

Town of Richmond Special Budget Selectboard Meeting Minutes of November 14, 2022

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

Members Absent: None

Staff Present: Josh Arneson, Town Manager; Duncan Wardwell, Assistant to the Town Manager; Connie Bona, Finance Director; Ravi Venkataraman, Town Planner; Peter Gosselin, Highway Foreman; Dennis Gile, Fire Chief; Gerald Levesque, Assistant Fire Chief; Rebecca Mueller, Librarian; Benjamin Herrick, Interim Police Chief

Others Present: Meeting was recorded by MMCTV, Allen Knowles, Ian Bender Laurie Dana, Patty Brushett, Susanne Parent

Call to Order: 7:00pm

Welcome by: Heston

Public Comment:

Furr: I will not be at the next Selectboard meeting. Since it is the week of Thanksgiving, I wanted to thank the Selectboard and the Town Staff. I made you all cookies.

Heston: Thank you very much.

Additions or Deletions to Agenda: None

Items for Presentation or Discussion with those present

Review of draft FY24 Budget #

Arneson: We will skip Library for now as they have a Trustees meeting now. We will go to Police as Chief Herrick is here. Tonight, we will go Department by Department. Yellow indicates changes since the October budget meeting. There are also comments in the excel version. At the end we will have a general budget discussion and take a look at the tax rate this year compared to last year. We will also discuss how to display items in the budget that are paid for with reserve funds.

Police

Arneson: The big change is a suggestion to not purchase a cruiser in FY24. Then, we would slide every cruiser out a year. This year purchase two cruisers, next year purchase none, and FY25 purchase 1 back into the 1-2-1 schedule. We still need to put \$40,000 into reserve funds if we do not want to take out a loan.

Forward: When do we discuss how many cruisers, we have in service for our Police Department? Do we supply all our officers with cruisers. It is a policy issue.

Heston: We have a contract with the Police Union, so it is not negotiable. We do have the ability to discuss those cruisers that are not assigned. It is a good question. We could add that to a Selectboard agenda.

Forward: We could include the Tesla in the discussion.

Arneson: Should we move forward to purchase two new Dodges for this year?

Brushett: I have several questions about Police. How many active police do we have right now?

Heston: We have 3 full-time. We are budgeting for 5 because we are hiring. Over the last few years, we have averaged 4. An officer has been deployed.

Arneson: We are budgeted for 3 officers and a chief. Right now, we have 2 officers and a chief.

Brushett: How many officers live in Richmond or adjacent towns?

Heston: We have one that lives in Richmond. The others live further away than a adjacent town.

Brushett: Do we pay police for the time to drive to work in Richmond?

Herrick: We are not paid for the time we commute. We do pay for the gas in the cruisers. If we have an officer on-call, then we pay for the on call-time.

Arneson: It is a quarter of their hourly rate. Unless they are called in then they are paid time and a half. We have not been on-call for awhile as we have been short staffed.

Herrick: The one per-diem officer we have was just appointed as a US Marshall and will be leaving the State.

Arneson: In year's we purchase two vehicles, all taxes go towards that. We pull out of the reserves the years we purchase one or zero. We put money into the reserves to save for the next year. Next year was going to be one but we are pushing it out so that in FY24 there will be zero and FY25 will be one.

Bona: When we started the Capital Plan, we had reserves of \$40,783. In FY23, we were not putting any reserves in and buying two cruisers which leaves us with \$17,783. The idea of the Capital Plan is to not raise taxes to pay for capital equipment. The plan going forward is to put enough money in reserve to have enough to be on a one-two-one schedule.

Arneson: We were going to put in \$80,000 for reserves but now it is \$40,000. That keeps the reserves healthy going forward to use them.

Heston: Cruisers are about \$55,000. We are buying 2 one year and one the following year. It seems like \$80,000 in reserves next year, \$120,000 the year after, and another \$120,000 the year after that we are almost buying 2 cruisers a year.

Arneson: That is to keep the taxes flat. We are always raising the same amount and not going up and down based on capital purchases.

Heston: I would like to see at our next budget meeting that we look at that line for \$120,000 per year.

