

Brandon Select Board Meeting
January 27, 2014

NOTE: These are unapproved minutes, subject to amendment and/or approval at the subsequent board meeting.

In Attendance: Devon Fuller, Maria Ammatuna, Ethan Swift, Blaine Cliver, Dave Atherton

Also in Attendance: Robin M. Bennett, Wayne Rausenberger, Kathleen Rausenberger, Richard Baker, Dick Kirby, Gary Meffe, Lee Kahrs, Cindy Bell, Norm Milot, Judy Bunde, Linda Stewart, Jeff Stewart, Lyn DuMoulin, Bill Orth, Eric Mallory, Phyllis Reed, Tina Wiles, Lou Faivre, Chris Brickell, Bernie Carr, Kevin Thornton, Eric LaRock, Gene Pagano, Dolores Furnari, Tracy Wyman, Richard White, Kellie Martin, Larry Rogers, Mary Bagley, Sue Gage, Doug Sawyer, Jan Coolidge, Kathy Murphy, Bruce Edwards, Pete Smith, Lynn Wdowiak, Roman Wdowiak, Nancy Fisher, Steve Beck

1. Call to order

The meeting was called to order by Devon Fuller - Chair at 7:10PM.

a) Agenda Adoption – Motion by Blaine Cliver/Ethan Swift to adopt the agenda, as presented. **The motion passed unanimously - 4 to zero.**

2. Consent Agenda

a) Approval of Minutes – Select Board Meeting

Select Board Meeting Minutes – January 6, 2014
Select Board Meeting Minutes – January 7, 2014
Select Board Meeting Minutes – January 8, 2014
Select Board Meeting Minutes – January 9, 2014
Select Board Meeting Minutes – January 13, 2014

Motion by Blaine Cliver/Dave Atherton to approve the minutes of the January 6, 2014, January 7, 2014, January 8, 2014, January 9, 2014 and January 13, 2014 Select Board meetings as presented. **The motion passed unanimously – 4 to zero.**

3. Public Comments for Items not on the Agenda

Phyllis Reed questioned whether the voting on the listers and town auditor would take place during town meeting or as a special article on the ballot. Devon Fuller stated voting on these positions will be placed on the ballot.

Richard Baker cited five issues that he wanted to bring the Select Board's attention: 1) According to Title 1 VSA 312(b) meeting minutes shall be available after five days from the date of any meeting and at least two meetings are not available, which include the 8/23/13 meeting that approved the contract for the Town Manager and 12/30/13 for the discussion of 49 Center Street. 2) The Board Chair at the 1/13/14 meeting declared it the policy of the Board to limit the speakers to residents and this is illegal by Vermont state statutes. Anyone from anywhere must be given equal rights to speak according to Title 1 VSA 312(h). According to Title 1 VSA 314, items 1 and 2 can be considered misdemeanors and fined up to \$500.

3) According to Title 17 VSA 2 651(a), to appoint in lieu of electing a Town Constable must be by Australian Ballot on 3/4/14 and according to Title 17 VSA 2651(b), to eliminate the auditors must be voted on the floor during the 3/3/14 meeting.

4. With regard to the \$500,000.00 loan with MLC, Mr. Baker was surprised to hear the Town Manager state at the 1/13/14 meeting that she had discussed a 10 year lease purchase with MLC. He was even more astonished to see \$61,200.00 included in the FY15 budget, the first of 10 payments, if the full \$500,000.00 is used. That is in addition to the \$160,000.00 insurance, plus any grants the town may acquire to rehabilitate 49 Center Street. Mr. Baker went on record that this is not allowed under Vermont statutes. Only the voters have the legal authority to approve such an arrangement; by Australian ballot; properly warned; after an informational meeting and the Select Board does not have such authority. 5) With regard to the \$125,000.00 Union Street article; last winter, the Select Board approved applying for up to a \$175,000.00 VTrans grant, acknowledging it would provide the balance, estimated at \$125,000.00. This summer, the Select Board accepted the grant and Mr. Baker, as interim town manager, signed the grant acknowledging the town's responsibility for \$175,000.00. This article is not needed until the FY16 budget and it is unprecedented to deal with it as a separate voter article after the town has already signed a contract. Mr. Swift noted this article is an effort to plan for the project now. With regard to the lease payment agreement, Mr. Fuller stated the Select Board has not done anything with that item and the Board is trying to research all available options for funding this project.

