

**TOWN OF SHAFTSBURY
ANNUAL TOWN MEETING MINUTES
Monday, March 3, 2014, Shaftsbury Elementary School**

Select Board Present: Carl Korman; Karen Mellinger, Chair; Tim Scoggins.

Moderator: Thomas Dailey.

Others Present: Alan Baker; Margy Becker, Town Administrator; Derek Carlson, Bennington Banner; Judy Stratton, Town Clerk; Alice Miller, Shaftsbury State Representative; Bill Fisk, Town Treasurer; Richard Bump, Recording Secretary; Ed Conley; Megan Donckers; Mike Foley; Mike Gardner; Ben Hulett, Elaine Hulett; Jeff Johnson; Larry Johnson, Lister; Fran Kinney; Lon McClintock; Cinda Morse; Bill Pennebaker; Tyler Resch; Morton Snow; Terri Stacy, Highway Department; Dixie Zens; and about 165 other Shaftsbury Residents and several non-residents.

CAT-TV: The meeting was filmed by Dan May.

After calling the meeting to order at 7:45pm, Dailey led everyone in the Pledge of Allegiance, and then asked for a moment of silence for all troops both overseas and at home. Dailey also reminded those present of the evolving problems in the Ukraine and the struggle for that country to retain some level of freedom, and compared that to “meetings like this, where we can all talk, discuss, and be protected. So we’re not as bad as we sometimes think we are. We really are in OK shape.” Dailey then introduced the members of the Selectboard, Town Clerk, Town Administrator, State Legislator, and Recording Secretary and then reminded attendees of several housekeeping issues

- non-residents are not allowed to vote
- given that the meeting is filmed and will be broadcast by CAT-TV, anyone wishing to speak should use one of the three microphones, state their name, and then address any and all questions or comments to the moderator
- the meeting will be conducted following Robert’s Rules of Order.

Special Recognitions: After noting that “we could use a hundred slides to thank everyone who has worked in and for the town this year”, Mellinger gave a warm thank-you to

- the 2013 Town Garage Committee, members of whom spent “hundreds of hours working for us since last March”, and included Harold Baldwin, John Endres, Senior, Michael Gardner, Ken Harrington, Ron Jennings, Rick Kobik, Barry Mayer, Karen Mellinger, Ron Schoof, Tim Scoggins and Terry Stacy
- Andy Newell, our “Hometown Olympian”, who participated in the winter Olympics in 2006, 2010 and 2014, and who, whenever in town, makes sure to talk with students in the school about setting strong goals and who is also an avid spokesperson on environmental issues
- the Shaftsbury Road Crew, for “their great job during this awful budget-busting winter” keeping roads and budgets in tact as much as possible, including Terry Stacy, Foreman; Steve Washburn, Assistant Foreman (and congratulations on completing Vermont Local Roads Scholar Level 1), Tim Greene, Tim Gulley, Ron Jennings, Dave Worthington, and Ray Ware
- Ben Hulett, who raised money to purchase Veterans’ Medallions and spent all summer placing those medallions on veteran’s headstones in Shaftsbury’s cemeteries,

- Joe Herrmann, who is stepping down after 35 years as Superintendent of the Water District, “one of the best districts in Vermont” but who won’t go far away as his new job is Assistant Superintendent of the Water District

and there was an enthusiastic round of applause for all as each was mentioned.

Special Recognitions (Continued): After Dailey noted that this also is the last meeting for Mellinger as Selectboard member who has done a “great job” as well as for Korman, who is also stepping down, Korman then noted that

- Shaftsbury is really blessed by having so many civic-minded residents, but no one “comes close” to Mellinger who has been active in Shaftsbury not only on “official levels but also on personal levels, as a friend and a neighbor, who has always been there when needed”
- it’s difficult to understand “where she finds all the hours in a day to do all that she has done over all these years that she has contributed to the Shaftsbury community”.

Korman then read aloud a Resolution in testimony to Mellinger’s contributions to the town, a copy of which is attached to and hereby incorporated into these Minutes. The reading of the Resolution was followed by a very hearty round of applause for Mellinger.

