

1 **Town of Richmond**
2 **Special Selectboard Meeting**
3 **Minutes of November 12, 2024**
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5 **Members Present:** Bard Hill, David Sander, Jay Furr, Lisa Miller
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7 **Absent:** Adam Wood
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9 **Staff Present:** Town Manager Josh Arneson; Assistant to the Town Manager Duncan
10 Wardwell; Town Clerk Linda Parent; Finance Director Connie Bona, Fire Department
11 Chief Dennis Gile, Highway Department Chief Pete Gosselin, Library Director Kathy
12 Templin.
13

14 **Others Present:** MMCTV Tom Astle, MMCTV Angelike Contis, June Heston, Jim
15 Feinson, Chris Granda, Executive Director OCCC Susanne Parent
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18 **MMCTV Video:** Recorded by MMCTV by Tom Astle
19 https://youtu.be/e_rQUtvo7dg?si=MRp4Rz78obVBJADx
20

21 **Call to Order:** 7:01 pm
22

23 **Welcome by:** Sander
24

25 **Public Comment:** None
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27 **Additions or Deletions to Agenda:**
28

29 Sander suggested adding as an item for discussion: reviewing the Special Town Meeting
30 held last Saturday. Which Furr and Miller concurred with.
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32 **Items for Presentation or Discussion with those present**
33

34 **Review of Fourth Quarter FY24 financials**

35 Timestamp: 0:01
36

37 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3a01_FY24_QTR_4_Budget_Status_General.pdf
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40 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3a02_FY24_QTR_4_Budget_Status_Highway.pdf
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43 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3a03_FY24_QTR_4_General_Fund_Financials_06-30-24_-_pdf.pdf
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46 https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.richmondvt.gov%2Ffileadmin%2Ffiles%2FSelectboard%2FMeetings%2F2024%2F11%2F3a04_FY24_QTR_4_General_Fund_Financials_06-30-24_-_excel.xlsx&wdOrigin=BROWSELINK
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50 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3a05_FY24_QTR_4_Backup_1_Delinquent_Tax_Report.pdf

53 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3a06_FY24_QTR_4_Backup_2_Education_Taxes.pdf

56 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3a07_FY24_QTR_4_Backup_3_General_Ledger_Tax_Revenue.pdf

59 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3a08_FY24_QTR_4_Backup_4_Cash_Receipts_Report.pdf

62 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3a09_FY24_QTR_4_Backup_5_Tax_Year_Status_Report.pdf

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66 People who participated in discussion: Sander, Arneson, Bona, Hill, Furr, Heston

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68 Arneson explained how it takes time to close out the fiscal year. Bona has been going
69 over the financials and adjusting entries. Certain expenses, and some of the FEMA
70 reimbursements for the 2023 flood are included in the budget status report. Everything is
71 available online. Bona added that there was nothing unexpected in the budget from last
72 year, other than the 2024 flood in July. Hill wanted to highlight the biggest over/unders.
73 Police was the biggest overage. Highway came in under but that was because of the 2024
74 flood.

75 Arneson continued that the highest revenue source was the CDs the Town invests in
76 which netted \$203,000, much higher than the estimated \$14,000 that was in the budget.
77 Tax revenue came in exactly as projected at 100.24%. There are also fewer delinquencies
78 in Tax interest. Furr discovered that the heading for Planning and Zoning should read
79 Police. Bona stated this was one of the reasons she wants to revamp the chart of accounts.
80 Police revenue was higher because two cruisers were sold. Salaries went over a tiny bit,
81 as did Election expenses. Benefits also went up a bit for Town employees. There was a
82 cost increase in Office supplies. The total budget was over by about 5%.

83 Hill added that he was amazed that a smoke alarm system had never been installed in the
84 building. Vacancy savings in Police represents the largest savings. Furr asked if we have
85 a depreciation schedule for the computers and when they are scheduled to be replaced.