4. FY 14/15 Proposed Budget

Devon Fuller thanked the Budget Committee for their work on the budget and getting it to the Board by Friday. Jan Coolidge suggested giving a future Budget Committee more time to review and make their recommendations, as the time constraints made it difficult to complete. Jan Coolidge read the following letter:

"January 23, 2014

Town of Brandon Select Board

Re: Budget Committee findings and recommendations

This committee feels very strongly that the Select Board needs to state clearly at town meeting that the Appropriations, Union Street Bridge and Wheeler Road Bridge Engineering projects are in addition to the proposed budget. Please be specific. Despite

the spending reductions we will suggest to the proposed Brandon 14/L5 budget, this will be difficult to sell to our voters.

The reasons are as follows:

- 1. The new Capital improvement Plan (CIP) adds \$130,000 to the expense budget.*
- 2. Revenue is foreseen to decrease partially due to the reserves no longer being available.*
- 3. The Recreation Department is not self-sustaining at this time.*
- 4. One of the major expense lines is Administration proposing substantial increases. The Administration proposed increase of 33% is not reasonable.*
- 5. The proposed 561,200 yearly line item for renovation of town office lease for 10 years.*

What do we suggest concerning the budget?

We support the CIP and feel you are going in the right direction. However, we feel that the amount needs to be reduced. The life expectancy should be extended for major capital equipment (e.g. Grader and backhoe) and no new equipment should be purchased. However an equipment plan should be implemented.

Note: We feel the allocation is a town management decision.

We are working budget to budget, not actual results to proposed budget. To be effective the base budget needs to be fair, reflect good business practices, be conservative and still provide enough room to handle unforeseen events. Actual results on a timed accrual basis are for better than spending as a percent of total budget in assessing the validity of the proposed budget. Please read our attached individual recommendations and give them some serious consideration. If further reductions to the budget proposal are required, and we feel this is more than a remote possibility. We feel you should institute the following:

- 1. No more hiring of additional full time and part-time employees.*
- 2. Limit overtime as much as possible.*
- 3. Look at leasing equipment or postpone purchases and implementation of CIP.*
- 4. Investigate opportunities for leasing vs. purchasing equipment.*
- 5. The proposed part time administrative assistant position cannot be supported at this time.*
- 6. The Economic Development position should remain a part time position.*
- 7. The town should not be burdened with additional long term debt commitments (such as the proposed 5500,000 loan for the Town Office improvements).*
- 8. During upcoming union negotiations it should be considered that participants of the health benefit plans provide contributions to the plan. Given that we are looking at a major decline in revenue it may be worthwhile for you to consider these recommendations for increasing revenue and decreasing cost.*

Some possibilities are:

1. Increase activity to collect past due taxes.
2. Grant activity needs to be increased.
3. Update list of property owned by the Town and ensure it is being actively offered for sale.
4. Encourage early retirement and non-replacement.
5. All departments should look into contracting services vs. use of town resources.

Having a graphics presentation at town meeting may be beneficial.

We hope the group input has helped.

*Respectfully,
Jan Coolidge
On behalf of the Budget Committee”*

Larry Rogers, Budget Committee member, was present to speak as a taxpayer. Mr. Rogers stated the Budget Committee spent many hours last week reviewing the budget and making recommendations, however, he thinks that the town may not be going about this in the correct way. With the amount that has to be raised to level fund to last year's level, it would be over a 10% tax increase and he does not think that would be a viable increase. He stated there was never discussion of a layoff, but he suspects that would be the only way to level fund to last year's budget. Mr. Rogers asked the Select Board to consider this option.

