

## Selectboard Meeting Minutes

July 27, 2015

Approved

Present: Selectboard members Scott Bassage, John Brabant, Rose Pelchuck, Toby Talbot, Denise Wheeler; John McCullough, Jan Ohlsson, Listers; Will Walter (Hardwick Gazette); Donna Fitch, Clerk.

### Minutes

Toby Talbot made a motion to approve the minutes of July 13, 2015. Scott Bassage seconded the motion. There were several minor corrections. Motion to approve minutes with changes passed 5-0.

Approval of the minutes of the joint Calais and East Montpelier Selectboards and EMFD Board of Directors was moved by Toby. Scott seconded, and the motion passed 5-0.

### Town Hall Study

Scott reported that the Historic Preservation Commission has chosen Lisa Ryan, Arc and Arrow Consulting, as the contractor for public outreach for the use and funding of the Town Hall. A task force of five people from the community will be chosen. Scott suggested the Selectboard, the Planning Commission and the Town Clerk each choose one person.

### FY2015 Budget Review

Currently, there is a deficit of 180,882. Once the books are reconciled and then reviewed by Fothergill, Segal and Valley, the final deficit number will be determined. Per statute, money will be raised in FY17 and FY18 to retire the deficit. The Board reviewed the overages in the budget including legal fees, guardrails, lister pay, assistant clerk salary. Listers Jan Ohlsson and John McCullough agreed with the selectboard that the lister budget was over due to lister training costs and work on the reappraisal. They reported the listers would like to meet with the selectboard to share their recommendations about how to keep up with sales and lister tasks. John said an appraisal service would cost about as much as listers if the town is going to undertake a rolling reappraisal process. Toby reminded people about the money that comes from the state to be used for reappraisals. Donna reminded everyone about tax map updates which should be ongoing with updates annually. The clerk and listers are stretched for time to do this adequately. Legal fees as a result of the Hutch crane rollover were unexpected and, therefore, not budgeted.

Denise pointed out that Kellogg Hubbard Library and the other nonprofit appropriations make up .02% of the amount of taxes needed to be raised.

Denise suggested the Board come up with ideas for reducing the budget next year, for example: Increase employee contribution to health premiums; 10-year funding plans for trucks rather than seven (John and Toby spoke against this. John said it's a balance – the cost of a truck purchase compared to the cost of repairs after seven years of use).

Scott requested that the idea of a budget committee be put on a future agenda. Some budget Issues are complicated, and it would be good to take advantage of expertise in the community.

Donna suggested that the Board invite Jeff Fothergill to review the balance sheet and explain how to read it. Jeff will be invited to a future meeting.

### 2015 Tax Rate

The listers began the tax rate discussion with a review of the results of the reappraisal. John McCullough explained the following: Based on its December 2014 analysis of property sales data, the Vermont Tax Department Property Valuation and Review Division (PVR) determined that the Common Level of Appraisal (CLA) for Calais would be set at 86.3% for the 2015 tax year. (Simple definition of CLA = Listed Value of all property ÷ the Fair Market value of all property.) For Education Tax purposes, this CLA was divided into the 2014 Grand List (\$183 million), resulting in an **Equalized Education Grand List** (EGL) of about \$212 million. Because the town just completed a reassessment of all property values, the state recalculated the town's CLA. They do this by dividing the 2014 EGL into the new (post-reassessment) Grand List (\$197 million). The result is a recalculated CLA of 92.43%.

The recent reassessment aligned all property in Calais closer to what sales data shows the fair market value of these properties to be. In December 2015, when the state does its formal analysis of sales data, the 2015 listed values will be compared to the sales prices. A preliminary informal analysis of sales data shows that our CLA for 2016 should be around 99%. It will stay at this rate until market forces cause buyers to pay more for property than its listed value, at which time the CLA will begin to drop again.

The effect of a very good CLA (one within a few percentage points of 100%), is that the CLA will not modify the tax rate for the next tax year.

Denise asked how many sales in a year. There were 22 in 2014.

The selectboard praised the listers for their expertise and all they have learned!

Donna Fitch presented her calculation of the town tax rate .5959 and the local agreements rate .0052 (properties voted not to be taxed and veterans' exemptions). The homestead education tax rate is 1.7580. The non-residential education tax rate is 1.6607. The Board discussed the impact of the tax rate on taxpayers and the possibility of lowering the town rate by reducing the budget. Jan said the median income in Calais is \$60,000. Donna pointed out that the Selectboard had set the budget they needed to cover fiscal year 2016 expenses and the voters had accepted it. Scott said he did not want to see big jumps in taxes in one year.

Toby made a motion to set the tax rate at .5811 plus the local agreement amount of .0052, for a total town tax rate of .5863, reducing the amount to be raised by \$18,716. Scott seconded the motion. Motion passed 5-0. The Selectboard will make reductions in the budget to cover the \$18,716.

### Late Homestead Filing Penalty

Taxes of late homestead filers are subject to penalties which may be imposed by the Selectboard. Three years ago, the legislature passed a law that stated the HS-122 Homestead Declaration form must be filed annually and gave towns the option of imposing a penalty on late filers to compensate for the extra work involved when the form is not filed on time. Prior to this legislation, the form was sometimes required every two years and sometimes annually causing confusion among tax filers. Due to this confusion, the Calais Selectboard decided not to impose a penalty until the law had been in effect for a couple years and people became aware of the annual filing requirement.

Toby made a motion to impose the 8% penalty schedule in accordance with 32 V.S.A. § 5410 and 32 V.S.A § 6066a(d). Scott seconded the motion. Motion passed, 5-0. The penalty will appear on tax bills.

Paint Bids for Town Office

Toby made a motion to accept the bid of Robert D. Harris of Wolcott to paint the town office for the amount of \$6,750 which includes material and labor. John seconded the motion. Motion passed 5-0.

VTel Wireless

A prehearing conference will be held on August 6 at 1:30 at the Public Service Board Hearing Room, Peoples United Bank Building, 112 State street, Montpelier, for a petition for a certificate of public good by VTel Wireless, Inc. for installation of telecommunications equipment at 1056 Bayne Comolli Road.

A motion was made and seconded to adjourn. Motion passed 5-0. The meeting adjourned at 8:59 pm.

Respectfully submitted,

Donna Fitch, Clerk