

# **Special Meeting of the Town of Richmond Selectboard December 12, 2022**

**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; Ravi Venkataraman, Town Planner; Peter Gosselin, Highway Foreman; Dennis Gile, Fire Chief; Gerald Levesque, Assistant Fire Chief; Benjamin Herrick, Interim Police Chief

**Others Present:** Meeting was recorded by MMCTV, Allen Knowles, Cara LaBounty, Lauck Parke, Patty Brushett

**Call to Order: 7:00pm**

**Welcome by:** Heston

**Public Comment:** None

**Additions or Deletions to Agenda:** None

## **Review of Town Meeting Warning**

Heston: We need to confirm Town Meeting and our Pre-meeting dates.

Arneson: Town Meeting was voted to be moved to Monday, March 6<sup>th</sup>. To finalize the warning, we need to decide what time to start and when to hold the informational meeting which used to be the night before. Monday, February 27<sup>th</sup> would give us a meeting on the 6<sup>th</sup> and the 20<sup>th</sup> as Selectboard meetings and the 27<sup>th</sup> as the pre-meeting. The March Selectboard meetings will be March 13<sup>th</sup> & 20<sup>th</sup>

Furr: 6 pm is the latest we want to start. If we want to have people involved with kids, then we don't want to be starting at 7 pm.

Forward: I was not in favor of moving it to Monday night. I think 6 pm makes sense. This is the first one, so we need to make sure we make it prominent. We changed the policy since COVID. Many people are probably confused. The 27<sup>th</sup> makes sense as well but that is a school vacation.

Arneson: The informational meeting needs to be held within ten days prior to the vote so it would probably be over school vacation week. The 27<sup>th</sup> can be a hybrid meeting. We do not need a large space. We need to remind the school about those dates. Typically, the Monday and Tuesday in March are also school vacation. The process to change Town Meeting last time was we put it on Australian Ballot. You can warn a meeting to have a voice vote to put it to Australian Ballot. Or, you can have a voice vote right at Town Meeting.

Heston: I would like to try to do it on a Monday night. It is hard to get there on a Tuesday. We are not changing anything for this upcoming meeting. We can put a vote forward if this is what we hear people want to do.

Forward: It interests me as I have had a lot of comments about it.

Hill: Let's put this on a future agenda item. We could look at the metrics. It would be after this year.

Heston: So, we will start Town Meeting at 6 pm on March 6th. Monday February 27<sup>th</sup> is for the informational meeting. If Mondays are tough, then they are going to miss both meetings. The budget will be a big part of the conversation. Something other than a Monday night so wouldn't have to miss both informational meeting and Town Meeting.

Furr: I would like to see a Saturday morning, 9 am for the informational meeting. Don't take up the whole day. I hate it in the middle of the day. Saturday morning is not too much of a burden.

Forward: I like that idea. I would be curious about Town Staff.

Arneson: Typically, the Town Staff would not attend the informational meeting. I will be there to provide a dry run through the budget and discuss the bond. It will be recorded so people will have the week to view it. On Town Meeting night there will be opportunity to ask questions and make changes if they like.

Heston: Monday and Saturday, do we have a motion?

Hill: I am on the fence.

Arneson: We can bring it next week to decide.

Furr: Do we invite community organizations to provide food and beverages? That used to be a big thing.

Sander: We cannot have food or beverages in the gym. The cafeteria would require a lot of permission and clean up.

Forward: We should make this an agenda item. What organizations could setup and breakdown at night?

Arneson: Linda Parent might have more information on this.

Heston: Is there another group to replace the Grange? Maybe Boy Scouts or MMU might have a dinner where people could come from work, grab something to eat and then attend the meeting.

Sander: I would be supportive of a dinner coordination

Hill: We should invite Linda to that conversation as she would help with that.

Arneson: That is good feedback.

## **Review of FY24 Capital Plan**

Heston: The FY24 Capital Plan will be discussed with Connie.

Arneson: You want to start with the first tab  
([https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2b\\_FY24\\_Capital\\_Plan\\_Draft\\_3\\_12-12-22.xlsx](https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2b_FY24_Capital_Plan_Draft_3_12-12-22.xlsx)), Connie.

Bona: Highway is on a schedule that is very well spread out to save us money on repairs. If you see from the top, we still have a few loans hanging until FY25 for Equipment.

Forward: What are the highlighted numbers?

Bona: Those numbers might change as the estimate of the Dump Truck #3 might be higher.

Heston: Other highlighted numbers show ones that have changed.

