

Town of Richmond Selectboard Meeting Minutes of February 21, 2023

Members Present: Bard Hill, David Sander, Jay Furr, Jeff Forward, June Heston

Absent: None

Staff Present: Josh Arneson, Town Manager; Duncan Wardwell, Assistant to the Town Manager; Connie Bona, Finance Director; Allen Carpenter, Interim Water Resources Superintendent

Others Present: Meeting was recorded by MMCTV, Dave T, Jim Feinson, John Rankin, Karen Yaggy, Kevin McAleer, Lisa Kory, Lisa Miller, Martha Nye, Matthew Parisi, Ronald Smith

Call to Order: 7:00pm

Welcome by: Heston

Public Comment:

Heston: It is Fat Tuesday so Happy Mardi Gras. Is there any comment from the public that is not relative to tonight's agenda? Any additions or deletions to tonight's agenda?

Parisi: I've been paying attention to the Planning Commission's meetings. I was hoping to see it on this meeting's agenda with the Selectboard. When would we see the Planning Commission for the Village RC zoning updates, potentially on the Selectboard's agenda?

Arneson: I would anticipate that we'll get it on to the next Selectboard meeting, which will be March 13.

Additions or Deletions to Agenda: None

Presentation of FY22 audit

Heston: We have a copy of the audit online. We have a representative Ron Smith. Can you just give us a brief overview and then we'll open with questions.

Smith: We appreciate the opportunity to do your audit for FY22. I'm Ron Smith, I've been doing this for 32 years, all I do is live in the world of government. I think we audit close to 100 municipalities and close to 150 municipalities in the state of Vermont and, and we audit over half of the municipalities in the state of Maine. You got our highest opinion. Some of the highlights of the audit any municipality using the national benchmark out there for financial condition is 8 to 16 to 24% of your operating budget sitting in fund balance. That's the equivalent of putting in Richmond in terms somewhere around 200,000 or 8% of your operating budget, \$400,000 at 16% and \$600,000, at 24% of your operating budget. You did a little north of \$800,000. That puts you at about 120 days of operating fund balance and I think that certainly is good for the Town of Richmond. Your general fund your grew by over \$200,000 from '21 to '22. That was largely in part to unspent expenses. Your highway fund went from \$940,000 to \$661,000

that's presented as a separate major fund on your financial statements. It's always historically been done that way, in the state of Vermont. I like the practice of keeping that money separate. It's your largest expense next to your education budget within your municipality. You have \$618,000 sitting in reserve for the town ARPA funds that was made available because of the pandemic for all government. Water and wastewater both had a positive financial condition, what we call the infrastructure investment. The Water was \$156,000 to the positive and Wastewater was about a million dollars. You had ample money tied up in your infrastructure in both of those utility projects. We issued a management letter and gave you some advice. I participated in a conversation last week with some representatives of the town and your banking adviser, and one of the comments that we had made to kind of piggyback on that conversation that I participated last year was having a fund balance policy, having some type of a reserve, and what the town, certainly dictates what it will keep. I think Connie does a great job in managing and maintaining the books. Some of the things that you could implement for a better practice is for a third set of eyes. That third set of eyes would obviously need some introduction and understanding of town government and how the finances worked.

Furr: What caused there to be such a big leap in "Charges for services" in 2022 compared to 2021?

Smith: That is looking at all the governmental activities. That could rise for pension cost and things that the government would contribute towards retirement. It's not a fair comparison. Your police funds didn't collect what they had budgeted for like ticket revenue. A reconciliation of the Town's financial statements, which would be statement E to like statement B, which is where that schedule came from. It typically wouldn't have something to do with the fees that you would charge for police or rescue or anything like that.

Furr: In terms of revenues, charges for services includes pensions?

Smith: This correlates a lot of Governmental Accounting Standards that has us reconcile and put things in that would you find in your footnotes to your financial statements.

Furr: What is the \$225,806 on Statement B?

Smith: Schedule 1 shows the \$163,00 for "Charges for services" of what you budget for and the difference is other reconciled items like the pensions shown on Statement E. You have Police revenue in there. Your Town Center Reserve fund is a part of that. We can get a breakdown of that. I think your tax collections were like within \$4,600 of what you budgeted for in FY 21 as well. Education, I believe was the big dip. And that was obviously mitigated by SR funds, you know, to the school system. \$5,800 was your property tax collections in there. And there's various things in there with all of that, but the \$5,800 is what your actual property tax collection rate was to Budget to Actual for FY 22.

Furr: What is up with the significant increase in Expenses for Town Administration?

Smith: There is a depreciation in that number for fixed assets. I believe that administration in the Town's general budget, contractual is overspent in FY22. On Statement F, the depreciation would have caused that jump.

Heston: Can you just explain why would capital asset acquisition be significantly different from '21 to '22?

Smith: I don't know. I'd have to go back and look at it. A lot of it will be with your Town Center. You're looking for a schedule of fixed assets. Three quarters of a million dollars, I can tell you is depreciation in that number.

Furr: I am not an accountant, nor do I play one on TV. But when I look at this, and I keep getting told expenses includes depreciation, I find it confusing to read. In the classical sense, it's money that we're factoring in is depreciation.

Smith: It is a is a national standard.

Furr: Why do we have so much money Unclassified?

Smith: There should be a detailed schedule of what's in that Unclassified and Connie may have to break it out further on what exactly was spent. Some of that could even be depreciation as well.

Furr: Why isn't it classified?

Smith: We can give you a breakdown of what that is. General fund, its other funds, remember, governmental activities includes all of your funds. It's not just your general fund, it's grants, it's anything non property tax related. And I think a lot of that gets into how these financial statements are setup so we could do a workshop to move this conversation along. We can better educate everybody on how those governmental activity funds flow. You're not comparing apples to apples. Go down to statement A through statement J, to compare those apples to apples.