Bill Orth, Budget Committee member, stated the Budget Committee needs to be given ample time to do a good time and there is a need for explanation and transparency in the numbers. The \$61,000.00 was found to be an almost open-ended 10-year letter of credit. He would not increase the salaries and would limit to contractually required and freeze the rest, or limit salary increases to the cost of living increase and no more. If something requires tax money or creates income, put it in the budget. Show all reserves, as there could be the perception of playing games with the public. Restrict the growth of the Recreation Department to what can be financed to allow the department the chance to build, but avoid a large shortfall. Appropriations that are gifts to charitable organizations are discretionary. The Brandon Library is in the budget for \$90,000.00 and Mr. Orth asked what share have they raised themselves. His approach on charitable giving is for the public to control what they want to give. Mr. Orth also noted he does not want to hear again from a member of the Select Board, "Orth if you don't like the taxes, why don't you move somewhere else." Mr. Orth noted that his opinions are not that of the entire Budget Committee. Mr. Orth stated the Chair of the Budget Committee did a wonderful job.

Mary Bagley stated with regard to the Brandon Library, they raised \$8,700.00 through their annual fundraiser and in the summer raise \$5,000.00 to \$6,000.00 per year, which goes to purchasing new books. There are orders for new rugs and windows in the reference room, and they also voted to purchase a laminator. The town provides the salaries for the employees and there were plans to renovate the outside of the building.

Kellie Martin asked if the Board considers this a realistic budget and whether they think it will pass. She stated if the Board thinks this is a good budget and is what they will be bringing to the voters, it is a waste of time for the public to speak. Devon Fuller stated the Board had asked Ms. Bennett to build a budget that would accommodate the needs of the town. This is not a budget that would pass, but it does include monies to maintain buildings and build a capital improvement plan. This is a blueprint on how to manage the town and provides a plan and a way to get there. He does not believe that this budget would pass and it is not the budget that he would go for. Maria Ammatuna stated there was a very large disconnect between the Budget Committee and the Select Board. This was to be a back and forth conversation. The Select Board put out an initial plan and they wanted to partner with the Budget Committee in reviewing the budget and providing input as to what they feel the town could bear. The Select Board would then determine what could be done. Ethan Swift stated the Select Board has talked about a capital improvement plan for some time, but has never put money in reserve. There has been much deferred maintenance and the past administration did the town no favors in putting together level funding. What is represented is a budget that would incorporate everything that should be addressed, plus include a capital improvement plan based on department needs. This is a starting point to prioritize to determine the absolute necessary needs and what needs to be cut. When he first saw the projected increase, he knew it would not pass, but there needs to be a starting point. Dave Atherton stated all of the Select Board members feel the same way and this budget is a wish list of what has been neglected. He wishes there had been a Budget Committee 12 years ago, as the changes could have been done in smaller increments. He stated the Budget Committee did a phenomenal job and there were some very good recommendations and decisions put forth. Blaine Cliver agreed with his colleagues and Budget Committee, noting this is too much of a burden to put on the taxpayers in one year, but there needed to be a starting point. Kellie Martin stated it is the end of January and she asked if all of this is going to be done tonight or would there be another meeting. Mr. Fuller advised there would be a decision made at the meeting.

Phyllis Reed thanked the Town Manager for the time she put into building the budget and she thanked the Select Board for choosing her to be on the Budget Committee. The Budget Committee was to review, revise and promote the town budget and solicit ideas from a wide range of townspeople. Ms. Reed stated the recommendations that Ms. Coolidge read were the majority of the recommendations. She is all for renovating the town office downtown. In this budget, the \$61,200.00 is for the first payment of a 10-year loan. The town offices have moved to the furniture store and the rent is being paid through an insurance claim that is good for a year. The problem she has is that they could go over the 12 months to renovate the town office. There was a \$175,000.00 surplus that was used to offset the increase in property taxes and she thought this figure needs to be put back in. She understands the capital improvement plan is to catch up on deferred maintenance, but she does not believe a new police cruiser should be in the plan. There are seven vehicles for a department of nine police officers. The Committee suggested Mr. Sanderson look at leasing versus purchasing a new grader. Ms. Reed is all for the Recreation Department and thinks that Bill Moore is doing a great job. It is her

understanding that he has salary, plus benefits of over \$70,000.00 and the fees collected from activities do not currently support the salary. She agrees with Doug Sawyer that Mr. Moore should present a three-year plan at town meeting.