Forward: Row 18, Column H what is that \$120,00?

Bona: That is the loan we took initially.

Heston: Any other questions on this?

Bona: The Bridge & Culvert & Guardrail reserve have a few infrastructure loans with Water & Sewer. You can see the Paving and Gravel plans. The Sidewalk and Stormwater are also shown. Our objective with all of these is to have a gradual increase in taxes. We are not sure how much things are going up. Those loans at the top won't be dropping off as quickly as the Equipment. Those two will be going until FY32 and after that they will go down with the loans gone.

Forward: Do we get reimbursed for guardrails if a car hits and damages our guardrail?

Bona: Yes, we do. The guardrail plan here is for specific section replacements.

Sander: If the accident is reported and if the driver has insurance, then theoretically yes but often the insurance companies will haggle.

Forward: If we get reimbursed, should that revenue go into the reserve fund for guardrails?

Bona: This is a reserve fund for planned big replacements.

LaBounty: Are we able to spend all the paving before the end of FY23 and end of June?

Bona: Yes, it is rescheduled for the Spring.

Furr: Does that include Volunteers Green and the street?

Arneson: That includes Volunteers Green.

Bona: Pete is in another meeting and will be coming to this one soon. There were changes in the New Sidewalk Projects. Ravi is saying we should spread this out over 4 years. Phases 1 & 2 will overlap each other. We are not sure which Fiscal Year. Jericho Rd., we bumped out one more year. The yellow highlighted areas are the changes we made since the last time we looked at it. The Jericho Rd Sidewalk was pushed out and the Huntington Road Sidewalk was removed.

Forward: The sidewalks projects would take 4 years.

Venkataraman: Typically, VTrans recommends that a project timeline is 3-5 years if receiving a grant. The first two years is permitting and clearance. Construction is usually at the tail end is quick compared to the other engineering checks with VTrans.

Heston: Does Jericho Rd. Sidewalk reserves start in FY36?

Bona: Right. We might not get funding for that, so we are planning for the entire \$1,000,000. We can have discussions on that next year. It won't have an impact on the on the 5-year plan right now.

Heston: We should start planning in 2032 to start putting that money in for the \$1,000,000.

Hill: That is a big number we are going to pay 100%. Is it a viable project.

Forward: The Capital Reserve is what projects we want to do. The other projects we were not crystal clear on we put up for a bond vote to let the voters decide. A \$1,000,000 is a lot.

Heston: This was put on for all the work that has been done on pedestrian and bike routes. It is a priority, but a question is of how to pay for it. We should plan for how to get to that \$1,000,000.

Bona: We need to start collecting for this and avoid a bond with a lot of interest. We do not need a bond vote if we have it in reserves. The public needs to weigh in somewhere if they want to start saving \$1,000,000 for FY36 to do this. The prices will go up as well.

Furr: Line 22 is showing what we set aside each year for reserves.

Bona: Ravi and I figured it would be part reserves and part loan because a million will be too much. The General Summary page will show other Capital projects.

Hill: What are the Sidewalk Reserves used for?

Arneson: These are building up for those million-dollar costs.

Bona: We have to decide by no later FY30 on how we want to reach that million. That is just for new sidewalks and not existing infrastructure.

LaBounty: Do you have a reserve for existing sidewalks to replace and maintain? Or do you just budget what Pete has to do on an annual basis.

Bona: A regular budget line will show sidewalks and stormwater.

Hill: We have \$30,000 for sidewalk reserves in the current fiscal year. That was not flagged for the million-dollar project that was not grant funded. I think it is a problem that we need to pursue with grant funds, or we are not trying to build a million dollars.

Furr: So, you are saying the \$30,000 set aside this year was not intended for that project?

Hill: It is a different approach than we have talked about.

Bona: We are just putting that million dollars in there as a placeholder as it does have an impact on our budget today. What if we dropped the \$50,000 down to \$30,000 for the next few years to FY28?

LaBounty: I am asking about the \$332,200 for Jolina to Big Spruce from FY26-29. You went from \$55,000 to \$65,000? How does this play into this? Or is this \$325,000 our 20% into the project?

Venkataraman: The \$325,000 is the total project cost. Our share would be \$64,000 and we would be reimbursed per invoice. The total amount we are expending is \$16,250 over four years or \$65,000.

LaBounty: I thought the Selectboard approved the full amount and then amended it. I didn't think it was part of a Capital Plan.

Venkataraman: The Selectboard approved a grant match. The required grant match was \$64,000 and not the total project cost.