Heston: I would like to just say that gaslighting is not allowed. If we don't understand it, it is our job to understand.

Smith: I think a workshop may be better as all I'm saying as a better environment to do this.

Furr: Now, if you look at special revenue funds here, we see due from other funds \$941,475 which is back of the envelope back of the napkin, calculating that significantly more than page eleven says we even have in special revenue funds. How are we having due from other funds?

Smith: We are really getting into weeds here. As depreciation and how they get converted from basically budgetary to government wide financial statements, I really think of workshops.

Heston: Okay, I think we can schedule a workshop.

Hill: If I recall correctly, referred to a fund balance or unrestricted of 120 days.

Smith: Correct. 90 days, you have 120.

Hill: I just want to confirm where we should be looking at 90 days that we have more than we need. Would we not do that?

Smith: Really look at that fund balance policy, so you can kind of guide that ship towards those 90 days.

Heston: I have a question, why would ARPA funds not be considered special revenue funds?

Smith: They are special revenue funds they are in the other governmental funds. And they are deferred as well.

Heston: They're not considered restricted.

Smith: The special revenue funds are all restricted. The Town's deferred that revenue. I'm not sure if you had on June 30, and intended to spend them. I'm assuming to accommodate what the Town Plan was for FY23. You used \$5,900 in FY22. What you didn't use is back on page 69. You've got \$617,000 deferred to a subsequent year to use.

Furr: If we do a workshop, the taxpayers have a right to know what's being discussed. Would that be a warning meeting? Yes, I would think so. We need to get that scheduled because I understand that we are following generally accepted accounting practices. If these are impenetrable to members of the Selectboard who have seen them a time or two, they're going to be even more so to our taxpayers. June and I sat at her house for two hours yesterday talking about this. June has extensive experience reading ledgers balance sheets, etc. She was confused about this stuff and I'm just a computer programmer and I'm lost. We're following standards. But we need to know what this stuff is all about.

Heston: It says we have \$2,447,422 as uncollateralized and uninsured.

Smith: We discussed about this with your banker last week on how they collateralize all that with the Federal home loan and bank.

Heston: I think it would be important for the Select Board to get the information, showing that all of our money is protected.

Smith: Your bank has a piece of paper and agreement executed with them to cover over and above the FDIC insurance.

Heston: He did say that and I'm getting off the Selectboard, which is why I'm saying this.

Smith: That is a great question. Certainly, everybody ought to know how to read them.

Furr: The only meeting we had last week with TD Bank was not a public meeting. So the members of the public were not privy to that discussion. It needs to take place in the public eye. That's 3 million. On page 40, it says the other 2.4 million were uncollateralized. Is that covering that? Yes. Okay.

Smith: This workshop if it's going to be attended by members of the public to take the general ledger, Connie, and kind of follow it to your trial balance, and then following it to audit trial balance and following to the worksheets, I could see like two slides, Connie, that we could kind of walk it through. We could use that workshop to better go over those in detail as well.

Furr: Jim, our Treasurer, suggested we send all the questions in advance.

Heston: We are looking at a policy tonight regarding one of your recommendations. The other one is what could be called segregation of duties which we know that it's a problem. We have one person taking care of all of the accounting systems. I know that Josh's working on getting Duncan to get some taking some of those responsibilities. The most important part of the audit is the management letter. We've read across the State that fraud has been going on. I just feel like that's something to pay attention to. We also wanted to see things like adjustments made more frequently than at the end of the year. And that was a note in last year's audit as well. And there was some reluctance to do that. When you're looking at your financials, those numbers are real, you're not waiting for the end of the year to make adjustments, because you can't make a correction at that point. If you want to do a mid-course correction, those financials need to be done, those adjustments need to be done.

Bona: We started doing that, instead of waiting to the end of the year, we're doing like all the reserves are transferred over at the halfway mark. There's no point in doing it at the end of the first quarter, because there's just too much up in the air at that point. But there are some things that are being done. The Water 30-70 split is being done quarterly, the reserves, we're not waiting until the end of the year. There's a whole bunch of things that are being done quarterly and semiannually now.

Heston: But not everything. Anything else on this?

Furr: I look forward to the workshop. We need to work on getting that scheduled soon.

Heston: Thank you so much, Ron, I appreciate your time.

Smith: Yes, send any other questions you may think of as a result of this conversation or future conversations.

Public Hearing for the FY24 Capital Plan

Furr moved to open the public hearing to consider adoption of the FY24 Capital Plan. Sander seconded.

Roll Call Vote: Forward, Furr, Heston, Hill, Sander in favor. Motion approved.

Heston: We are asking for public comment on the plan that was in the documents online. This is a tool to help plan for purchases of capital equipment, buildings, and infrastructure. The plan builds on the direction of capital expenditure that was started with the FY23 budget and continued in the FY24 budget. Specifically, we are planning to use unassigned funds, restricted funds, reserve funds and money raised from taxes to pay for capital equipment without taking loans. There's still some likeliness that we'll need loans or bonds at some point for larger projects. Connie has made some blue line

changes based on what we reviewed the last time. Connie, do you want to talk about these changes?

Bona: The blues are just information that we had to add that were not in there the last time because I didn't have the date that we're going to warn the meeting. We felt it was better that we break out each spreadsheet, where initially I had them in spreadsheet, one through six.

Heston: The police capital reserve was off by a year.

Arneson: Everything that it references on the police spreadsheet continues to be accurate. We just had to change where they were on a separate spreadsheet.

Heston: We're also given information on interest paid on loans over the past several years and interest that will be paid in the future.

Arneson: That's more certainly part of the plan. But it's kind of a good informational document. This looks back at what the last five years or so since 2006.

Bona: I picked a point in time where a loan started that we still have. The fire truck that we have, that we purchased in 2005, we started paying on that loan in 2006. We still have that loan. There's been many other loans. They're marked either complete or active that have come up since that time, but since 2006, between the Town and the Water department, we have spent \$740,000 in interest on loans.