86 Arneson stated that a replacement plan for computers across Town is in effect and an
87 inventory of those computers does exist. The Fire department had more calls than usual,
88 but they stayed on budget. Heston commented that restroom and concession stand repairs
89 post-flooding was nearly four times what was budgeted. Buildings and Grounds came in
90 146.42% over budget. Hill asked how much do we really use the concession stand?
91 Arneson replied that it is used only occasionally. Hill wondered if we could only offer
92 restrooms and no longer keep the concession stand. Expenses that are reimbursable by
93 FEMA are not listed on this account overview.

94 Bona expounded that under capital vehicle debt, you'll notice there's a budget of zero and
95 an actual \$93,000, that is because at the end of the fiscal year, the auditors require that we
96 move money out of fund 42 and over there, but that's only an end of the year adjustment.

97 Heston asked, "it's not there during the year, but at the end of the year it is?" To which
98 Bona responded it shouldn't be under capital vehicle debt, again, that goes back to a very
99 poorly planned chart of accounts, which she simply inherited and has tried to make work.

100 Heston asked that the Selectboard look closely at Our Community Cares Camp which is
101 at risk of closing because of funding. Hill responded that the form that is sent out is
102 intended for people to give us information about their respective budgets, and some of
103 them are much better than others at filling it out and expanding on the number of people
104 served throughout the year. The nuances of these agencies are different. Furr concurred
105 that we should focus more on the services that are integral to Richmond citizens, and not
106 just the ones we just think are nice. OCCC asked for \$6,000 this year and they got \$3,000
107 last year. Parent confirmed that the next OCCC meeting is next Monday, Nov 18.

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110 **Review of First Quarter FY25 financials**

111 Timestamp: 0:36

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113 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3b01_FY24_QTR_1_Budget_Status_General.pdf

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116 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3b02_FY24_QTR_1_Budget_Status_Highway.pdf

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119 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3b03_FY25_QTR_1_General_Fund_Financials_09-30-24_pdf.pdf

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122 https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.richmondvt.gov%2Ffileadmin%2Ffiles%2FSelectboard%2FMeetings%2F2024%2F11%2F3b04_FY25_QTR_1_General_Fund_Financials_09-30-24_excel.xlsx&wdOrigin=BROWSELINK

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124 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3b05_FY25_QTR_1_Backup_1_Delinquent_Tax_Report.pdf

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127 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3b06_FY25_QTR_1_Backup_2_Education_Taxes.pdf

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130 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3b07_FY25_QTR_1_Backup_3_General_Ledger_Tax_Revenue.pdf

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133 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3b08_FY25_QTR_1_Backup_4_Cash_Receipts_Report.pdf

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136 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3b09_FY25_QTR_1_Backup_5_Tax_Year_Status_Report.pdf

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139 https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3b10_ARPA_Committments_as_of_11-7-24.pdf

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People who participated in discussion: Sander, Arneson, Bona, Gile, Miller

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Arneson elaborated there are some one-time bills that don't get paid until later in the year. Bona said that the current report was only through Sept 30, 2024. Furr pointed out that re-fixing the Library elevator would be under Town Center Funds and not reflected here. The Fire Dept is up in salaries because of the increase in calls. Chief Gile said they

150 are at 210 calls at this time, which is higher than last year by a lot. Gerry explained that
151 the brush truck had to be repaired because of a call on Wes White Hill and when the truck
152 was coming back down the road was washed out. Arneson explained that the Fireworks
153 must be paid a year ahead of time. Miller wondered if she subsidized a drone show, was
154 that of interest, because a drone show costs double what fireworks cost.