Sue Gage asked for clarification of the \$175,000.00 surplus. Devon Fuller stated it is a fund balance and that money should be used for a reserve fund to pay for unexpected expense. In the past, the town took those funds and added them to the budget to buy down the taxes. By doing that, all of the reserve funds have been depleted and the fund is now at less than \$200,000.00. This is a poor practice and leaves the town at a minimum for emergency funding.

Judy Bunde stated this is a wonderful town and if people want to participate in what it has to offer, but it comes at a price. Last year the line for maintenance was \$3,000.00 and she cannot imagine voting for a budget, when things continue to be postponed. When providing the public information on the budget, she suggested explaining what the tax increase would mean based on specific price ranges of homes so that the voters can have an idea of how their taxes will be affected. There should also be some type of information put out to the public regarding prebates so that the people see actual dollars.

Doug Sawyer, Budget Committee member, appreciated the opportunity to participate on the Committee and encouraged the Board to continue with this process. He stated there was no data for the current fiscal year given and suggested the Board consider this year's actuals to next year to compare. He asked if the town does any benchmarking in reviewing other towns and how they do their budgeting. Mr. Sawyer encouraged the Select Board to continue the Budget Committee and he hopes they look at real numbers and not just budget numbers.

Linda Stewart, Budget Committee member, stated there are appropriations of about \$71,000.00 that organizations have applied for. In the discussions, there was a sense that perhaps these should not be supported. There was also discussion of encouraging the Select Board to note at town meeting that the appropriations will add to the taxes and she feels this is a mistake. She stated there are many appropriations that have done a great deal for people in the community. Ms. Stewart noted there might not be an Independence Day celebration if that appropriation is not approved. People need to look at each one individually and she encouraged the Select Board not make this item a negative thing.

Cindy Bell, Budget Committee member, stated there was a \$250,000.00 surplus and questioned why it did not show up in the budget. Devon Fuller stated it is reflected in the audit and it is not used in the budget for revenue purposes, but is more of an emergency fund, such as the funds that were used for Irene. Robin Bennett stated the projected fund balance is just over \$213,000.00 and \$175,000.00 is spoken for. Ms. Bell also noted the town voted the Recreation Department in for three years. It was discussed that only \$4,100.00 was brought in this year and there had been a statement in the Budget Committee that there was nothing for adults and this is untrue. She is very

disappointed that the Budget Committee meetings had such a low attendance, when there are many people present who are concerned about the budget. The Budget Committee went line by line, but they did not provide input line by line, rather they provided an overview.

Dave Atherton stated the Select Board has learned a lot in this process and could have possibly started a Budget Committee earlier, if they had not been tasked with the hiring of a new town manager and the issues with the town office. He noted the revenues for recreation were \$41,801.00 and the programming cost was \$37,145.00. There was an increase in revenues in the Recreation Department and the Recreation Director is making up for losses from the prior year.

Maria Ammatuna advised the Board has additional information for the budget discussion this evening, Ms. Bennett has provided year to date numbers. The Select Board also has salary particulars that the Budget Committee had received. The town has received a preliminary draft audit report, but this information is in a confidential stage, as it has not been signed off yet. The 2001 and current sidewalk inventories are available and the Board also has a copy of the historical capital plan.

Devon Fuller noted he has reviewed the recommendations from the Budget Committee and read the following:

“The Select Board asked Ms. Bennett to build a budget that would accomplish the need of the town and that is what she did. It turned out to be a budget with an increase that was so high that it is not possible to attain from the citizens of Brandon, much less has a chance to pass a vote. The budget included monies to maintain town owned buildings, equipment and infrastructure while also include a CIP that would help with this goal and the goal of putting money aside for the future. What Ms. Bennett has done for us is provided a blueprint on how to begin to run our town in a more fiscally responsible way. As much as we would like to see the years of poor planning reversed immediately we know that it took us time to get to this point and it will take us time to get out. Now we have a plan to do so.

On behalf of the Board, I would like to thank the Budget Committee for their dedication to this project. It has proven to be very useful and I hope it will in the future.