Bona: The \$120,000 is not just for cruisers. It is also for mobile data computers, body cameras, dash cameras and the equipment that goes in the cruisers. With no cruiser in FY24, we go \$40,000, \$80,000, \$120,000. The year we go \$120,000, \$18,000 is mobile data computers, \$20,000 is the equipment because we do not know if we can use the equipment from the previous cruiser. We have not built in the possible trade-in. The objective is to not go in the red on the bottom line. There are times when we dip down to \$16,000 or \$3,000. If you tinker with one number, it has an impact 12-13 years later.

Heston: I am good with the \$40,000.

Hill: Do you have historical data on what the reserves looked like in the past?

Bona: A lot of the time we were raising taxes to pay for a cruiser and not put in the capital. By putting it in the capital we are not seeing the up and down swings. We can go back and look at what we raised in taxes for cruisers and equipment.

Hill: I want to put the \$40,000 in context of what we did in the past.

Heston: We currently have 7 cruisers, but one is being sold. There are 5 for the chief and the other officers.

Herrick: If we are at full staff, there are typically 2-3 officers at the same time.

Brushett: We might think about how other Towns keep the police cruisers at the station.

Furr: It is currently in the Police Union contract.

Hill: We can collectively bargain that discussion in the future.

Heston: We are in year 2 of a 3-year contract. I think we need to research this.

Herrick: Typically, Police Departments that have officers on-duty 24-7 do not have take-home cars like Burlington, Williston. Every State trooper has a take home car. Most full-time deputies and many municipalities have take-home cars. I have worked for 5 agencies, and I have had take-home cars in all 5.

Arneson: We will start negotiations on the next contract in January 2024.

Sander: It is easier to be on-call if you have a cruiser.

Planning and Zoning

Arneson: The only change in this budget was to adjust for Ravi's departure.

Venkataraman: Transportation planning project information is coming out next week. That will help with how much to put into the Transportation planning line. The \$20,000 is for grant matches to cover planning projects.

Heston: I would rather keep the salary line and keep Ravi. Congratulations.

Venkataraman: The Capital Plan has been adjusted to separate out from Highway and adjust according to grant matches. The investment is more reasonable to the scale of the project.

Bona: It was with Highway before. This project will span a couple of years with two phases. We split each phase in half in FY24 & FY25 for phase 1 and phase 2. We had it at \$80,000 and brought it down to \$30,000. Jericho Rd. got bumped out and FY28 would be part of our 5-year capital plan. If we try to Jericho Rd. without any grants, then it would jump from \$30,000 to \$120,000 in FY28.

Heston: What if we did all of these projects at once and we bonded for it. Or if we had to get a loan, would we spend more for interest than we spend in inflation by waiting until FY35? We are highly unlikely to get grants for Jericho Rd because there are no end points.

Venkataraman: The feedback I received from VTrans would be that the Jericho Rd. would not be eligible because they try to plug gaps in the pedestrian network. Or to connect communities to a service or destination. Jericho Rd. sidewalks starts at the school but ends at an undefined intersection. There might be other projects like Cochran Rd. or Huntington Rd. that might be eligible for grants because they plug a gap. I think we would have to pay for Jericho Rd. sidewalks ourselves. The idea is to have a contiguous bike-ped network like Johnny Book Trail.

Heston: I think we could make a case for Southview. We have trails in Southview that take you up to Mary Drive and Old Jericho Rd Trail.

Hill: We might make a case for the trail access point near the end of Southview as a connection point to the sidewalk.

Venkataraman: We need to have those trail networks mapped as connected to Southview and be publicly accessible.

Hill: The trail connections should be a feature of the sidewalk access under the interstate.

Forward: It would connect the school to a lot of kids that live up in Southview, Hidden Pines and Valley View which are some of our biggest developments in Town.

Heston: The safety issue is our priority. For now, we are looking at a \$30,000 contribution. How do we look further out?

Hill: The sidewalk reserve fund would not be new for next year as it currently exists. The amount may go up, but it is an existing reserve.