State Representative’s Report: After noting that she has been a friend to and admirer of Mellinger, Miller asked residents to complete and return the Doyle Poll (available in the back of the meeting room) to the Town Clerk. Miller also reminded residents to check-off the resident vs. non-resident box on the income tax return, and then noted that two State Resolutions are posted on the table in the entryway, one for Merritt Hewitt, and the other for Matthew McVay. Miller also noted that

- most of the problems that occurred as a result of tropical storm Irene as well as the recession have been fixed
- Vermont Health Connect, the new health exchange program, is up and running and more Vermonters are enrolling in health care programs, per capita, than any other state
- Vermont’s 4½% unemployment rate is one of the lowest in the country
- the rate of Vermont residents investing in and using renewable energy is also one of the highest in the country
- 92.4% of Vermonters now have access to high speed internet
- Vermont ranks 7th, per capita, in the number of patents issued
- Vermont continues to have one of then highest graduation rates with one of the most unique education financing models in the country
- if Vermont were its own country, its students would rank 7th in the world in academic performance
- Vermont’s rates of participation in public pre-K programs as well as student access to college courses while enrolled in high school are also some of the highest in the nation
- decreasing federal aid as well as increasing energy costs and continued international economic instability are all creating new challenges that need to be resolved.

Miller concluded her report noting that “It’s great to see you all.....You know how to reach me.”

Selectboard Report: Using a power-point format, Mellinger then presented the FY13 Selectboard Report, and summarized as follows (a complete copy of the report is included in the Annual Report, pages 43-47):

- after three years of relatively stable tax rates, the recommended budget will increase the rate for FY15 (next year) by 9.1% bringing that rate from \$0.3280/\$100 to \$0.3575/\$100 (estimated)
- FY13 ended with a \$66,735 surplus of revenues over expenses, with all departments coming in below budgeted expenses

- the Fund Balance at the end of FY13 is \$390,318 and both the Treasurer and the Selectboard recommend using \$120,000 of that balance to reduce taxes for the FY15 budget
- \$228,186 in delinquent taxes was collected by the Tax Collector
- health deductible expenses as well as the installation of a new computer network in town offices were less than budgeted
- energy efficiency improvements made in 2009-2010 continue to minimize increases in fuel consumption
- work completed by the Highway Department included replacement of the deck on bridge 35 Lower East Road, a complete transformation of Cider Mill Road, as well as work on Shaftsbury Hollow Road and West Mountain Road
- both the 2002 one-ton truck and the 1988 cat excavator were replaced
- changes in the Fire Department included sale of Truck #66, acquisition of a multi-use rescue/pumper truck, a retrofit of the old rescue truck into a firefighting brush truck, and replacement of lights in Station #2 with energy efficient lighting funded by a grant from Efficiency Vermont.

Mellinger described other projects worked on including

- renewal for five years of the Village Center designation
- extension of contract with the Sherriff's Department for continued 20 hours/week coverage
- further definition of town garage and salt shed needs
- a reduction in the speed limit throughout downtown, a result of collaborative work between the town and the school district.

FY15 Goals and Budget Overview: Mellinger then briefly reviewed goals for FY15 and the budget that supports those goals, noting that a budget is both a best estimate of revenues and expenses, based on prior year actual revenue and expenses, as well as a "policy document" which "honors existing commitments" (such as debts, contracts, salaries, benefits, etc) and is also a budget based on actual costs from the previous year. Those goals and that budget are summarized as follows

- continued planning for new town garage facilities and Cole Hall renovations (with a \$75,000 set-aside article for the Garage Reserve Fund)
- completion of the sidewalk project on route 7a and Church Street (using federal and state funds)
- 24/7 electronic access to tax maps and grand list data on the website
- continued enhancement of the town website
- continued discussion of law enforcement needs
- locate funding sources for installation of the generator at the school, designated as an emergency shelter
- repave a portion of White Creek Road using matching funds
- improvements to State Park Road, and continued improvements to Murphy Hill Road and Shaftsbury Hollow Road (possibly with partial state funding)
- replacement of the 2006 International Plow truck
- set-aside of another \$40,000 to the Fire Truck Reserve Fund.

Mellinger further noted that

- all FY15 community appropriations reflect 100% of what was requested
- the FY15 budget of \$2,001,165 will be funded through \$1,420,231 raised in taxes and the rest from other funding sources (and based on the FY14 Grand List)
- the amount raised by taxes will increase the estimated tax rate to \$0.3575, once adjusted to absorb the education tax of eligible veterans as well as on Grange Hall
- the actual tax rate will be set in August 2014

- the \$0.03 increase is mostly the result of the \$70,000 Garage Article and the \$40,000 reserve for the Fire Truck
- median house value in Shaftsbury based on 2010 census estimate is \$208,400, and the \$0.3575 tax rate will result in a town tax of \$745.

In subsequent discussion, residents and board members variously noted that

- language regarding the use of the Fund Balance on page 70 of the Annual Report is unclear (\$120,000 of the FY13 \$390,000 Fund Balance was used to reduce the amount of FY15 taxes to be collected)
- the delinquent tax amount listed on page 37 should probably read 2,654.38 rather than 2654385 as printed; nevertheless the total listed for FY12 is correct
- the #DIV/0! listed on page 60 in the % Change column of the line item budget (#253) is because there was no dollar amount entered in the FY14 approved budget
- major road work is funded through articles and the capital projects reserve fund, not through the line-item budget.