Heston: That could be spent doing a lot of good things in our Capital Plan. Any questions from the Selectboard or public on the capital plan?

Forward moved to close the public hearing to consider adoption of the FY24 Capital Plan. Sander seconded.

Roll Call Vote: Forward, Furr, Heston, Hill, Sander in favor. Motion approved.

Furr moved to adopt the FY24 Capital Plan. Sander seconded.

Roll Call Vote: Forward, Furr, Heston, Hill, Sander in favor. Motion approved.

Follow up on discussion with TD Bank and consideration of recommending to the Treasurer to purchase Certificates of Deposit

Heston: On February 9, Josh and I and Jay and Jim Feinson, Town Treasurer, and Connie and John Weston from TD Bank along with Ron Smith from our auditing firm met to talk about our banking. It had come up a couple of times why we weren't putting our money in a sweep account, so it could make more money. It was a very good meeting. It seemed like a very simple answer for a question we've been asking for a while. John Weston provided an overview of the banking, including the interest rates. The interest rate will increase from 2.5% to 2.65% in the next month, and the interest is paid on the full investable balance of the account. There's enough of a minimum balance in the account. There are no current fees assessed to the account. Now, from what he said, this is considered the Now program. All the funds are collateralized by third party insurer. That vehicle is doing more for us than putting the money into a sweep account. Sweep accounts right now are paying about 1.85%, which is lower than what we're

getting right now. If there's a sweep account set up, the balance in the main account would drop below what's necessary to keep us at a minimum balance to avoid paying fees. We talked about electronic banking. Right now, Jim signs off on all the checks and approves everything. We'd have to put a system in place to have approval of verification. We talked about putting some money into CDs, because those will earn more money. The rates were for 3-months 4.25%, 6-months 4.5%, 9-months 4.5%, and 12-months 4.4%. We talked that 6-months would make sense. We could do a \$750,000 in the 6-months CD and \$250,000 in a 12-month CD. I'm thinking we were told by John that we could put up to \$1.75 million into CDs and still be okay with our minimum balance to offset fees in the checking account. Six months is the lowest timeframe where we could get the highest interest. If we opened a 6-month CD every two months for the next three months, then we will have a CD come due every two months.

Forward: Could you tell me what a sweep account is?

Heston: There are a lot of organizations that their money doesn't sit in a checking account. It sweeps to essentially like a savings account that earns interest that earns more money. And then when you're paying out a discount it sweeps back and then when it gets to a certain level it sweeps back but there are charges for that.

Furr: Provided we keep with Now program, provided we meet a certain minimum annual balance, we don't have any fees, and we get a very nice rate of return. Although I liked the CD idea, too. One thing we did talk about in that meeting is electronic banking. Mr. Weston kind of explained to us that there's two types of electronic banking, there's pulls and pushes. And a pull is where you basically let Hannover insurance pull from my bank account my premium each month. That has its risks as some Towns have found out to their misfortune. Sometimes it's even possible for if even if you authorize third and entities to do those pulls, people who are criminals who really know what they're doing can spoof being those entities and get a pull through anyway. So long story short, the consensus was don't do that, that we would do pushes and the push would have to be initiated by somebody on our end, we would still need controls, we'd still need people reviewing them. We couldn't just say, oh, we'll catch it on the statement.

Heston: We've given Jim the guidance to go look at CDs. Any thoughts on amount and timeframes?

Forward: My concern would be is that we have enough money available for us when we need it.

Heston: And the banker is telling us we do

Arneson: The banker is saying that we could use up to \$1.75 million and still have enough minimum balance to avoid fees. Let me just share my screen to try to look at actual cash flow needs for the rest of this fiscal year in the next fiscal year, which don't necessarily line up 100% with where we avoid fees. We started to look at where are we right now with cash. This includes reserve funds as well. What tax revenue do we still have to come in? What non-tax revenue are we still expecting for funds 10 and 11. 11 is Highway. We're going to assume some amount of delinquencies, so we won't collect the full amount of taxes, we'll have maybe \$100,000 delinquent, we're going to have to pay education taxes \$3.3 million and budgeted expenses that are still left about \$1.2 million in

General, and about \$900,000 in Highway. That gives us sort of a cash projection at the end of this fiscal year of about 3.3 million. We are still expecting to earn \$74,000 from FEMA any minute now. Then we look at cash ballots projected, at the end of this fiscal year, including that money, we're up about to \$3.7. Of that about \$2.7 million is tied up in reserves and also accounted for the \$1.2 million in ARPA. Essentially, we want to look beyond that. We also wanted to look at FY24. Connie said she would feel comfortable to use \$750,000 in the six months \$250,000 in 12 months. There is probably room to do more if you wanted. The worst thing would happen was all sudden we had a crisis. We'd have to break it early. I don't know what the exact penalty is.

Heston: It depends on the bank.

Bona: I think I put 12 months down incorrectly. John did kind of suggest that the rates may go back down. If we do every two months, we could end up having lesser interest rates, right on the money two months from now. And then two months from that. I looked at whatever our cash balance has been historically over the past several years. We're always doing very well in the spring; it doesn't start to get a little tight until August. So that's kind of why I was thinking put the biggest chunk in six months right now. It'll be finishing by the end of August, which is just two weeks after our first tax installment. We're just we're in a different position now than we were six years ago, six years ago, we couldn't have done that.

Heston: I think the reason I'm thinking staggering every two months is because then you know, something's going to come due every two months. 30% of this one is ARPA, and 30% of it is Highway and 30% of it is whatever. But if we did \$500,000 in March and then another \$500,000 in May and another \$500,000 in July, then we have something coming due every two months. Do we renew that at the end of six months? Or are the interest rates not where we want them to be? Once we get six months down the road, we've got something coming due every two months.

Furr: I like that idea.

Forward: I think that's a great idea. Okay.

