taxes
Sewer	User fee
Water	550+/- Barre Town customers - fee for use
Cemetery	Property taxes and fee for service
Ambulance	Fee for service and town subsidy
Equipment	Rent/charges from all town funds
Building	Transfer from all other departments

CEMETERY FUND REVIEW

The Manager began with the Summary Page (a comparison of the current year budget to the proposed budget) noting the FY 2014-2015 proposed budget would be decreasing by 15%. This was primarily due to the elimination of road paving which is not being repeated next year.

The "What's In, What's Not" bottom line is that the property tax support for the Cemetery Fund (a separate article on the ballot) will decrease by \$3,130.

The primary sources of revenue for the Cemetery Fund are property taxes, services/sale of plots/niches, and interest income from the perpetual care investment. A portion of each lot sale is placed into perpetuity and the Treasurer invests those funds. The interest earned can

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be used for day-to-day operations. This year the \$250,000 in perpetual care is anticipated to earn \$12,850.

HOMEWORK ASSIGNMENT

Finish the review of the Cemetery Fund expenses, then the Building, Water, and Sewer funds as time permits. Be prepared to discuss them at the meeting next Tuesday. If you have questions prior to the meeting feel free to call (479-9331) or email (crogers@barretown.org) the Town Manager.

Should you be unable to attend a meeting or will be late, contact the Town Manager as soon as possible. He will also be available if you want a one-on-one session to catch up on the information you missed. The Budget Committee meetings are audio taped and will be another resource available to you. All meeting minutes are posted on the website (www.barretown.org). From the homepage, look under the Boards/Commission button, and click on Budget Committee.

Mitchell asked if it was necessary for the Town Manager to review each and every line of the various funds. If everyone does their homework they should be ready to ask their respective questions. It was agreed that this method of review would be used at the next meeting.

NEXT MEETING

The Budget Committee meeting will reconvene on Tuesday, February 4, 2014, 6:30 p.m. at the Emergency Operation Center, Municipal Building in Lower Websterville.

RECESS

The meeting recessed at 7:58 p.m.

Donna J. Kelty, Town Clerk-Treasurer

Barre Town Budget Committee

X _____
Committee Chair

X _____

X _____

X _____

X _____

X _____

X _____

X _____

X _____

X _____