FY12 Town Warning: Dailey thanked Mellinger for her presentation on behalf of the Selectboard and briefly reviewed house rules again.

Article 1: A motion was made and seconded to waive the reading of and to accept the reports of the Town Officers as published, and the motion carried by voice vote and with no discussion other than listed above.

Article 2, A-F: A motion was made and seconded to pay an annual stipend in FY15 to be the same as the current year, and as follows

- Selectboard members of \$500
- The Town Treasurer of \$16,000
- The Town Clerk of \$8,000
- and to pay an hourly wage of \$10 per hour to each of the Board of Auditors, the 1st and 2nd Constables, and the Listers

and the motion carried by voice vote and with no discussion.

Article 3: A motion was made and seconded to authorize the collection of taxes on real and personal property by the Town Treasurer, due on or before Monday, November 10, 2014 at 5:00pm, and after residents and board members variously noted that

- the Selectboard has discussed the pros and cons of having taxes collected in installments (bi-annually, quarterly, etc)
- this would need coordination with the collection of school district taxes
- collecting taxes in installments would disallow collecting interest and would delay the date by which taxes would be considered delinquent
- the tax collection date should coincide with the town meeting date: that way there would be a lot more people attending town meeting

the motion carried by voice vote.

Article 4: A motion was made and seconded to authorize the Selectboard to borrow money from time to time, as needed, in anticipation of taxes, and the motion carried by voice vote, and with no discussion.

Article 5: A motion was made and seconded to appropriate the sum of \$2,001,165 to defray the Town's general and highway expenses for Fiscal Year 2014, the amount of such sum to be raised by property taxes and to be reduced by non-tax revenues and reserve funds and as detailed in the *Town of Shaftsbury Annual Report for the Year ending June 30, 2013* (pages 52-68), and after an extended discussion during which residents variously noted that

- the Selectboard is sensitive to interest expenses accrued as a result of financing large purchases or capital projects and is in favor of building up reserve funds in advance of those purchases (such as the fire truck, sidewalk, Cole Hall reserve funds etc), although over the last several years with interest rates as low as they have been, lease finance arrangements have been attractive options
- the community appropriations are included in the budget (see lines 392-424) and if any of these are defeated as separate funding initiatives, the budget will be reduced by the amount appropriated (the Selectboard, however, does have the authority to set the tax rate based on the amount of the total budget voted, despite specific defeats for community appropriations or reserve funds)
- it would be interesting to know the number of Shaftsbury residents who benefit in any way from each of the community appropriations
- this is a required piece of application information, although this may not be listed in the annual reports from each of the recipient organizations
- the Selectboard has authority to ask for more detailed information, although the final vote is left to the taxpayers
- the annual report has improved significantly in the last few years, and especially with all the financial reports included
- the amounts earned by the Delinquent Tax Collector (as a percentage of taxes collected) as well as the Town Clerk (as fees for various services provided) are not included in the annual report but could be estimated based on Medicare and Fica amounts in the line item budget for each of those positions
- in order to achieve greater transparency, those funds could be listed as revenues in and expenses out
- these are elected positions not under the control of the Selectboard, compensation for which is in some instances governed by state statute
- the auditors also look at these figures and there are appropriate checks and balances in place.

A motion was made and seconded to call the question, and the motion carried, by voice vote, and the motion already on the floor then carried, also by voice vote.

Article 6: In response to Dailey's request to transact any other non-binding business as legally may come before said meeting and at this time, Mellinger reviewed the remaining three Australian ballot articles, and as listed on page 15 of the annual report

Item 1a: Industrial composting (Zoning Bylaw, new Section 7.13)

- this change better aligns town bylaws with new state regulations in terms of lot size, traffic, operations, etc
- this does not impact backyard composting (if less than 100 cubic yards) or agricultural operations.

Item 1b: Flood Areas (Zoning Bylaw, revisions to Section 7.15)

- these are FEMA mandated minor changes to floodway maps and bylaw language
- these changes are necessary for national flood insurance and FEMA aid after a catastrophe (such as tropical storm Irene)

Item 2: *Shall the voters of Shaftsbury authorize future zoning bylaws and amendments thereto to be adopted by majority of the Selectboard, in keeping with routine adoption practices outlined in 24VSA, Section 4442 (c)(1)*

- current practice is to change bylaws by town vote only
- “rural” towns with less than 2500 residents typically adopt bylaws by town-wide vote; “urban” towns with more than 5,000 residents typically adopt zoning bylaws by Selectboard majority
- Shaftsbury has 3,600 residents, and can go either way, and has
- the town voted in 1987 to require a town vote on changes to bylaws, but this procedure got sidetracked during a period of multiple personnel changes in town government and there was a reversion to having the Selectboard make changes to bylaws
- items 1a and 1b above are the only changes made to bylaws by the Selectboard during this time, and that’s why they are now coming before the entire town for a vote
- the Selectboard is recommending allowing the Selectboard to adopt zoning bylaws because zoning issues can be technical, complex and consequential
- the Selectboard can act on bylaws only after public Planning Commission hearings and Selectboard hearings
- voters can petition for a town-wide vote to take specific action on a bylaw.