Library

Mueller: Are there any questions about the changes in how the electricity gets assigned from the EV vehicles to the electrical line. There was a decision about 10% employee contributions to health premiums. I was wondering if the Selectboard to accept the Trustees proposals to put in the Library rental fees and non-resident fees into the Town Center Building fund.

Forward: Building rental should go into a fund that deals with building maintenance. It has not always been the case. Building rental went into the General Fund. A lot of maintenance would be overlooked. I appreciate that the Trustees are considering this.

Hill: You are referring to the change in how the Post Office and School District revenue was addressed many years ago.

Forward: When the bond got paid off then it became revenue, and we didn't have a separate fund. For a number of years, it just off-sent General Fund. There was a motion at the Town Meeting to create a reserve fund for the Town Center. Last year, we identified that the Town Center meant the campus and not the building.

Mueller: The last 6 years it was about \$56,000. It was only \$1,000 in 2021.

Bona: The line 10-6-35 estimates \$5,000 for revenue this year. My thought is rentals yes but fees no.

Mueller: A fee is non-resident who wants to have a Library membership. The non-resident fees average around \$700 per year.

Hill: We could split it so the fee goes into General while the rentals goes into Town Center reserves.

Mueller: It makes sense for the fees to go into the operating expenses of the Library.

Arneson: No other fees go directly into a Department.

Bona: They do if you look at the lines for Rentals & Bolton Fees (10-6-35) and Police Departments (10-6-20). I would change the vehicle charging station from line 10-6-10 to a 10-6-35 and that would go to Library. On the expense side of the charging station, we would move it from 10-7-10 to 10-7-35.

Forward: The Town Center Committee needs to think through property maintenance. We are certainly aware of the deferred maintenance over the years. We really need to account for that somehow and will work on it.

Hill: Is there consensus that rental goes into reserve funds and fees go into Library revenue to offset expenses?

Forward: I like that.

Highway

Arneson: We adjusted health insurance due to a move from Family Plan to opt out. We increased the Centerline striping from \$6,000 to \$7,000 to budget for increasing costs of painting. Road Foreman Pete Gosselin has provided a sheet detailing the cost of striping. We can also talk about what makes sense for fog lines. Storm Water and Sidewalks was increased by \$20,000 to pay for a stormwater permit to the subdivision consisting of Southview Dr., Mary Dr., and Hidden Pine Dr. The permitting fees have to be paid and then we have a year for construction and implementation. When the State decides exactly what we need to do then we will look at bonds or not.

Hill: The closest we have to a Wal-Mart parking lot is the interstate. If we are concerned about stormwater, then it would originate by the interstate.

Forward: We have direct experience with this when 11 inches of rain came off the interstate and washed out the bank by the elementary school. I would suggest that we look at our Stormwater Master Plan with projects related to the school and the interstate. When they have to do something, it influences the budgets in Town. The Master Plan will be helpful looking at the different pieces around Town. Permitting makes sense but we might want to stagger the projects.

Arneson: We increased the Guardrail reserve for Southview. We talked about the Sidewalks in Planning & Zoning.

Gosselin: Seven years ago, the estimate for the guardrails was \$30,000. Our budget back then was \$3,000. We never had enough money to do anything. The Southview project will probably be \$50,000 now. We are hoping in 1-2 years we can do all the guardrails in Southview. I want to move to the illuminated crosswalks. I feel with Jolina Ct property and the potential new sidewalk, that intersection will be perfect for an illuminated crosswalk. We will have a lot more pedestrian traffic. I think it would be money well spent. It is now about \$7,000.

Heston: It is dark and a little busy there.

Hill: The Regional Planning Commission said if we put too many close together, they lose their efficacy. They work best when sparsely distributed. Maybe we re-orient them.

Gosselin: I am talking about illuminating the intersection. We would want to capture the driver's attention.

Forward: I like the idea of having one there. I do not know if it is necessary now.

Heston: It is worth exploring.

Hill: Do we want to put money into that illuminated crosswalk line?

Heston: I think we put a flag on it for next meeting.

Furr: I see we overspent for signs, and we are bumping it up. We do not have much money left for the sign budget now. At our last meeting, we talked about other caution signs about children, horses, bikes etc. I think we should bump it up a bit more. Signs are also getting more expensive.