Arneson: I changed the \$50,000 to \$30,000 and that would leave us with \$88,000 in FY29.

Heston: We can make a case for grant funding and that will affect FY30 as well. That will be a big jump from \$30,000 to \$75,000.

Hill: It is hard to follow.

Bona: When it is converted into the Capital Plan document with tables it will be clearer that way.

LaBounty: Is there any reason why we are not asking for a vote on setting aside sidewalk reserves at a price tag of a million dollars? Is that not a reasonable question to ask?

Heston: There has been a lot of opportunity with the pedestrian and bike path work that has been done. This question came up before.

Venkataraman: The planning involves public meetings, surveys, presentations for Jericho Rd. The other part of it is that with a Capital Plan it is more of a framework for responsible spending. You are not obligated to follow through. It provides the Town a framework for how to spend funds responsibly over the long term.

LaBounty: It hasn't been put to the test of asking the public. It has been talked about and studied.

Heston: This is just projecting. There is more work to do.

Hill: I think this a yellow light at the moment. I would like to have grant fund at 80%. It is somewhat conceptual. The 80% is \$200,000. One benefit of bond votes is people vote on them which give us a litmus test to an expensive project.

Bona: We are trying to avoid interest. You can pay it in extra taxes if we get loans and do it after the fact or we can raise it ahead of time.

LaBounty: I am trying to be cautious for taxpayers. I am not trying to put money in reserves for a future project that voters should have voted on.

Hill: A fire truck is one type of capital reserve replacement. A sidewalk is nice to have. Are we charging current taxpayers for a future product that they will not benefit from?

Furr: If the interest rates do not measure up to inflation, then we lose money. The inflation is not guaranteed to stay. Everything is changing.

Forward: This might be a premature discussion. How much money do we have comfortable in the bank for sidewalks to even out the tax rate?

Bona: If we do not consider Jericho Rd then we can change the budget to \$25,000 out to FY29. That puts us in a very good place for Bridge St Phase 1 and 2.

Heston: The next tab is Police.

Bona: We need to have the discussion on FY23. We took off the one cruiser from FY24. We need to give some thought in FY23 to decide we are not going to get them. The Selectboard could move the money to the reserve.

Heston: I think we have to wait until the next meeting.

Arneson: We could talk about do we delay purchases. We will not solve it tonight. We can come back and look at it in the Capital Plan. Take the FY23 and slide that into FY25. We stay on the two cruisers one year, one cruiser the next year. We can pause that for FY23 and FY24. Our goal is to increase staffing with 6 vehicles. The cruisers are lightly used compared to usual and the mileage is handed out to Selectboard.

Furr: At what point is too many miles?

Herrick: The two 2017 cars (102,000 and 70,000 miles) would not be replaced for two more years. I am hoping we are hiring people in the next two years. We used to lease some vehicles.

Sander: There is a story there.

Forward: These are not leased vehicles #1 & #3.

Bona: There are no leased vehicles.

Herrick: We own all of the cars. We might have purchased some cars after leases.

Forward: I like the scenario of putting off the purchase of new vehicles for this year and next year. We do not know what our Police Department will look like. It is complicated discussion. I kind of like taking a pause.

Furr: I hesitate to take a 2-year pause. I think we could push it out 1-year especially if we can hire two officers.

Heston: We can always put it back in for FY25. We can always purchase a cruiser from reserve.

Herrick: They only produce Police cars every year for a couple of weeks.

Heston: We have six cars that include the Tesla. There is an opportunity to not purchase for the next two years. Do we place an order this year? It would take the place of 2017 Explorer.

LaBounty: I have a recommendation to consider. Since the Tesla cannot be used for full Police needs, trade it in or sell it outright. You might get the biggest bang for your buck, and you might not have to dip into two purchases prices in the Capital Plan. The money would be sitting in reserves and if you get new officers then you would have the funds available to buy a car outright.

Heston: You cannot buy a cruiser outright as they only produce them once a year.

LaBounty: The funds from the Tesla and the \$8,500 from Cruiser #7 can be used to buy a new cruiser this year. Do not use any of these Capital fund budget amounts and put it in the reserves for the next cruiser.

Furr: The resale of a Tesla is pretty high. I think the math works out. We can ensure getting new Police officers by not having enough cars as that is how life works. Sell the Tesla and get a hybrid.

Bona: This is the Capital Plan, and we need to know what we are doing in FY25.

LaBounty: 4 of the 6 cars are pretty new. Make your decision in 2024 for the FY25 budget.