As for the recommendations; I agree with most of them so I only address here the ones I don't agree with:

- . Lease vs. purchase equipment – this can be looked into but I'm not sure that we get the best price when it comes to a lease because of state purchasing power*
- . The LPA program needs to be strongly considered so the town has as many options as possible when it comes to repairing 49 Center Street (it's possible to reduce this)*
- . Early retirement is always a possibility, but there is no room for attrition as the town is working with the minimum amount of staff now*
- . Grants need to be pursued, but it's even more important that we use the grants that we have. The Union Street grant is a 65%, if not more savings on this project. It is also very*

important that the Wheeler Road grant be funded by the voters. It does the town harm to pursue grants that it does not fulfill.

. Unsure that there would be a cost savings contracting services, i.e. lawn mowing, but the Board would be willing to look at it.”

The Select Board has not done anything with the LPA (Lease Payment Agreement) at this point, but it makes sense to include the \$61,000.00 as a budget line item. The Board is trying to leverage all funding possible for the renovation of the town office building. Until all information is received on what is required for the renovations, they need to have all options on the table. When talking about reducing 5 employees, it would be half the people that work for this town. There will be harder negotiations done with the union. Mr. Fuller agreed with most of the recommendations from the Budget Committee. It was noted that the Recreation Director has only been on the job for 6 months and has pulled the Department out of a deficit and is now making money.

Robin Bennett provided recommendations for adjustments to the proposed budget that included a \$51,050.00 decrease in Administration expenses, a reduction of \$15,765.00 under the Listers budget and an increase in revenues of \$25,000.00, which was an error in the Casella reimbursement. Maria Ammatuna noted that payroll and benefits represents 54% of the budget and trying to get to the Budget Committee's recommendation is impossible with just people working. Blaine Cliver questioned what the office equipment is under Administration. These are service contracts, such as for photocopiers and a suggestion was made to rename those types of items. There was a question of the \$25,000.00 contingency under Administration and it was noted this is for unknown items that come up. Ms. Ammatuna stated the Budget Committee had questioned the tax anticipation note and explained that this is not a slush fund; rather it is the interest portion of the note that had been borrowed in anticipation of the taxes paid. The changes proposed by Ms. Bennett would decrease the net amount to be raised by taxes to \$ 2,800,835. The expenditures being proposed represent a 7.7% increase over FY13/14.

Blaine Cliver questioned if the \$500,000.00 LPA is a credit line. Robin Bennett stated it would be in an account to be drawn down and she is in conversation on what the final agreement would look like and what an early payoff would be. This is an option that has been presented, but there has been no commitment. She will follow-up on what a potential final agreement might look like. Ms. Bennett took the estimate for the town office that covered most items needed to be done to the building and the \$500,000.00 proposal was the recommendation. Mr. Cliver suggested a line of credit to match grants and putting a new roof on might not be necessary right now. He suggested having a maintenance plan for that building to deal with the problems as they happen. Mr. Swift expressed concern if some of the major issues are not addressed. Mr. Fuller stated the final requirements for the building have not been received, but there needs to be a line item included in the budget for the repairs. Mr. Swift stated in first looking at the repairs for future use, there was a question of how other funding could be obtained and if the town were to receive significant grants, the full amount of the LPA would not be needed. It was uncertain whether to do a full scale renovation upfront and Mr. Swift suggested

this may be something to put to the voters as to whether they want the town office back at 49 Center Street. It is a town asset and the structure needs to be rehabilitated. Maria Ammatuna stated it is appraised for \$741,000.00 and if the \$161,000.00 is used for the repairs, it would probably not bring it back to the \$741,000.00 value. It should be determined what it would cost to bring the building to the assessed value. Ms. Ammatuna stated there has also been no money put in for the town garage and the immediate concerns are not known for those buildings. Mr. Cliver stated it is unrealistic to make a decision on the \$500,000.00 and suggested including \$30,000.00 for maintenance in the line item. Mr. Fuller stated the town is dealing with a huge shortfall and suggested postponing the capital improvement plan to the next year. Mr. Atherton suggested keeping the capital improvement plan, but reducing it by the items that can be postponed. Mr. Atherton noted there is a lot of town land that is not used for anything and he suggested having a property sale to generate funds. Mr. Swift stated there are also several abandoned properties. It was noted these are unknown revenues and could not be included in the budget. The Budget Committee had also had discussion of not replacing the backhoe. Mr. Cliver stated if the purchase of the police car and road grader were postponed, the increase would be down to 16% from 24% and the net budget would be \$2,694,122.00, with an increase of \$366,997.00.