Bona: It'll be highly dependent on when we start spending the ARPA funds. I'm not saying we're taking ARPA money and putting it in there, we're taking a specific amount of money. I'm trying to be aware of when are we going to start spending it? Well, if we're spending a couple \$100,000 between now and October, that's not a big deal. There's plenty of cash flow still going on in our checking account because of all the reserve monies we have. And because we're not spending much of that reserve money in FY24. But if the plan is we're going to be doing a really big ARPA project in September that would put as really tight with our operational expenses.

Furr: On the subject of ARPA, I would guesstimate that we're probably going to have a list of projects to recommend a Selectboard within a month. Are we going to have a proposal for all 1.2 million? No, I don't think so. We've gotten some very good proposals with numbers from the Recreation Committee and from the Transportation Committee. We've all heard about Linda's request to digitize records; we know approximately how much that's going to cost. We're still looking at having about \$500,000 not spoken for, and I'll be going over these tomorrow night. I would say that it's possible that the

recreation dollars at least could be spent sometime this year at least get the ball rolling. The transportation projects, the money might suddenly account for another year or so until we're ready to break ground. We're talking about the Bridge Street Better Streets project and we're talking about the East Main Street sidewalk project. That we wouldn't be spending in like two months, we'd be spending some time next year.

Forward: The Town Center Committee hasn't come up with our final request, we're still working on that. It will likely be several \$100,000. Right in that range. The very quickest we could deal with potentially a bond vote in November. And if we were lucky, we could do construction next year. But there are lots of Towns and lots of schools doing construction.

Hill: It feels like we're a little ahead of ourselves, talking about how we're going to spend ARPA money when we haven't decided how we're going to spend ARPA money.

Forward: Were you suggesting \$500,000 every two months from here on out?

Heston: March, May, July. And then something comes due every two months.

Furr: A total of \$1.5 million but in three chunks.

Forward: In six-month increments.

Sander moved to recommend that the Town Treasurer move \$500,000 of Town funds into certificates of deposit at six-month durations in March, May and July of this year (or 3 six-months certificates of deposit, \$500,000 CD opened in March and \$500,000 CD opened in May and a \$500,000 CD opened in July). Furr seconded. Roll Call Vote follows discussion.

Bona: I'm wondering if you should not make a motion for all three deposits, and you reassess to find out what the interest rates are each time. I think it'd be better like every two months. We can be prepared to do that of the first of the month that you want to do it. So just make one motion for the first one.

Arneson: A future agenda item for the end of April.

Heston: Could we amend it to say, after evaluating the interest rates each time, and because what you don't want to do is forget that you have to come back.

Sander: I'd suggest either leaving this motion, and then we're not locked into it. If two months from now we change our minds. Okay.

Hill: You could add language at the end, something like common subject to review and approval in real time by the Selectboard.

Feinson: I think if interest rates go down in the future, likely the return on your Now account is also going to go down. Since we're sitting on excess cash, I think it's fine to have a review, but I suspect that you'll be following this program going forward. You're seeking the best interest rate. CDs will have that two months from now.

Heston: Everything we have there, as we've been told, is insured.

Sander: I will read the motion as modified.

Sander moved to recommend that the Town Treasurer move \$500,000 of Town funds into six-month certificates of deposit in March, May and July of this year subject to review by the Board. Furr seconded.

Roll Call Vote: Forward, Furr, Heston, Hill, Sander in favor. Motion approved.

Consideration of finalizing placement of Cochran Rd. radar speed feedback signs

Arneson: Where do we put the four radar speed feedback signs that we purchased and received a month or so ago? The Board was fairly certain we wanted to put a sign on either end of Cochran Rd as you enter Cochran Rd from the Round Church area and as you enter from Rt 2, but we didn't know exactly where we wanted to put that on the road. After a CCRPC visit by Sai Sarepalli, he has come back with the following recommendations. This is as you're entering from the intersection with Bridge St., Thompson Rd. and Huntington Rd. This is essentially the first speed limit sign that you see, as you're entering from the intersection, directly under a current 25-mph sign. He also recommended adding another 25-mph side further down to reinforce the 25-mph speed limit. It kind of becomes a bit of a blind curve and you really want slow people down as well as when they first enter into the high-density residential area. On the eastern side, you come over the bridge on your right-hand side, you'll recognize Bombardier Meadow. In this area, just past Duxbury Rd., there is a speed limit sign which is closer to the bridge. You will see this sign flashing back, as you're traveling through before the curve. You'll know on that stretch it is 25-mph. We also recommended we add these Chevron that really call out the 90-degree turn that you're about to come into Dugway Rd. These would be double sided. You would see them traveling in both directions. As we get around the corner, this is over the bridge, I think Dugway Rd. is down in this area, he again was keying in on how your line of sight as far is very limited. He's recommending another 25-mph speed limit sign in this area.

Furr: We discussed maybe putting one before you get to the Stone Corral. Did he evaluate that and say that was not a good idea?

Arneson: What we want to do is see people coming up here and they're showing the speed sign right away. I think that he's recommending putting that in here. Whether you're coming off of Bridge Street or coming through Huntington let's get that right away. There could still be some speeders in this area, then the good thing is we can try this for a few months. And we can move it if we want to

Furr: We bought a total four signs but only discussing two.

Arneson: I still need to put the temporary speed feedback signs once the weather breaks on Rt 2 for the data that VTrans will then use to let us know if we can put this speed feedback signs as you entered the Village just in the west. But they won't really let us do that until we're through the snow season.

Furr: I mentioned one was on Hinesburg Rd. as you're crossing the town boundary and you're heading up in front of your house. There are rules about where we can put these, it has to be the speed transition, right.

Arneson: That's a VTrans rule, it has to be the speed transition. Rt 2 there's only very defined areas we can put them. On a Town road, there's best practices, but there's not necessarily a hard and fast rule. I did talk to Sai about speeds that are 35-mph and over end up becoming less effective because you're traveling at a higher rate of speed. It doesn't mean we couldn't put it up on Hinesburg Rd.