Forward: One of the reasons for having a Tesla was as an experiment and because it has a longer warranty. They have a longer warranty because of fewer moving parts. I would be reluctant to take the Tesla off the table until we evaluate how it performs, the costs, and savings which were part of the experiment. We may decide we want to use different vehicles for different purposes.

Heston: This is a conversation we will have next week as we are talking about the budget tonight. We are not making this decision tonight. We are putting a pause on purchasing Police cruisers.

Hill: Connie was asking about FY25.

Bona: The problem is we have two 2017 cruisers. If we are not replacing them this year then where in the next five years will we place them?

Hill: The dollars exist to purchase them.

Heston: At next week's meeting, we can determine this.

Bona: I need to know where to plug it in for the Capital Plan.

Arneson: If we replace one car by selling the Tesla then we would still have the funds we raised. We could not increase any taxes in FY24, and we could stay on the regular schedule.

LaBounty: Bump it out to FY25 as you are in flux with your Police Department. I shouldn't guess this week.

Arneson: In FY24, we can audible if something happens with a car or staffing.

Hill: The challenge for Connie is the budgeted and spent dollars no longer align.

Bona: Which cruiser are we going to replace when? It is about age and mileage due to idling.

Hill: Car #1 is a 2017 Ford Explorer with about 71,000 miles. Car #3 is a 2017 Ford Explorer with about 103,000 miles. That is about a 30% difference.

Furr: What do we want to do with the Capital Plan? Do we want to push it out to 2025 and do the audible next week? I think it makes sense because we have pocket change to get two cars if we need them. That justifies pushing it to 2025.

Heston: Right. Does that answer your question?

Bona: Josh and I can mull it over. We played with bumping things out and it kept putting us in the red. I will make the changes after next week's meeting.

Forward: I think part of the Tesla experiment was having a 6-year rather than a 4-year rotation.

Bona: Chief Kapitanski told me to keep it at 4-years until we saw how things were going.

Heston: We are moving to Fire Capital.

Bona: Now we are looking at a multi-million-dollar fleet. We started with a 15-year Capital Plan for Fire. That was a disaster. We started out with \$500,000 for Fire Engine #1, #2, #3 and Rescue Truck #4. That was increased to \$750,000 for each. Today, I tried a 20-year Capital Plan on Fire Engine #1, #2, #3 and there are a couple of different ways to do it. Engine #1 could be changed to a small pumper for \$500,000 in place of the \$900,000. If it doesn't save us money, then we shouldn't do the \$100,000 deposit. That gives us time to build up Capital Reserve to pay for the rescue truck. We could put this in the Plan as 15-years. I was more comfortable with 20-years and assessing each year to see if we need to do it earlier. We would not raise Capital money if we do not need it years in advance. If we do need it in 15-years, we pay what we have in Capital Reserves and pay a loan for the balance if we are short.

Heston: Is the jump in 2027 doable?

Bona: It has to be unless we take a loan.

Furr: Is the small pumper going to be sufficient?

Levesque: We need to leave the Fire Station with 42,000 gallons of water. We would have about 44,000 gallons of water. When we replace Fire Engine #1 in 2031, we are getting a Brush Truck with some capability. We are trying to limit our uses on the interstate. So, the Rescue Truck is combined water and rescue tools.

Heston: Let's move to General Summary.

Bona: The top portion is total tax dollars under each tab. You can see FY23 is totaled at \$192,000 tax dollars (which includes the loans at the time). In FY24 we jump up to \$362,000 across all Departments. It does not look good from there. We do finally level out in FY30. The Capital Reserves are high, but they have specific and well thought out purposes.

Forward: It may be unpleasant, but it is a way to stabilize our tax rate, so we do not see-saw back and forth. I appreciate putting this together and it will get better and accurate over time.

Heston: What is the Town Center and Library loan?

Bona: I do not have any hard evidence. I am looking at a loan spread over many years.

Arneson: I think it was \$7,000,000 over 30 years.

Heston: It is a \$150,000 starting on line 13, column E, FY25. Is this assuming no grant funding?

Forward: I think it does. We will likely get grant funding. We have not done the design yet so I cannot say if it is the worst-case scenario. My hope is we would have a bond vote sometime next year whether in this or next fiscal year. We may not even begin construction until 2025 or later. Everybody is going to want to build. There will be a big push which could drive up costs. It is a guess.

Hill: I am on the fence about putting in guesses. It is awkward to assume expenses based on a bond vote that has not occurred yet.

Bona: That is why there is \$0 in FY24.