Mr. Brickell stated there are about 113,000 miles on the 2006 cruiser. The overall life expectancy of the car and the recommendation of the service contractor is reviewed to determine whether it needs to be replaced. Eric Mallory stated the car has been well maintained and it may last another 2 years, but he cannot guarantee that. He stated postponing the purchase of a car this year will increase the number of cars needed next year. Mr. Brickell stated there has to be consideration given for not only the employee, but the people that are being transported in the vehicle. Mr. Mallory stated the brine attacks fuel lines and brake lines and the condition of the vehicle is unknown from one year to the next. Mr. Brickell stated these vehicles are driven harder than a usual car and are used as a specific function. Robin Bennett stated with regard to insurance, she does not think there would be a problem with insuring that vehicle, but stated with the number of vehicles in the fleet, there should be a minimum of one vehicle replaced per year. Mr. Mallory stated 6 months can make a huge difference in the condition of a vehicle. Devon Fuller noted there needs to be a place where the Police and DPW vehicles can be washed to help with the proper maintenance of all the town vehicles. Mr. Fuller stated \$30,000.00 is currently in the budget for the police cruiser and suggested funding it for \$15,000.00 and using the contingency plan for replacing the vehicle. Ms. Bennett asked if a state bid is good for only certain times of the year and Mr. Brickell advised the car could be purchased at any time. Ms. Bennett would rather cut everything else out of the capital improvement plan for the Police Department and leave in the police cruiser. It was noted in the audit from FY12, there was a comment in the economic factors and next year's budget that noted the town and union agreed to move to VLCT high deductible plan and split on an 80/20 basis. The switch was to take place as of the first of January.

Mr. Cliver stated the CIP line in the summary page is now at \$69,381.00 when taking out the items from the Police Department capital improvement and removal of the

grader from DPW. Ms. Ammatuna questioned if the tires should be replaced on the current grader and it was noted this would be necessary as there would have to be research done if this work were to be contracted out. Mr. Sanderson had reported the road crew has taken several courses on grading. There was a question whether it would be cost effective to contract out this service. Tracy Wyman stated it would be worthwhile to look at contracting it out. He stated there are a lot of roads that have not been graded in a timely manner. The owners on Wyman Road graded the road themselves last year and used the material that was already there. Mr. Wyman stated a 2004 backhoe with 4000 hours on it has several more years of life and it should not be at a point to start replacing major components. There are contractors around, such as Markowski, who would provide the town with information on vendors who would assist with repairs of those items. Mr. Wyman stated a 2004 piece of equipment with 8000 vs. 4000 hours, on a trade-in, would not be a significant difference. Mr. Fuller stated the capital improvement plan is a 10-year plan, but it may be several years before replacing some of the items. Mr. Wyman agreed a capital improvement plan is worthwhile, but he does not think that these pieces of equipment need to be replaced. Mr. Fuller suggested keeping the backhoe and the grader for at least another year and getting bids for contracting out the services. If contracting out the grading proves not to be cost effective, replacement of the grader could be considered in another year. Mr. Wyman stated the DPW was on McConnell Road for two week this year clearing out trees and he thought that perhaps it would have been more beneficial to go to a tree company to obtain a bid to do this type of a project. Mr. Pagano stated when a grader goes out for a project; it also ties up additional trucks and employees. It was decided to remove the grader and backhoe from the capital improvement.

Maria Ammatuna questioned the three-way split under code enforcement and asked if this is zoning and Ms. Bennett advised it is just code enforcement. It was noted there are 28 fewer projects to be worked on and she asked if this is a realistic line item. Tina Wiles noted she has not worked on Segment 6 since 2012. The work she did was completed and paid for in 2012 and should not show up as an actual in her salary this year. There has been a significant increase in flood work. Ms. Bennett feels comfortable that the town can work with the figure presented in the budget.

The board recessed for a 10 minute break.

