

Fairlee Budget Committee Meeting Minutes

The Budget Committee met on Friday, January 7, 2022, in the Grange Room at the Fairlee Town Hall. Chair Dan Ludwig called the meeting to order at 12:07pm.

Present were:

Dan Ludwig, Budget Committee Chair
Steve Bentley, Budget Committee Member
Elizabeth Wilson, Budget Committee Member (via ZOOM)
Georgette Wolf-Ludwig, Town Clerk
Lisa Hinsley, Treasurer
Cyrie Lange, Library Trustee
Jason Knowles, Resident
Simon Holdaway, Resident

Purpose of the meeting was to discuss the Budget Committee's recommendations to the Selectboard and to discuss the Budget Committee's Annual Report.

The Budget Committee reviewed the minutes from the Budget Committee Hearing on Monday, January 3, 2022. Lisa Hinsley apologized for not having the budget available on the website prior to the hearing but assured the Budget Committee that it was now posted. Elizabeth Wilson also apologized to Simon Holdaway for the difficulty he experienced zooming into the hearing. After the minutes were reviewed, corrections to the minutes under the Library and Water Department were made. Steve Bentley made the motion to approve the minutes as corrected. Elizabeth Wilson seconded the motion. All were in favor. The minutes were approved as corrected.

Dan Ludwig then asked for introductions of those present.

The Budget Committee then discussed their recommendations for the Selectboard. There were three budgets that were questioned at the Annual Budget Hearing, the Library, Police and Emergency Equipment Reserve Capital Budget.

Library

After some discussion, Elizabeth Wilson recommended that the 5.7% COLA should be given to the Librarian that the Town retirement policy be amended back to requiring an employee to be employed by the Town for 5 years before receiving the retirement benefit, and that the Town have in place an employment hiring policy manual.

Emergency Equipment Reserve Capital Budget

Dan Ludwig explained that the \$30,000 line item under the Wilderness Response Equipment was added for the Fire Department and FAST Squad to purchase a 4-wheeler and trailer to access the Town Forest which has been made more difficult by impassable water bars that our forestry truck can't get through. The Town is now relying on volunteers' vehicles. He added that this past year there was an emergency in the Town Forest and the Town had to rely on Thetford and Hanover Rescue.

Police

Elizabeth Wilson began the discussion stating there was a \$30,000 increase incorporated in the Police Budget for a dedicated Orange County Officer which last year had been voted on in a separate article. Dan Ludwig added that for over 50 years the Town was lucky to have an officer that purchased his own vehicle, gun and equipment, but times have changed, and our current Chief Jason Bachus needs support. Steve Bentley added that from the hearing he learned that the Selectboard didn't have the data to support the need for a dedicated officer last year, so they included a separate article on Town Meeting Warning but this year they have the data to support putting it directly in the Police Budget. Steve Bentley suggested this data be included in the Town report and to send a newsletter out to the voters explaining this increase.

Elizabeth Wilson expressed concern over the 10.4% increase in the total budget adding this was not sustainable. She added that the Treasurer had asked for guidance on where the budget could be reduced. Dan Ludwig remarked that the Town has always been very frugal in keeping the budget down and within its parameters but due to the 7% increase in the inflation rate the Town may have an increase. The Budget Committee all agreed that there are line item increases in the budget due to costs rising and not a lot of places to trim. Steve Bentley added that 9% of the total tax bill is for the Town and the rest is school tax. The Budget Committee discussed using the surplus cash on hand to reduce the budget to only a 5% increase. Elizabeth Wilson expressed concern that by using surplus to cut the budget would artificially decrease it. Steve Bentley agreed with using some of the surplus to make a reduction to the budget adding it would be a welcome break to the taxpayers. Dan Ludwig suggested using part of the surplus to at least reduce the budget to the rate of inflation. Steve Bentley suggested that if surplus is used the Selectboard should include what was done in the Town Report. Dan Ludwig explained that the Town is going through a reappraisal, and we have no idea what the result will be with the new appraisals and what the State might do due to Covid sales. Steve Bentley added that the State also has a 90 million dollar education surplus and is still trying to figure out what to do with it and may be reducing the school tax rates. Dan Ludwig finished the discussion explaining how Fairlee was obligated to do a reappraisal since our Common Level of Appraisal (CLA) was so far off. He added, if we hadn't done a reappraisal, the State could have stepped in and done one. This could have resulted in the Town seeing a big increase in property values since properties have been selling for more than two times what they are currently appraised for.