In subsequent discussion, many residents spoke in favor of having the bylaw changes adopted by a town-wide vote, noting that

- by-law changes could be voted on as part of the annual town meeting or during the November elections, and therefore there would be no need to call for an additional voting event
- politicians sometime fix things that aren’t broken
- the power to make bylaw changes should reside with the entire community, and not just a small group of people, especially in regards to large scale commercial development
- voters need to retain ability to control directly bylaw changes.

Whereas others spoke in favor of having the Selectboard responsible for bylaw changes in that

- all boards and committees already need more residents on their rosters and in attendance at meetings
- if we’re having trouble educating the voters now, how will we do better with this in the future
- the public is invited to attend any and all meetings, and has the right to make opinions known during those meetings and hearings
- if bylaws need major and complicated revisions, it’s a disservice to the community to have to put everyone through all that
- the Planning Commission crafts bylaw language, and the Selectboard would either approve or reject the bylaw change; the Selectboard itself cannot change any language in the bylaw submitted to it by the Planning Commission
- the Planning Commission is independent of the Selectboard and both entities are forced to have public hearings on bylaw changes
- people should not fear or be distrustful of town boards, should make their concerns known, and vote for candidates for various positions in light of those concerns

- it's easier to talk with a small board to try to make changes to a bylaw than it is to try and have a persuasive discussion with the entire community
- bylaws can be enormously complicated and have significant consequences if not passed, and voting down a bylaw change by an uneducated, fearful or mistrusting public (such as the flood map change on the composting change) could have negative impact on individuals as well as the entire town
- the town boards have been responsive to complaints about bylaws, and changes have been made as a result
- if residents want to vote on bylaw changes, they have to take responsibility for finding out what those changes mean
- zoning bylaws, in general, are more complicated than they need to be, and should be written more simply and clearly and in such a way that one neighbor does not adversely impact another neighbor.

Item 3: Shall the voters of the Town of Shaftsbury change the terms of its First and Second Constable from one-year terms to two-year terms in accordance with 17VSA, Section 2646 (7)?

- the goal of this change is to enhance the continuity in the Constable's Office.

At 9:55pm, and after Daily reminded voters that the polls will be open at the Buck Hill Road Fire House 7am-7pm Tuesday March 4, 2014, a motion was made and seconded to adjourn the 2014 Town of Shaftsbury Annual Floor Meeting, and, by a strong voice vote, the motion carried unanimously.

Respectfully Submitted,
Richard G. Bump

Town of Shaftsbury

Resolution

Whereas, Karen Mellinger has served on the Town of Shaftsbury Select Board from 2005 - 2014, serving as Chair for the last year and Vice Chair for many years prior, and

Whereas, throughout her tenure, Karen Mellinger has worked selflessly to enhance the quality of life, safety and overall well-being of all Town of Shaftsbury residents, without consideration to her own time, energy or expense, and

Whereas, Karen Mellinger's leadership has enabled the Town of Shaftsbury to accomplish critically needed public works projects significantly due to her efforts to procure necessary State and Federal funding, and

Whereas, Karen Mellinger's dedication to the Town of Shaftsbury extended far beyond her tenure on the Select Board to include countless hours devoted to community organizations, boards and committees including, but not limited to, the Shaftsbury School Board, the Town Recreation Committee, Facilities and Town Garage Committees, Shaftsbury 250th Committee, Green-up Day, Shaftsbury Water Board, Sidewalk Committee, the Solid Waste Committee, Veterans, and

Whereas, Karen Mellinger has gained a well-deserved reputation within the Town of Shaftsbury for her innate leadership skills, financial acuity, political savvy, compassion, humility, warmth and seemingly boundless energy,

NOW, THEREFORE, BE IT RESOLVED, that today, March 3, 2014, the citizens of Shaftsbury, by and through the Shaftsbury Select Board, honors Karen Mellinger for her civic contributions to the Town of Shaftsbury and recognize her as a Vermonter worthy of emulation, praise and many, many, long-overdue "thank yous!"