Maria Ammatuna asked how much of the supporting expenses are in all of the budgets combined across the departments other than personnel salaries, benefits and insurance. Mr. Cliver noted these items are broken down by department. The legal fees are increased this year due to a full blown review of the union contract. Mr. Cliver suggested looking at differences such as the town hall, as it had historically been in the budget for \$10,000.00 and has been increased to \$15,000.00. Casella Disposal was \$51,730.00 and has been increased to \$80,000.00. Robin Bennett stated the current costs are on track for the budgeted amount. Maria Ammatuna suggested doing a MOU with the school district to purchase the copiers through the supervisory union, as they obtain a much better rate.

Kellie Martin stated the town is spending \$308,000.00 for health and dental for 20 fulltime employees, which equates to \$15,430.00 per employee. If the employees were to go with Vermont Health Care Connect under a Silver Plan, the average plan costs \$10,175.00, plus the cost for dental. With Vermont Health Care Connect, most employees would qualify for a subsidy, which is \$575.00 per month and would be paying \$9,600.00 per year. If the town were to allot each fulltime employee \$10,000.00 for health and dental benefits, they would get a much better plan than a high deductible plan. The employee would get to pick their own plan and it would be a better deal for them. Ms. Martin stated paying \$20,000.00 in benefits in the Recreation Department's budget is a large expense.

Mr. Cliver questioned what the \$25,000.00 contingency is for and Mr. Fuller explained it is for emergencies. Mr. Cliver suggested reducing this figure somewhat and reducing \$5,500.00 for marketing and development in the Economic Development department. Ms. Bennett stated funds are needed for this department. Ms. Ammatuna stated \$5,500.00 is not enough money to put together a media package and she asked if the town can afford a half-time person in Economic Development. It was thought the position is important to assist with growing the town. Ms. Bennett stated it is an important position, but will need to be redirected. It was suggested that revenues could potentially be added for the town property sales. It was also recommended to consider timber sales on town property. Mr. Brickell stated as far as building maintenance, there is a plan to use the funds that are in the budget. Ms. Wiles stated there are quite a few people that have inquired about buying some of the town properties. Mr. Swift has also talked with the Nature Conservancy with regard to their interest in purchasing property. There was a recommendation to include \$10,000.00 in revenue for sale of town property, however, this would require going through the public process. Blaine Cliver stated the actual for Casella is \$51,000.00 and the proposed budget is for \$80,000.00 and recommended reducing that line item. Ms. Wiles reported the grants the town has applied for will qualify through CDBG and will be 100% grants.

Wayne Rausenberger suggested going back three to five years when the budget was supposedly level funded. If the Select Board is at an impasse to get the increase under 10%, he suggested taking the three years that it was level funded and take last year's budget and determine the percentage the budget went up. Average the increases into the past years to determine what the budget increases should have actually been to determine what the actual increase should be in this budget. Mr. Rausenberger appreciates the work the Select Board has done. He noted the town is going to have a difficult time catching up, as it has been mismanaged for a long time. He suggested looking into a change in the health insurance, but this could not be changed this year. He is concerned that 49 Center Street will not be occupied by anyone in the future. Ethan Swift stated it will cost more than what is budgeted and the town will need to be aggressive with grants. Cindy Bell is concerned if the budget does not pass that the town will shut down. Dave Atherton stated the level funding went on too long and the town is now falling apart and it now needs to be fixed. Mr. Rausenberger stated the Select Board had asked the Budget Committee to come up with recommendations that would help sell the budget. Devon Fuller stated the Board had wanted the Budget

Committee to come up with a realistic budget and there is a plan for each line item down to the department level. Mr. Fuller stated there is a projected year-end deficit of \$85,000.00 on the draft audit report. Robin Bennett stated this could be included on the tax bill as a deficit payment and would identify the charge as a past year's cost.

Motion by Dave Atherton/Maria Ammatuna to approve the proposed FY15 budget in the amount of \$3,256,142.00, with \$2,651,467.00 to be raised by taxes. **The motion passed unanimously – 4 to zero.**

Richard Baker expressed concern with the \$175,000.00 grant for Union Street, as the state has encumbered this amount, but there is nothing in the budget for Union Street. He is concerned if the voters vote this down; the town should contact the DTA to advise them. Dave Atherton is concerned whether the town can afford the grants and stated that perhaps the town should not apply for them if it cannot afford them.