Dan Ludwig then opened the meeting for public comment.

Jason Knowles expressed his concern on the increase in the Police Budget for a halftime dedicated Orange County Sheriff. He went on to explain that he has lived in Fairlee for 10 years now and saw no real need for more police presence. The discussion continued with input from the Budget Committee and Treasurer that the amount in the Police Budget would provide for a dedicated Sheriff 20 hours a week. Currently the Town contracts with the Orange County Sheriff 10 hours per week and they patrol only when available. It averages out to 8-10 hours per week. To get a dedicated officer for 20 hours per week the Town has to go with the contract for \$30,000. Just adding additional hours to the current contract doesn't give the Town the benefit of a dedicated Officer. The Town has seen several break ins in the last year, and it would be additional support

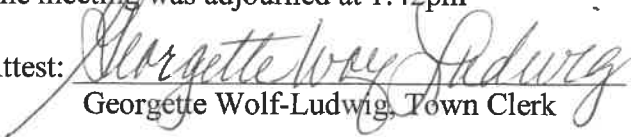
for our current Chief of Police who is only budgeted for 10 hours per week and is also the fulltime Police Chief in Orford, NH. It was confirmed that this \$30,000 increase would be approximately a penny and half increase to the tax rate. Simon Holdaway shared his email to the Selectboard and his Police Budget numbers. He suggested eliminating the Fairlee Police Department entirely and just going with the Orange County Sheriff's Department. Discussion continued with comparing other Towns to Fairlee and what they do for policing and the costs. Jason Knowles added that the center of Town is growing and with that may bring more challenges with additional people coming to Town and new things happening. Jason Knowles than left the meeting at 1:00pm.

Cyrie Lange then asked if the Budget Committee could repeat the three points in the Library Budget they had discussed. Elizabeth Wilson reiterated the three points first being the addition of the 5.7% COLA for the Librarian's salary, the Town having in place an employment hiring policy manual and the Town retirement policy be amended back to require an employee to be employed by the Town for 5 years before receiving the retirement benefit.

Simon Holdaway then shared his budget numbers with the Budget Committee. He questioned the numbers under the General Fund Administration Revenues line items for Property Taxes Delinquent and Current and the comparison between 2020 actuals and 2021 actuals. Lisa Hinsley explained the 2021 figures needed to be adjusted in her system and that this happened due to an error in the program. Simon Holdaway continued to question increases in the Administration Budget under employees. The Budget Committee supported the increase for the employees acknowledging the need for more time and an increase in wages. He also questioned the Water Department Budget with an increase of only 2%. Lisa Hinsley explained that the Water Department Budget is not funded by taxpayers and is for informational purposes only. After some discussion on the new water metering billing system which will happen in 2022, it was decided that a new heading would be placed on the top of the Water Department Budget that it was an informational budget to make it more clear to the voters. Lisa Hinsley went on to explain that the only portion the taxpayers help pay for is half of the USDA loan for the water tank which is \$6,792. This was determined as the taxpayers' share for fire protection otherwise the water users pay for the Water Department expenses. Lisa Hinsley thanked Simon Holdaway for his feedback on the budget and added that she was not done adding all the explanation notes in the various budgets. It was suggested that notes should go on every budget showing an increase of 5%. The Budget Committee also thanked Simon Holdaway and suggested he run for Budget Committee Member. Long time Budget Committee Member Steve Bentley confirmed he would not be running again in 2022. Elizabeth Wilson will be writing the Annual Report.

Steve Bentley made the motion to adjourn the meeting. The motion was seconded. All were in favor. The motion passed.

The meeting was adjourned at 1:42pm

Attest: 
Georgette Wolf-Ludwig, Town Clerk