Heston: Once we get towards spring, there'll be construction again on Rt 2. At that point, you could be gathering data on this side. But you've got some time to try to figure that out.

Arneson: We have the portable signs so once you are done gathering data on Rt 2, if you want to move forward with those signs that are pole mounted, we could bring the cart to Hinesburg Rd. And see does that make a difference.

Forward: I had a couple of questions on the Cochran Rd west end, you have the sign right in the shade of that tree. It's solar powered. The battery will have a difficult time charging. You might just want to move that to a place where there are no trees.

Heston: Ben says that this technology only requires daylight, not sunlight.

Arneson: We could probably move that a little forward out of the trees. We want to look at what Pete needs for separation. I think there's a driveway right here.

Forward: My second question was on the other end on the east end of Cochran Rd. I'm wondering, is this a problem? You're coming from Rt 2, you've made a turn or people don't zoom down Stage Rd. You hit the railroad track and it's hard for me to believe you'd be going 40-mph.

Furr: I walk there all the time. I drive there, I'm going down the road all the time. Unconsciously that feels like it should be a 35-mph zone. I don't think the Chevron's would be a bad idea. If it turns out that it's not having an impact, we'll have the data. I'll be very interested in seeing the data.

Arneson: We did use the cart there last spring. I know we have some data and I forget exactly what the average speed was. But it was higher than 25.

Sander; We had a Selectboard meeting up there from Bombardier Field, in the middle of the meeting, a pickup truck passed two cars, right where it says 25 on the pavement here, and the car that was the lead car was going above 25.

Forward: I would suspect that these signs won't solve that problem, there are going to be people that are just crazy. Another technology that I've heard, is these radar signs telling you what your speed is presumably will slow you down. It doesn't give you baseline information of what's going on there. My understanding is that there is technology where you can have stealth radar data collection. It gives you data on what the baseline is. We get complaints on East Hill Rd., for example, this past week. Then you could understand

whether these have an impact on that baseline. When we finally get to the speed tables, we'll find out what the impact will be on that. But that might be something worth looking into. I know other Towns have had that kind of technology.

Kory: Do these signs have the flashing lights on them.

Arneson: They don't have to be put on.

Furr: That's one of the big selling points, flashing lights.

Heston: We're voting on two tonight for Cochran Rd. And then the other two, we're waiting to get data regarding Rt 2, because we need the State's approval for using them on Rt 2.

Furr moved to approve placement of Radar Speed Feedback Signs, speed limit signs, and chevron signs as presented. Forward seconded.

Roll Call Vote: Forward, Furr, Heston, Hill, Sander in favor. Motion approved.

Consideration of setting a hearing date to amend the Traffic Ordinance

Heston: We talked about this at our last meeting. And we were asked to postpone it till this meeting so that they could get accurate mileage. But they decided not to use mileage at this point.

Arneson: Thanks to the Traffic Parking Committee for coming back with some suggestions. We'll start with the suggestions on Cochran Rd. and Dugway Rd. On Cochran Rd., they're proposing no parking from the intersection with Duxbury Rd down around the corner to the Edmonds Bridge, which is the bridge over the Huntington River. Parking has been explicitly designated in the area off the traveled portion of the road to the south side of Cochran Rd. immediately to the east of Edmonds Bridge. On Dugway Rd. they decided to stick with the mileage markers because that seemed to be accurate and make the most sense. There will be no parking on the west side, which is the uphill side opposite the Huntington River. of Dugway Rd. from mile marker .5 south of Cochran Rd. to mile marker 2.2, south of Cochran Rd. We're looking at about a 1.7 mile stretch of Dugway Rd. where parking would be prohibited on either side. A few members reached out to me to remove this portion that says "No person shall park any vehicle on the travel portion of any Town Highway. We also have it say "or within the Town Highway right of way" or effectively if you got off the travel portion of the road, but you were still in the right of way that would allow a ticket to be written. That's not the way I think we've ever enforced this. So I talked with Pete and Ben and they both agreed that removing this would make the most sense. I also talked with our attorney to make sure there wasn't like an unintended consequence. He couldn't think of any and agree that taking that out would allow it to be enforced the way we have been enforcing it. We're essentially proposing three changes this evening. We also looked at the fee for a parking fine right now is \$25. Williston is \$50, UVM is \$80, Burlington is \$125 and we're here at \$25 which is included in our ordinance. The action for tonight is to finalize where the board would like to deal with those three changes plus the fine and then set a hearing date where we would come back and hear public feedback on those changes. Then you would adopt the ordinance at that point.

Furr: I would like to see it raised to at least \$50. I think 50 is a good round number.

Arneson: Since we have a \$25 fee, we kind of default to our \$25 fee. I think it would make sense to discuss increasing that so that when our officers are writing a ticket, it's a little bit more of a fine, and not just the cost of parking.

Heston: We're talking about raising it to potentially \$50 for the violation of the Town Ordinance.

Hill: It looks like UVM is at \$80 do we want to put this out to bid. Do I hear \$51.

Forward: After the public hearing, we can change it as well based on public comment. What we put in tonight is not necessarily the final words. It's just our placeholder for the time being.

Arneson: I think if it's within \$50 to \$100, that would be reasonable to change during the hearing.

Hill: I think we are at 50. It's subject to tweaking at public hearing.

Forward: That's 100% increase.

Rankin: Just as far as the change, probably no parking in the traveled way?