Hill: It looks like it is a plan, and it is not a plan.

Bona: The Word document will show FY24-FY28, and I will have descriptions explaining those numbers. It is all a hypothetical.

LaBounty: Can you explain the total taxes required compared to the total reserves at year end? You are going to sit on \$1.1 million in reserves in FY24 and you had to fund this with \$362,000 additional from taxpayers. In FY25, you need \$781,000 in additional funds so you can sit on reserves. We are building reserves for future spending.

Bona: They are all separate reserves going up and down at different times. The total is not changing that much. They are being used for specific purposes within a 5-year range.

Furr: If you take for example columns F & G on line 27, you can see we are spending the money. We do not just have a pot of money

Forward: Each year we are also spending Capital money as well. In FY25, we have \$1.2 million but we are also spending x amount throughout the year. Is that correct?

Bona: That is correct. Jay pointed out the example of line 27. In Fire, we go from \$561,000 to \$21,000 in FY27. Each of those lines does show when the reserve is building or being depleted each year.

Furr: Sometimes a total reserves number does more to confuse than explain.

Hill: Can you tell me why row 28 has negative numbers? There is a possibility of error if it is a copy>paste and not cell references. The total reserves should shift modestly. It appears that the new sidewalks figures are now outdated and need to be linked. It is hard in real-time to make all these changes. We may want to come back to it at a future date.

Bona: We have been offering multiple different scenarios. Once we pick a direction, I can build the formulas to directly link.

Arneson: We have the Town Center and Administration tabs.

Bona: The Town Center we are just guessing at numbers. The \$109,000 revenue from the Post Office and MMCTV are up in FY23. That might change. The Utility and Insurance are probably going to increase. It is not impacting the budget right now. Under FY24 Administration, there are no reserves and those are guesses for copiers in

Town Clerk's office and Conference Room. Those basically fall under regular budget lines for Office Equipment.

Heston: Any questions?

Arneson: We can move onto the budget.

## **Review of draft FY24 Budget**

### **Library Department**

Heston: We will be starting with Library ([https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2c1\\_FY24\\_Budget\\_Draft\\_3\\_12-12-22\\_Budget\\_\\_v2\\_.xls](https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2c1_FY24_Budget_Draft_3_12-12-22_Budget__v2_.xls)). The highlighted numbers are things that have changed.

Arneson: Before we go to Library, there are some changes across Departments. We have the rates for 2023 PACIF Insurance and allocated to each individual Department. All purchases that are 100% paid for by reserve funds have been removed from the budget. There is a separate spreadsheet called Capital Reserve Expenditures. Library is an easy one as no changes since the last meeting other than insurance like every Department.

Heston: Any questions on Library? Ok, moving on to Police.

### **Police Department**

Arneson: Right now, we have \$40,000 for Police Capital Reserve. Based on our conversations, we might be able to fund that without additional funds next year.

Hill: Maybe highlight that number.

Arneson: We provide \$10,000 for annual dues to Community Outreach program.

Heston: Any questions? Ok.

### **Planning and Zoning**

Arneson: In Planning and Zoning, the Regional planning dues are adjusted up based on the actual from CCRPC. Everything else is the same from last review.

Heston: Any questions? Moving on to Highway and Recreation/Trails.

### **Highway and Recreation & Trails**

Arneson: The biggest change is the fireworks. We decided to move it down to \$13,000 and possibly \$7,000 in fundraising or vendor fees to make up for the previous \$20,000. In Highway, we increased the Signs budget (to \$4,500) and added in Crosswalks Illuminated (\$6,500). We added in \$10,000 for Traffic Calming measures like bump

outs, crosswalks, paint and other infrastructure. The Traffic Calming Study is actually in Planning and Zoning with \$20,000 in Transportation Planning for multiple studies.

Heston: Any questions? Let's move to Fire Department.

### **Fire Department**

Arneson: The biggest change was delaying the Brush Truck, so it is down to \$150,000 from \$200,000. We talked about the Equipment purchase for \$35,000 based on replacement schedules. Let's go back to Highway for New Sidewalks where \$30,000 went down to \$25,000.

### **Town Administration and Assessors & Charitable Appropriations**

Arneson: The Town Administration was updated for VLCT dues, Town Center building insurance and Website administration. There are no changes with Assessors. There are no changes for Charitable Appropriations.

### **Revenue & General Budget Discussion**

Arneson: On the Revenue tab, we changed the State PILOT funds based on the current PILOT payment. We adjusted the Current Use/Hold Harmless program. We adjusted Water and Sewer readjustment. Town Center rent reimbursements were adjusted based on Town Center utilities and insurance. That is offset on the other side. We dropped the Library to just include the Bolton fees where the other room rental money will go into the Town Center reserve.