Motion by Maria Ammatuna/Ethan Swift to approve the addition of the June 30, 2012 tax audit deficit as a tax payment line item on the tax bill to eliminate the deficit. **The motion passed unanimously – 4 to zero.**

5. 2014 Annual Town Meeting Warning

Robin Bennett will incorporate tonight's discussion into the warning and all Select Board members will need to sign the warning. Ms. Bennett recommended warning a special meeting for Wednesday @ 5:30PM at the town hall to complete this task.

6. Town Office Project

Robin Bennett stated the town office has moved to the new location.

7. Waterline/Segment 6/Bridge 114 Projects

Robin Bennett stated the waterline bids have come in and the low bidder was J. A. McDonald with a bid of \$1,068,980.00. CLD has recommended the Select Board accept the bid.

Motion by Maria Ammatuna/Blaine Cliver to accept J. A. McDonald's bid of \$1,068,980.00 for the water line project and to authorize the Town Manager to execute documents associated with the project. **The motion passed unanimously – 4 to zero.**

Ms. Bennett will be meeting with VTrans to talk about merging the overflow project with the bridge project and if it is agreed, it would secure the funding. Mr. Fuller asked if the contract is still valid and Ms. Bennett stated they are still available and an updated contract can be obtained.

8. Town Manager's Report

A written report had been submitted to the Select Board. .

9. Other Business

Maria Ammatuna read the following letter the Select Board received from the Brandon Rescue Squad:

“January 28, 2014

Re: Municipal and Education Tax Exemption

Town of Brandon Select Board,

Brandon Rescue was unable to get out and gain enough signatures to be placed on the ballot this year for the Municipal and Education Tax Exemption. All but 1 of our members here are volunteers and many come from out of town to provide Brandon with 24/7 emergency coverage. These members are already required to pull a minimum of 24 hours of coverage (which many do a minimum of 12 – 24 hours per week) for the town per month, keep certified by going to enough training to keep up with 72 hours of education as well as other courses we are required to take in addition. We average approximately 750 calls per year which keep us very busy especially during the day time hours and still manage this with a mainly volunteer staff. We have been able to keep our town allocation request to a minimum, which covers 6 – 7% of our operating budget. Basically, the volunteers here put in over 25,000 hours of their personal time for the town of Brandon to be sure the town is covered 24/7 in case of medical emergencies. Finding time to have these volunteers, many of whom come from out of town; take more time away from their families when they already put in so much has been difficult.

Brandon Rescue is requesting the Select Board place Brandon Rescue on the ballot for 2014 for a 5-year exemption from Municipal and Education Taxes. Should we not be exempt, this will cost the squad over \$12,000.00 which is more than half of our town allocation and takes away from trainings, equipment, etc. which are vital for our members and town as we are not just a nonprofit organization in Brandon, but serve a municipal capacity for a very minimum cost to the tax payer.

Thank you for your continued support and if there are any questions, please let me know.

Sincerely,

*Andrew Jackson
Chief of Operations
Brandon Rescue Squad”*

Motion by Blaine Cliver/Ethan Swift to approve the addition of the Brandon Rescue Squad to the ballot for a Municipal Tax Exemption. **The motion passed with one “no” vote.**

Mr. Cliver does not think they should be taxed, as they are a service for the town.

10. Fiscal

a) General Fund Warrant – January 27, 2014 - \$19,802.56

Motion by Ethan Swift/Blaine Cliver to approve the General Fund warrant of January 27, 2014 for an amount not to exceed \$19,802.56. **The motion passed unanimously – 4 to zero.**

b) Wastewater Fund Warrant – January 27, 2014 - \$6,302.67

Motion by Ethan Swift/Dave Atherton to approve the Wastewater Fund warrant for an amount not to exceed \$6,302.67. **The motion passed unanimously – 4 to zero.**

11. Executive Session 1 V.S.A.313 (a) (1)

There was no executive session held.

12. Adjournment

Motion by Dave Atherton/Ethan Swift to adjourn the Select Board meeting at 11:43PM. **The motion passed unanimously - 4 to zero.**

Respectfully submitted,

Charlene Bryant
Recording Secretary