Arneson: John, let me just restate what you said because you broke up quite a bit. What you're saying is there are currently parking spaces like lined parking spaces on Church St. next to the church that people are using, and technically with this wording about you can't park within the town highway, right of way they could be getting a ticket, because there would be within the town highway right away. Removing that language makes it so that those are actually legal parking spaces, which is I think, what we're trying to accomplish. Did I accurately catch your comments? I think our intent is as long as you're off the travel portion of the road, or you're in a parking stall, like on Bridge St. or in Church St., it's clearly delineated as a parking area, you're fine in those areas. If you park just on the street, you're on the travel portion of the road, and this wouldn't change that. You'd have to go in here and say it's legal to park on the left side of Church Street, anytime, if you wanted to specifically call out individual streets.

Forward: We might want to talk to our police department about discretionary enforcement of this ordinance. Other places around Town, we have not heard complaints.

Arneson: If the Board moves tonight to set a public hearing, we would set the public hearing for March 13. This would allow us to publish the notice in next Thursday's paper, giving us the one-week mandatory notice to make an amendment to an ordinance. On March 13, the hearing will be held. If it is adopted at that evening's meeting, there will be a 60-day waiting period for it to go into effect, which would make it effective on May 11 assuming there's no appeal brought to stop that process. So that will be conveniently just in time for swimming season.

Forward moved to set a hearing date of March 13, 2023, at 7pm for proposed amendments to the parking section of the Traffic Ordinance. Sander seconded.

Roll Call Vote: Forward, Furr, Heston, Hill, Sander in favor. Motion approved.

Consideration of endorsing a letter supporting Project-Based Tax Increment Financing

Arneson: This came up from Vermont League of Cities and Towns a few weeks ago. There's been a bill that has tried to make its way through the legislature the last couple of years for Project-Based Tax Increment financing. Typically, tax increment financing is for very large projects that involve multiple properties. This would be allowing that type of financing to be focused on a single project rather than multiple projects or one larger project. VLCT reached out to towns that potentially have projects that could benefit from this type of financing and identified the Gateway as one. The way it essentially works is if you have a house that say is \$300,000 in the Gateway, and then the waterline is constructed. Now your property value goes from \$300,000 to let's say \$400,000. Any taxes that you would have paid to the school or to the Town on that extra \$100,000 of increased value, would go back to paying off the bond, then it's 80%. I don't know where the other 20% goes. They're essentially helping to pay that bond down quicker. The Town would get only get the tax revenue for the base amount. And same with education. Those future users would also be paying a portion of the bond payback, so that would stay the same, but they would essentially accelerate what they're paying back on the bond. The letter tonight is to send to the Representatives and Senators for Richmond in the Statehouse to say that the Selectboard would be in favor of this bill passing. It is not a commitment to use this type of bill.

Forward: I'm not crazy about this idea. To tell you the truth. I think it's creative. And it's, useful particularly for city projects for larger municipalities. I'm hard pressed to come up with a project that this might be applicable for, other than water/sewer line extension. I don't know how comfortable I am using this financing for that purpose. I'm not convinced at this point that this would be a good thing for Richmond.

Furr: This would basically be transparent to the people who live there, they're going to be paying the exact same taxes anyway. This is simply another way to get to people who live and are benefiting directly from the project to contribute. It may be that this will primarily be used for things like water and sewer, but I don't see that as a bad thing. It basically gives us a tool in our toolkit, it does not require us to execute it. It costs us nothing to say let's have this tool available. Even if we don't want to use it, we don't have to use it.

Hill: I think of our consideration of this as a tool. Tools can be used for good or bad. Does this mean we use that for water/sewer in the Gateway? It does offer another tool. I'll say TIF districts have only worked for big cities, disproportionately. I remind people of all the evils done in the name of urban renewal over the last 60 years. I think of this as a more surgical tool than a blunt instrument.

Forward: If we extended the sewer line out to Riverview Commons presumably their property values would go up all of them. Their property values would go up, and so therefore, their taxes would go up, but we would allocate it differently. I wonder if that would be true if we found some site within the Village for an affordable housing complex? Would that be an appropriate use of this? Would it be if it was on a greenfield

site? And they built something there? Then it would go from \$100,000 to \$3 million? Is it that increment there?

Furr: They pay \$3 million in taxes; we would say what were the taxes had it been \$100,000. That would still go into the Town and the school coffers, and 80% of \$2.9 million would be used to pay for the project.

Forward: Currently, we are not allowed to do any kind of stuff like that by statute. What did we do with Borden St.? That keeps coming up.

Furr: The grant could not go directly to the Champlain Housing Trust. It had to go to us with the intention of handing it over to them.

Furr moved to approve sending a letter in support of Project Based Tax Increment Financing to Richmond's legislators. Sander seconded.

Roll Call Vote: Furr, Heston, Hill, Sander in favor. Forward abstains.

Motion approved.

Consideration of using ARPA funds to pay for a presentation to the Selectboard by Abundant Sun of the data collected in a survey of Richmond employees and volunteers related to the Welcoming and Engaging Communities Cohort

Heston: We have money in Unreserved funds we could spend on this, it's only \$1,175. We have other funds that we can use. I just wanted to put it out there we have ARPA money we should be spending. We have asked her to help come and present at a Selectboard meeting. We'll do some prep work with her then her time to come to the Board is \$1,175.

Furr: I'd prefer to have it paid for out of general funds and not out of ARPA

Hill: I agree. I've made comments earlier that we're a little ahead of committing money from ARPA. I think we have a combination of things like vacancy savings. I think we should do it but not use ARPA funds.

Heston: If we don't use ARPA funds, we don't need a motion, Josh can approve it. We have asked her to report to us at the March 21 meeting. I'm planning on attending since I was part of this whole program. I will be at that meeting.

Consideration of approving the Certificate of No Appeal or Suit Pending for the 2022 Grand List

Heston: This is a statutory requirement.

Forward moved to certify that there are no appeals or suits pending related to the April 1, 2022, Grand List. Sander seconded.

Roll Call Vote: Forward, Furr, Heston, Hill, Sander in favor. Motion approved.

Public comment on parking on Rt. 2 near traffic signal

Heston: We got a lot of feedback, and it was very interesting to hear what people had to say. It was 17 to 5 in favor of removing the parking spots.