Gosselin: We have to keep speed limit and stop signs in stock at all times. This is a perfect year where we had a lot of E911 signs in new developments. They are about \$400 into one of those signs with hardware. Specialty signs are also expensive. We sometimes overspend the budget but now the problem is the steel signposts are \$50-\$60 when they used to be ~\$25. There are special hardware and brackets. Speed limit signs are pretty standard, but specialty signs will be pricey depending on where you go.

Forward: We get a lot of requests to do something for Cochran Rd. One of those somethings is going to be signs.

Gosselin: The signs could fall into a Level 1 request from the Traffic Calming discussions. It is an easy thing to do with minimal costs and no permanent features. We can at least get the awareness out there. A Level 2 response requires more evaluation and is costlier. The 6 signs Jay is proposing would be two each in the 25 mph zones and 2 placed in the big open area of 45 mph. That line item should be increased by \$100-\$150 per new sign you would like to put in. It is the Town's responsibility to put in the E911 signs.

Forward: I suggest \$4,500 to \$5,000.

Heston: Because of a 19% increase I think we should start with just adding a \$1,000 or a total of \$4,500.

Forward: Where does a chevron or slow down markings fit?

Gosselin: The chevron arrows and bike are stenciled on and will be put on Bridge St. when completed. That fits into the Centerline paint and shoulder line (11-7-50-63-00). We put 25 symbols down on Cochran Rd. There is also one on Huntington Rd and Jericho Rd. Heading into the Village, where there is a 25-mph sign there is also a 25 painted on the road. We made that stencil 4-5 years ago.

Heston: Let's talk about striping because it is a lot of money
(https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2a5_LINE_STRIPING_AND_FOG_LINES_ROUGH_ESTIMATE.pdf).

Gosselin: The Double Yellow column shows State for Class 2 Highway and that is part of our State Aide. Almost all our double yellow lines are painted by the State except for East Hill, Wes White, and Iron Truss Bridge. Fog lines money is based by the foot. Williston contracts it out to a company in Massachusetts. This is the local pricing that we have been given. If you want to put fog lines on everything, then that is a lot of money and needs to be done every year. It is hard to get companies in here to do it.

Heston: We know all the roads have some issues, but Cochran Rd has had a lot of concerns.

Forward: My concern is the roads that connect to other Towns. The problem with Cochran Rd. is speed and lines might encourage greater speed. My interest in fog lines is more safety for the cars as it probably doesn't help the bikes. It helps old and new drivers.

Furr: It also helps the car navigation systems.

Forward: I am most interested in Huntington, Hinesburg, and Jericho Roads. It is mostly for automobile safety.

Hill: There is evidence that fog lines reduce vehicular accidents. My opinion on Cochran Rd. is it is about speed and space and volume. If it was a one-lane road going in a single direction, we wouldn't be having the problems.

Heston: The last time we talked about Cochran Rd., we were informed it is not a Truck Route.

Gosselin: When the Iron Truss Bridge was rehabbed, Cochran Rd. was the only way to get from one side of the river to the other except for Kenyon Rd. Those signs went in and the truck permits stated that was the truck route. Since then, it went by the wayside. It means that the cranes, modular homes, and oversized loads should not be on Bridge St. Cochran Rd is the pathway we want them to use. On the permit, they need to contact the Highway Department.

Heston: The current striping line item is \$7,000. We also have a proposal in front of us. We are currently looking at a 19% increase in taxes.

Hill: The \$46,886.00 is in addition to the \$7,000. There is a small decrease in Highway budget without this.

Arneson: A lot of that has to do with \$530,000 in trucks that we bought this year.

Heston: If we do this then it is a yearly increase. It is not a one-time expense.

Forward: I would increase the \$7,000 line item by \$20,000 to do part of the fog lines and have it go out to bid.

Heston: I think that is a lot with a 19% increase in the budget already.

Hill: Do we know where the vehicular accidents go off the road? We could stripe where there is actually a problem.

Gosselin: The data & discussion & time spent on Cochran suggest that we should do Cochran Rd as a trial. You already know you have an issue there and can support it.