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157 **Review of Draft Audit statement on Unassigned and Restricted funds, and FY25**
158 **projected cash flow**

159 Timestamp: 0:52

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161 [https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.richmondvt.
162 gov%2Ffileadmin%2Ffiles%2FSelectboard%2FMeetings%2F2024%2F11%2F3c1_Rich
163 mond - Audit Spreadsheet.xlsx&wdOrigin=BROWSELINK](https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.richmondvt.gov%2Ffileadmin%2Ffiles%2FSelectboard%2FMeetings%2F2024%2F11%2F3c1_Richmond_-_Audit_Spreadsheet.xlsx&wdOrigin=BROWSELINK)

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165 [https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.richmondvt.
166 gov%2Ffileadmin%2Ffiles%2FSelectboard%2FMeetings%2F2024%2F11%2F3c2_Cash
167 Flow_11-12-24.xlsx&wdOrigin=BROWSELINK](https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.richmondvt.gov%2Ffileadmin%2Ffiles%2FSelectboard%2FMeetings%2F2024%2F11%2F3c2_Cash_Flow_11-12-24.xlsx&wdOrigin=BROWSELINK)

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169 People who participated in discussion: Sander, Arneson, Furr, Hill, Heston

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171 Arneson suggested he start with Unassigned and Restricted funds that have been put into
172 the budget every year since 2019, the trend being an increase in those funds. In 2024 and
173 2025 approximately \$500,000 has been used to off-set the tax rate. Furr pointed out that
174 in 2023 the amount was very high at \$919,930 which was mostly due to an understaffed
175 police department. And we had not had a lot of flooding yet, Arneson added. He
176 continued that \$293,000 should be coming in from FEMA, at a rate of 75%
177 reimbursement. An additional \$126,000 will be reimbursed because FEMA last week
178 decided to raise the reimbursement rate to 90%, for the 2023 flood. All told we have
179 \$565,000 coming to us from FEMA for the 2023 flood. Arneson elaborated that the 2024
180 flood cost \$1.89 million and if we subtract the FY24 numbers of \$340,123, we have a
181 loss of negative \$1.36 million in Highway funds from the 2024 flood expenses. It's
182 possible we will get some money back FY25 for the flood, but he does not want to
183 project due to the slow reimbursement procedures of FEMA. Furr pointed out, because of
184 this deficit we do not have any funds to put toward the budget to reduce the tax rate. Hill
185 described how money that paid for Town staff time in previous years is now finally
186 getting reimbursed: "This now becomes sort of gift money, paying you for something you
187 already paid for five years ago." Arneson concurred and continued that Unassigned funds
188 are at a deficit of \$461,783 if everything else comes in on target for the remainder of the
189 year. Hill added that this is a choice we made to use these funds to repair roads and clean
190 up after the flood, which is reimbursed by the State, it's not an unavoidable problem.
191 Heston does not understand why you're taking a loan from one fund and paying it into a
192 different fund. Then when it is reimbursed it should go back to Unassigned funds where it
193 came out of. To which Bona replied, "What we're doing right now is we used the cash

194 from four specific reserves to pay all those expenses (from the July 2024 flood). And this
195 is what we've been legally told we can do, when we get that money back, from FEMA,
196 we must put the money back into those same reserves.” FEMA reimbursement cannot be
197 counted on into the future because we haven’t gotten that money yet. Arneson said
198 another place we can borrow from is Highway reserves, we could borrow \$700,743. Bona
199 said we can also get a loan from the Bond bank. She added that our attorneys have
200 pointed out that we can only use cash related to specific reserves, namely accounts that
201 were designed to do the type of thing that the flood impacted, like Highway capital or
202 bridge or culvert cash, not for example money for the Conservation Commission.

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205 **Review of draft FY26 Budget**

206 Timestamp: 1:31

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208 [https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3d01_FY26
209 Budget_DRAFT_11-12-24.pdf](https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3d01_FY26_Budget_DRAFT_11-12-24.pdf)

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211 [https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.richmondvt.
212 gov%2Ffileadmin%2Ffiles%2FSelectboard%2FMeetings%2F2024%2F11%2F3d02_FY2
213 6_Budget_DRAFT_11-12-24.xlsx&wdOrigin=BROWSELINK](https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.richmondvt.gov%2Ffileadmin%2Ffiles%2FSelectboard%2FMeetings%2F2024%2F11%2F3d02_FY26_Budget_DRAFT_11-12-24.xlsx&wdOrigin=BROWSELINK)