Forward: I did find this persuasive. I am sensitive to parking within the Commercial district of the Village. We don't currently have enough parking.

Heston: This gives us data to go to the State. We still have to get approval from the State.

Forward: I would be in favor of asking the Traffic Committee.

Yaggy: I do some Senior activities at the Church each week for the last several years. I think it became a more serious problem with a very large red pickup truck started parking just to the east of the driveway and the Doctor's driveway. With smaller cars, it was much easier.

Heston: There was a trailer attached at some point as well when that building was being worked on. I think that was what sort of raised the concern.

Yaggy: Someone wondered if that truck is a tenant?

Heston: I don't know.

Hill: As somebody who lives not far away, it probably is a tenant. It strikes me that any of the larger vehicles do create a visual obstacle. During rush hour early in the day late in the day, there is just a lot of activity. It doesn't help that some of the people tend to speed through there as well. It's probably a combination of things. I'm very reluctant to give up traffic spots and we could revisit it later if it doesn't solve the problem. I support it personally based on what I've seen, heard, and read. We should at least try removing the spots and see how that plays out.

Furr: I'd like to ask the State.

Arneson: A question just to clarify what the Board wants to request. I think currently parking happens in front of this apartment building which has been recently renovated. There's the entryway to the Doctor's office and there's room for maybe four cars. This is the driveway that's garnered lots of question because this is the exit for both the Doctor's office and the Holy Rosary Church, as well as the entrance for the Holy Rosary Church. Do you want to see a no parking from the stoplight the walkway, or maybe within 30 feet on either side of the driveway?

Heston: I think the request was just in front of the Richmond Medical and Family Health and then the apartment building. I'm wondering if we took the parking out just from in front of the Medical building, if that gives you enough of a sight line of cars coming through.

Hill: My instinct is that that is worth trying. If you think about the angles, instead of having an angle of ~80 degrees, you'd have an angle of ~130 degrees. You'd have a lot more sight line down the road there.

Heston: Some of the comments talked about when someone slows down because they want to turn into Cumberland Farms, they're going to use that no parking area to pass to go around. By keeping some parking in front of the apartment building that will avoid that. It gives some parking for the businesses.

Arneson: Essentially, nothing from driveway to driveway. We can come back with a letter; the Board can approve sending to VTrans and their traffic engineer will review that and come back with any comments. Then they'll go to their Committee, hopefully by May.

Discussion of records retention policy

Heston: The Secretary of State's Office allows for supporting financial documentation such as invoices, receipts, vouchers, etc. to be destroyed after an audit. Included in our packet is an email from the Secretary of State's office with links for more information. Josh got a sample retention policy, which I think we should be talking about. Since COVID, everything's being scanned, we have everything electronically. I don't know that we ever want to get rid of electronic files.

Forward: One challenge that I have had. The question came up as to how much money did we save by heating our high school with woodchips as opposed to fuel oil? Not so easy to document. I had to go through those files in order to get it. It would be really difficult to go through the warrants and find all of our fuel oil bills for every month over a period of time.

Arneson: You could go into NEMRC and take a look and see how much do we pay a certain fuel company. That would give you an idea, so then you can pull the invoice out of the electronic packet.

Forward: It's good practice to keep track of your fuel bills for any building. The operable number is the volume that you bought, because the rates change all the time. The only way you can get that is off the invoice. Unfortunately, fuel dealers are not required to give you that information because they're not regulated.

Heston: I think it would be the same as going into the basement and going through files. You go through and look at the invoices as you would be thumbing through a file.

Forward: If I did a Freedom of Information Act request, do you think that you could do that?

Arneson: Right now, we would be able to go back 5 years. There would actually be a file that would be for Bourne's Energy and you could pull that out. I think where it would get a little more complicated is if we had 10 years of electronic files. We'd have it sorted by meeting essentially. You could say March 15 there was a bill, you pull that up, print it out.

Bona: One way is we can go to the general ledger and look it up by budget under the budget number that it was charged to. The other way would be I can pull up the vendor list for every bill we paid to a vendor. Both of those are going to tell me, what day did this bill get paid on. We send you the PDF copies of the invoices and the warrants. All I have to do is click on that PDF, scroll down to that invoice and I have everything I need on it.

Furr: My concern goes back to the lack of coding of our projects in NEMRC software. Since 2010, we've had to literally go back and search through paper records to try to satisfy that request. Until we start coding, I'm less than sanguine about saying, the audits been done, let's get rid of it.

Arneson: Right now, we are keeping paper files for 5 years, we could change the policy and say we're going to keep it for 10 years. I do have a contact at NEMRC to ask the question is there more we could be doing? We will create special fund projects. It's the projects that sort of creep a little bit in the first few invoices, we didn't realize we were going to be spending 10s of 1000s of dollars. What we've started to do is writing a description for at least our legal and engineering. We might be able to sort by that description field. We're still waiting on feedback from NEMRC. We are trying to follow up on how we can handle some of these projects that start small and mushroom.

Forward: This discussion is relevant to the Town Center Design. It seems to me that we need to keep files for a year, I think Connie does that in her office. Files that are the older invoices could be stored in the basement. It is secure but it could get flooded. This is this informative for the Town Center Design Committee to think about it.

Arneson: Do you want us to come back with a policy to vote on that would have five years, six years?

Furr: Five years just not less.

Heston: Electronic files should say in perpetuity.

Sander: Certainly not destroy them.

Hill: I will tell you that records retention policies in State government are extremely complex. As a State we are obligated by federal law to expunge Medicaid claims records that are 10 years old or older. You can't keep them, you are obligated to permanently erase them. Eventually, you might have a more refined policy than just keep it, but not for today.