Forward: I like putting a budget item for Cochran Rd., but I don't think fog lines are the way to spend it. Will it exacerbate the problem?

Furr: I am at the point where we don't do any of the fog striping as we are not sure if it reduces speed.

Hill: What if we make a general line item for Traffic Calming and not just fog lines. It might be striping or something else.

Forward: It might be helpful to ask the public and have it as an agenda item of what we can do in the short-term for Cochran Rd.

Heston: I like the idea of putting \$10,000 into a Traffic Calming line item.

Gosselin: We have had all these Traffic Calming discussions but no budget. A Traffic Calming line could buy different items. That makes really good sense.

Heston: We will keep the striping at \$7,000.

Recreation & Trails

Arneson: The only change here is we added \$20,000 for July 4th Celebration based on the budget we received.

Heston: We have a lot to figure out. We want to support the 4th of July Fireworks. I would like to see this no more than \$13,000. They were spending money on things that we are not asking them to do now. We eliminate the need for them to do fundraising by paying for the fireworks. We do not necessarily need a band. A coin drop could pay for the band. We want to support the 4th of July Fireworks.

Hill: We could charge food trucks a fee for the electricity and trash.

Heston: We can have vendors create the festive environment and we just direct them where to park. Then you make a little bit of revenue as well.

Forward: It could be self-sustaining. There is money to be made on July 4th Celebration. Would there be revenue associated with this as well.

Heston: It depends as we are drafting the new path.

Hill: What is we call it July 4th Celebration/Fireworks and reduce it to \$13,000.

Forward: The ARPA Committee is beginning to categorize requests.

Furr: There are a lot of requests for trails, tennis courts, and doubling or tripling the size of the playground.

Forward: I am hoping the Recreation Committee can evaluate some of this with their long-range planning and help us prioritize how to spend ARPA money.

Furr: Have we ever had a part-time paid Recreation Director?

Heston: No, it came up when I was on the Selectboard last time.

Hill: It has come up 2-3 times. It has been voted down. I anticipate a tennis or pickle ball court at ~\$70,000.

Fire Department

Arneson: The only real changes are \$1,500 for Medical, fire fighter physicals. We also separated out Building Maintenance from Capital Reserve of \$5,000. We have a regular building maintenance line at \$10,000. That is to do a portion of the roof.

Gile: It should be done sometime this Spring or Summer.

Heston: What was the \$200,000 into the Fire Capital Reserve account?

Bona: The \$200,000 covers the down-deposit to the next Rescue Truck and supports the Brush Truck.

Arneson: The Brush Truck is not due until FY25.

Bona: We have the money to cover the Brush Truck. It is the Rescue Truck we are working towards. We started with the Brush Truck at \$200,000 where it is now \$267,000 but we do not have to pay for a couple of years. The Rescue Truck was at \$500,000 in FY27 but the price has gone up to \$700,000 with \$100,000 in FY24 because you have to order 3 years in advance. We are starting to pay for new Rescue Truck while paying for loans on the other Rescue Truck. We are using and contributing to the Reserve.

Heston: We are using \$165,000 and we are putting \$200,000 in.

Bona: Way out in FY36 we start building up pretty good because things are on track. Those prices are going to keep going up.

Hill: The Reserve goes from \$125,000 to ~\$2,000,000 in 5 years which is pretty extreme.

Bona: The trucks are not spread out evenly. The all bump into each other for a bit. The upside of \$2,000,000 is the annual \$410,000 does not have to go up.

Forward: The value of a Capital Plan is we know what is coming up. This is responsible for right now.

Heston: It feels like it is going to be a lot.

Hill: It is an interesting thing to charge current taxpayers for future purchases that they may not use.

Bona: In the same respect, 5 years from now a new person comes to Town who benefits from what people put in before you.

Heston: I am concerned about what is happening with our economy. What do we do to our default rate if we have such a huge increase?

Bona: I am doing a 15-year projection. The Capital Plan you approved is only 5 years. I can change next year when we do it again. If you reduce the contributions to the Reserves, then you risk taking out a loan and paying interest. We are going to pay for this in 3 years either way.