Heston: I tried to calculate the Percent increase of 4.83%.

Arneson: You will see that we take the (PROPERTY TAX REVENUE + Current year property tax)/Grandlist July 2022 to get the 0.7484 we need to raise in taxes. Then we have exemptions for Veterans and Richmond Terrace which are exempt from Education taxes that the Town has to make it up. That gives you the tax rate for this year. We then find the percent increase from last year which gives us 4.83%.

Bona: We are in the middle of an appraisal so that would change by the time you vote on it in July. We will not have the school rates until we get them in July.

Furr: The new appraisal numbers will not be ready for Town Meeting.

Arneson: We will set the new tax rate in July based on if appraisals go up or down. It will be a unique year.

Bona: The dollar value will stay the same, the percentage will change.

Hill: If everybody increases value and you stay the same then you would pay less.

Sander: The amount of money we need to raise has nothing to do with the appraisals.

Arneson: The 4.83% assumes a static Grand List.

Hill: So, if your appraisal stays the same then the taxes would go up 4.83%.

LaBounty: There was a document on unassigned and restricted funds. Are staff going to pay a percentage of health insurance?

Heston: The staff will be contributing 10%.

Bona: Starting in January 2023 as we are already paying out of paychecks this month.

LaBounty: I am looking at comments on the bottom ([https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2c4\\_Unassigned\\_Funds.pdf](https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2c4_Unassigned_Funds.pdf)). Can you provide the recommendations of the Auditors? Is the \$318,203 16% of the Total Budget or two months of the Total Budget for the line Highway budgeted (restricted funds) two months.

Arneson: Two months is 16% of the year. That is 16% of the operating budget for Highway, \$1,854,546. We might need to update that \$318,203 since we changed the Highway budget.

Bona: 16% would be \$296,727.

LaBounty: Wouldn't your restricted funds be a percentage excluding the Capital spending since it is already in Reserves.

Bona: It is two months of the tax dollars.

Arneson: Maybe for Highway, it should be 16% of the \$1.2 million we need to raise.

Hill: I suggest we ask the Auditors what they meant by the 16% of expenses, taxes, gross revenues.

LaBounty: Unassigned funds are extra money that you are using for cash flow. So, you are keeping an extra 16% for cash flow and do not need to calculate for money you have in a reserve account.

Heston: That cash flow is essentially an operating account that more than qualifies.

LaBounty: You are going to have an extra \$845,324 in Highway above and beyond what you put in your reserves.

Heston: We took \$500,000 of that and put it on the Highway side so that we reduced what we needed to raise in taxes.

Bona: We are expecting \$374,486 from FEMA.

Heston: We made the decision at our last budget meeting to take the \$500,000 to off-set the budget.

LaBounty: I appreciate you looking at that.

Arneson: I can clean it up and make it a better display with more descriptive language.

Bona: It is not part of the Audit; it is just a recommendation. We need a surplus or unassigned funds policy. They will put it in the manager's notes.

Heston: In the ARPA Reserve account ([https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2c3\\_Reserves.pdf](https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2c3_Reserves.pdf)) it says we are at \$1,000,000.

Bona: We have it all now so it should be \$1.2 million.

Arneson: Our overall Reserve Accounts are \$2.8 million including ARPA.

Hill: Are we comfortable with the Reserves?

Bona: I do go back through and check those.

Forward: Would VLCT have any recommendations on reserves versus budget comparisons?

Heston: Each Town determines what their reserves are, so I am not sure if there is an average.

Hill: The budget and reserves will change also based on the size of a Police Department.

Arneson: The Capital Plan plays a big role in it.

Bona: Over 15 years we spent over \$725,000 in interest alone.

Hill: We should have one table that shows Reserve Accounts and another table that shows the special funds.

Heston: There really shouldn't be separate checking accounts that we are responsible for. Can we go about consolidating some funds that were restricted when we go them? We had this conversation on the Selectboard over 10 years ago. We still have some unanswered questions.

Arneson: I think we have time at our regular Selectboard meetings on Dec. 19 and Jan. 3.

## **Adjourn**

*Hill moved to adjourn. Furr seconded.*

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

## **Meeting adjourned at 9:31 pm**

### **Chat file from Zoom:**

01:22:26 Patty Brushett: You are all doing a great job being so thoughtful and creative. Thank you