Discussion of renewing leases with tenants in the Town Center

Arneson: Two years ago, after the school moved out, we had some vacant space on the third floor of the Town Center. We entered into leases with MMCTV, the Historical Society and the Senior Center for two years. Two of those leases were \$1 a year, the Historical Society and Senior Center. MMCTV pays closer to market rate minus an allocation that we put in there for consideration of what they do for the Town as far as recording Select Board, Water/Sewer, DRB and Planning Commission. They record a few more meetings in that in practice. In each of these leases, there's a clause that if a

tenant would like to renew to send us a letter. We have 30 days to respond after they've sent us a letter 90 days out. We're about 90 days out. These all expire in the spring, and we've gotten letters from all three tenants. Is there anything in the leases that we'd like to look at changing? We as a Town have an ability to put them on notice to say you can't be here for a certain amount of time or for a long time, depending on any renovations. I would argue we keep that in considering the movement we're making with the Town Center. I think the Post Office is in a situation where they're still paying the same amount as they were a couple of years ago. They kind of go in five-year blocks. We could look at what they'll be paying. I think that kicks up in September, we might recalculate square footage based on what we'll be charging them for the next two years.

Furr: I'm on the Board of MMCTV. They are funded in large extent, by contributions from Comcast. Cable cutters are causing the numbers to drop precipitously so they're not sure about funding from Comcast in the long term. We agree that they provide a very valuable service. They're indispensable from the standpoint of keeping the public informed. I would really, really like us to not raise the rent. I'm on the Board, I'd like to see it go down.

Forward: I'm extremely happy with all of the tenants who have been building right now. They're really happy to be here, this is a good marriage. It's something we'll keep in mind as we're doing the redesign of the building. I would note that the total rent that we will be getting is almost \$100,000 from the Post Office a year and MMCTV is another \$15,407. We're making good use out of this space now.

Arneson: If everybody's sort of happy with where they're at right now, we can update them with dates and bring it back for approval at the next meeting.
gardening update on forming a gardening committee j.

Update on forming a gardening committee

Furr: This came out of the ARPA Committee; it was one of the suggestions that some Town residents would like to see community gardens expanded. There were also several mentions of Town beautification. We do have a small amount of community garden space in Richmond, but not as much as many surrounding towns. I think I'm up to like seven people expressing interest. If we decide to pursue this, we'll need to come up with a charter for the committee. We'll also need to have people submit applications as we do for any Town Committee. But we'll keep you posted.

Reminder of Public Information Hearing on Saturday, March 4, 9:00am at the Town Center to discuss the FY24 budget and water line bond vote

Heston: You can attend by Zoom. That will be posted in Front Porch Forum as well.

Arneson: It's also posted in the Town Report. You can attend via Zoom, you can attend in-person and it will be recorded so you can take a look at it later. There is no voting, just information and a chance to ask questions. No amendments will be made to the budget. That will all happen Monday night. But it's a statutory requirement. We'll talk about the water line vote. We'll talk about the budget, and then we'll talk about it all again on Monday night.

Forward: Monday night at six o'clock up at Camel's Hump is going to be our official Town Meeting where people will be voting on the budget.

Arneson: It will essentially be the same presentation. This is the bigger picture stuff and then open it up for questions. If somebody does want to ask about a \$1,200 line item, we can dive into it. It usually takes 45 minutes to an hour for me to go through the whole thing. On Monday night, there is also the ability to make changes to the budget before it's voted on. On Monday night, there is no virtual option.

Furr: Unlike the Australian Ballot, where the entire Town has all day long to vote yea or nay, it's just the people who show up on Monday night.

Heston: We haven't gotten a huge percentage of our population on Tuesdays. We'll see what we get on a Monday night. I'm going to encourage people to show up because we are deciding on the budget, and we need as many people there from our Town to voice their opinion as possible.

Forward: On Tuesday, the Australian Ballot items are the election of Selectboard candidates and a bond vote for water/sewer line repairs.

Arneson: The only budget related item on Tuesday will be approving Conservation Fund by one cent municipal tax in '23-24.

Approval of Minutes, Warrants and Purchase Orders

Purchase Orders:

Furr moved to approve PO#4513 to Mount Mansfield Unified Union School District for Q3 Education Taxes in the amount not to exceed \$1,683,677.04. Forward seconded. Roll Call Vote: Forward, Furr, Heston, Hill, Sander in favor. Motion approved.

Minutes

Furr moved to approve the Minutes of 2/6/23 as presented. Sander seconded. Roll Call Vote follows discussion.

Heston: On pg 7, I said we are not budgeted to buy a cruiser this year. But now I'm confused. Because we weren't. Is it next year?

Arneson: Duncan can review the video.

Forward: I have a couple of typos on pg 8, "changing budget", not "chaning budget." Also, Hill's comment should be "shift" and not "shirt."

Roll Call Vote: Forward, Furr, Heston, Hill, Sander in favor. Motion approved.

Warrants

Heston: Why is the Police Comcast payment late?

Arneson: We have to get the bill to us faster. I do not have a better explanation.

Sander moved to approve the general warrants as presented from 2/21/2023. Furr seconded.

Roll Call Vote: Forward, Furr, Heston, Hill, Sander in favor. Motion approved.

Discuss Items for Next Agenda

- *Find date for audit workshop
- *ARPA update
- *Traffic Ordinance Hearing
- *Re-organize Selectboard
- *Zoning Amendments
- *Strategic planning
- *Hiring updates

Adjourn

Sander moved to adjourn. Forward seconded.

Roll Call Vote: Forward, Furr, Heston, Hill, Sander in favor. Motion approved.

Meeting adjourned at 9:48 pm

Chat file from Zoom:

00:35:18 Jim Feinson: These are valid questions. For a workshop, good to send in questions in advance so we can get a very clear reconciliation from 2021 to 2022, as well as 2022 budget to actual.

01:11:04 Lisa Miller, Richmond: Does investing this much give us bonuses at the bank?

01:27:05 Jim Feinson: We already have fees waived. We'll find out if there are other bonuses available.