Gile: The next Fire Trucks will probably be over \$900,000.

Sander: New fire trucks are expensive, used fire trucks are worthless.

Bona: I did not put in any trade-ins and last time I think we got a decent trade-in. We won't for the Rescue Truck but the trucks after that will hopefully have some trade-in.

Heston: I would be more comfortable with a transition as opposed to \$55,000 to \$200,000.

Bona: I can re-work that, but it will have to be with a loan.

Hill: What about \$175,000 then \$225,000 so it is more of a slope.

Heston: If we could go \$150,000-\$155,000 then \$225,000.

Bona: You will go in the red in FY31.

Hill: \$350,000 is flat for like 10 years so you could \$340,000 to \$350,000, to \$360,000 to \$370,000.

Sander: By then they will be giving internal combustion fire engines away.

Arneson: A negative \$23,000 in nine years is equivalent to a trade-in.

Bona: But Dennis is saying \$900,000 and I only have budgeted for \$700,000.

Heston: I think we should drop it to the lower \$150,000 reserve contribution.

Gile: Can you put Equipment purchases (10-7-40-5-57) from \$20,000 to \$0?

Bona: We are putting \$40,000 in Reserves and using \$35,000 for a purchase. I want to get rid of that \$35,000 which is offset on the revenue side. I will do that all the way through the budget. I would recommend for the Annual Report we do a table that lists each reserve and what we are buying out of that reserve. So, the \$35,000 for Safety Equipment (10-7-40-5-90) will go away but so will the revenue side from reserves.

Heston: So, this will not influence our bottom line.

Bona: You will see the \$35,000 total for Air Packs, Air Tanks and Turnout Gear. We are contributing to the Reserve. I am not sure why we need to increase the \$20,000.

Arneson: The \$20,000 is for items individually under \$5,000 like tools for trucks that need to be replaced. We spent \$19,513 in FY22. Last year we had large purchases like Stabilizer, High Pressure lift kit, Exhaust Fan for a total of ~\$35,000. Will the \$20,000 do for this year.

Levesque: We might have some smaller purchases for chain saws or a hydro-pump but no large purchases.

Town Administration

Arneson: The only change from the last meeting is that Assistant Clerk Martha Laing will retire in February. The salary and social security lines reflects the change. The \$50,000 for Ground Maintenance is based on adding some landscaping to our bid like weeding behind the Post Office and trimming the bushes.

Forward: The Town Center will include a site plan with landscaping. I think this is a good idea in response to concerns.

Assessors

Arneson: The only change is NEMRC is charging more for FY24.

Bona: They decided to change billing structure. Many Towns pays to have someone manage the office during the week which is not the case in Richmond. They are now billing 6.5 hours per week for 50 weeks at \$95/hr. They are giving us a discount of travel time.

Heston: I do not think we were paying our in-house assessors \$95/hr. I think we could be getting a lot more for the \$31,000.

Hill: We might put out a bid to look at other options. How long have we had a contract with them?

Sander: At least 10 years.

Bona: Ten years ago, we had elected assessors. We moved to appointed and then we moved to NEMRC. They pay for all their own training. We could try an RFP.

Hill: It is worth entertaining even if for future years.

Heston: A 30% increase in one year is big.

Bona: They also didn't increase the \$24,000 for so long.

Forward: What is tax map maintenance?

Bona: They have to get the maps updated each year.

Charitable Appropriations

Arneson: The only change is taking the Turning Point line from their \$5,000 request to \$1,000 based on the number of residents they serve.

Furr: The Richmond Food Shelf belatedly reached out to ARPA for \$10,000 to extend their micro-grant services for people. They didn't submit in time to get into this year's appropriations. The Everyone Eats program also showed up at ARPA and made a similar ask. I want to go with an established precedent.

Arneson: There is no firm or fast deadline. If the Board wanted to consider an application from the Food Shelf, then we could consider it at the next Budget Meeting. We typically ask for applications before the first Budget Meeting.

Hill: I am concerned about jumping ahead of the ARPA process. That train is on a track and keep doing its thing. There is a process for ARPA funds and will play itself out. What do we tell people about Charitable Appropriations? We should open it up for everybody if we open it up for others.