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215 [https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.richmondvt.
216 gov%2Ffileadmin%2Ffiles%2FSelectboard%2FMeetings%2F2024%2F11%2F3d03_3b0
217 03_FY26_CAPITAL_PLAN_DRAFT_10-15-24_Full.xlsx&wdOrigin=BROWSELINK](https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.richmondvt.gov%2Ffileadmin%2Ffiles%2FSelectboard%2FMeetings%2F2024%2F11%2F3d03_3b003_FY26_CAPITAL_PLAN_DRAFT_10-15-24_Full.xlsx&wdOrigin=BROWSELINK)

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219 [https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3d04_Capital
220 Expenditures.pdf](https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3d04_Capital_Expenditures.pdf)

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222 [https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3d05_Fire Pr
223 otection_Calculation.pdf](https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3d05_Fire_Protection_Calculation.pdf)

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225 [https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3d06_3b7a
226 Appropriations_Tracking26.pdf](https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3d06_3b7a_Appropriations_Tracking26.pdf)

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228 [https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3d07_Chart
229 for_Unassigned_Funds_as_of_11-9-24.pdf](https://www.richmondvt.gov/fileadmin/files/Selectboard/Meetings/2024/11/3d07_Chart_for_Unassigned_Funds_as_of_11-9-24.pdf)

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231 People who participated in discussion: Sander, Arneson, Hill, Furr Feinson, Granda,
232 Heston

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234 Arneson described the tax rate increase for FY26 as being 21.81% as presented. If
235 \$433,186 of unassigned funds are used, the tax rate increases drops to 10.83%. If the
236 three additional staff requests are denied the tax rate increases will be 17.08%. If both the

237 funds are used and the staff increase is denied the tax rate increase drops to 6.10%. If the
238 staffing request is denied and you remove a new police cruiser purchase (\$80,000) the tax
239 rate drops to 15.05%. If you use all of the above, the tax rate will be increased by only
240 4.07%. If we keep all expenses the same as last year and take out voted on
241 Appropriations and Conservation Reserve Funds and not include the \$433,186 the tax
242 rate will be 8.55%. Furr said that we do not have money to use to reduce the tax increase.
243 Feinson suggested that we borrow against a FEMA reimbursement to reduce the tax
244 increase. Hill thinks this is a clever idea to explore in order to not raise taxes. Heston
245 concurs, getting a loan at an exceptionally low interest rate is a promising idea. Bona
246 explained that loans against FEMA reimbursements do not yet exist; a loan through the
247 Bond bank is at 1.3% interest presently, but it's uncertain if we would qualify for that.
248 Hill wanted to know what commercial bank interest rates for a loan are. Feinson queried
249 what would a 3-to-5-year loan be to help smooth out tax rates in future years. Granda
250 wanted to bring up that there is a certain level of uncertainty, especially since there will
251 be a new administration. Arneson suggested having a special meeting on Nov. 25th to
252 discuss this further, plus investigate a \$750,000, \$1 million or \$1.5 million loan. The
253 budget needs to be ready to go for the January ballot.

254

255 **Reviewing the special Town meeting held last Saturday**

256 Timestamp: 1:59

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258 People who participated in discussion: Arneson, Hill, Heston

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260 Hill stated that at the end of the day the vote was 62 to 57. Do we want to ask by
261 Australian ballot to move Town Meeting to our Australian ballot, or the Budget? Arneson
262 said it's a two-step process. Heston said that only 5 people made this vote.

263

264 **Adjourn**

265

266 *Furr moved to adjourn. Hill seconded.*

267 *Roll Call Vote: Hill, Furr, Miller, Sander, Wood in favor. Motion approved.*

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270 **Meeting adjourned at: 9:02 pm**

271

272 **Chat file from Zoom:**

273 00:47:16 June Heston: The OCCC Annual Meeting will be on Wednesday,
274 November 18 from 6:30-8:00 at CHMS.

275