Heston: Food Shelves have resources available that other organizations might not have.

Furr: I am fine saying come back next year to apply for Charitable Appropriations.

Forward: We have been clear that the ARPA Committee does not make decisions. We will make recommendations to the Selectboard. The Everyone Eats funding goes away December 31st which is outside the ARPA timeline.

Revenue

Arneson: We increased the reimbursement for Water and Wastewater for administrative time and increased wages. We talked about the \$5,000 in rental charges and fees from Library. We added back the \$116,000 recurring state aid for overweight permits. Those are the basic changes to revenue.

\$500

Tax Rate Comparison to FY23

Arneson: I looked at what the tax rate increase would be in the current FY24 draft budget over an FY23 budget which did not use unassigned and restricted funds to reduce the tax rate. In FY23, we used a large amount of unassigned and restricted funds (\$80,000 in contingency for wage increases from the compensation study, \$50,180 for grounds maintenance, \$300,000 general offset which are recurring expenses). The FY23 tax rate decreased -4.31%. This would have been an increase of 7.58% over the FY22 tax rate without the unassigned and restricted funds. The compensation study increased wages by \$158,000 in FY23. Only \$80,000 of that was offset with unassigned and restricted funds. If this were added to the FY23 budget as if it were paid for by tax, the tax rate would have been a 9.91% increase over FY22. The current FY24 tax rate would be a 4.39% increase over this revised FY23 tax rate. It doesn't change the 19.9% sticker shock. Last year, we paid for a lot of things that are going to be recurring with one-time funds.

Heston: We paid for most of it with money we didn't spend from the previous budgeted year. Of that \$1.1 million we didn't spend from FY22 to FY23, can we look at that to help reduce this increase by using some of these funds.

Arneson: Our current auditors want to keep 2-months of expenses as unassigned. For Highway, 16%, or two months, would be \$318,000. For General Budget, 16% would be \$463,000. That would be a total of \$781,000 of our total unassigned of ~\$1,112,000 so it leaves us with around \$300,000. If we added that in for revenue, we are still at 11.23% increase from last year.

Heston: It is taxpayer money that has already been paid. We are just looking at last year, but we still have those months in our operating budget now. We have funds available for emergency situations to reduce the tax burden.

Arneson: Next year, we will be in a similar situation.

Heston: If we continue to have \$300,000 then maybe we are overbudgeting.

Hill: To some degree \$300,000 compared to \$4.8 million is great because we can use it again. We want to avoid this up and down. The savings from one year helped to offset the cost increases in the next year.

Heston: We only used \$300,000 last year. Should we look at \$500,000?

Bona: A big chunk of the unassigned is FEMA coming in, \$374,486.

Heston: The \$781,000 is arbitrary.

Arneson: There are also projected savings in FY23 for Police.

Bona: We also have inflation which will probably make Highway over budget.

Hill: Somewhere between \$330,000 and \$500,000?

Heston: It is a tough time to do an increase as it is the taxpayers money. Help the taxpayer.

Hill: I think we should be below inflation.

Heston: We can continue this conversation. If we present something that is unacceptable, then we have to do this all over again. I want to go back to \$500,000. I think we can do a combination of unassigned and restricted funds.

Bona: That is not going by the auditor's recommendations for unassigned funds. We are already below as \$266,000 is less than the recommended \$318,000.

Heston: Can we take some things that we have budgeted for from the restricted funds?

Bona: You might want Pete's input. I think we have around \$3,000,000 in reserves.

Hill: I think we can let it season and then come back to look at the impacts of the \$500,000. We are coming back in a month, and we might have better information. We will know if we have FEMA.

Heston: I think we leave it at \$500,000, look at the Highway budget and talk about it at our next meeting.

Bona: The Town Center is not factored into all of this. It has a huge impact to the Capital Plan even if we are going to bond it.

Adjourn

Sander moved to adjourn. Hill seconded

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

Meeting adjourned at 10:00 pm

Chat file from Zoom:

00:38:30 Patty Brushett:I agree