

**SHARON SELECTBOARD  
SPECIAL MEETING  
WEDNESDAY January 20, 2021  
MINUTES (FINAL)**

Attending via Zoom: Selectboard members Joe Ronan, Mary Gavin, Kevin Gish; Town staff Margy Becker (SB Assistant), Deb Jones (Finance Manager), Guest participants and listeners: Galen Mudgett, Ken Wright, Helen Barrett, Listers; Debbie St. Peter, Town Clerk;

**1. Call to Order:**

Joe Ronan called the meeting to order at 6:30PM. Joe Ronan asked for a moment of silence in honor of officers slain during the incident at the capitol in Washington.

**2. Review/Approve Agenda:**

**Mary Gavin made the motion to approve the agenda without revisions. Kevin Gish seconded, and the motion carried unanimously.**

**3. Public Comments:**

None received apart from agenda items.

**4. Highway Business:**

Road Foreman Frank Rogers was unable to attend, as the road crew has been called out to check roads. Chair Joe Ronan provided a brief status report regarding his communications with ATG/Daimler Westminster, VT. Deb Jones reported she is collaborating with Frank Rogers on specifications for the next truck purchase.

**5. Sharon Health Initiative (SHI):**

Joe Ronan reported the SHI is currently a 501(c)3 under the auspices of the Sharon Congregational Church. The SHI faces a substantial increase in its insurance rates for Errors & Omissions coverage for its officers, due to COVID19. The SHI has been investigating whether it could be absorbed by another organization.

Deb Jones reported on her inquiry with the VLCT PACIF about potential exposure to the Town, should the SHI be absorbed as a town organization. The VLCT PACIF indicates, generally, that the types of insurance coverage it provides to municipalities is for emergency medical services (i.e. for ambulance services) but not 'routine provision of medical care or personal care'. VLCT PACIF would likely require the Town to carry additional medical/malpractice insurance, should it absorb the SHI. VLCT PACIF also indicated liability is the greatest risk for the Town, and volunteers working with vulnerable populations would be required to have background checks. Deb Jones noted these same requirements

will apply to Recreation Program coaches and volunteers are going to have to undergo background checks.

Deb Jones pointed out that if the SHI became a town organization, there would be additional responsibilities for town staff for managing volunteers and employees. She suggested the alternative approach of an increased budget appropriation to the SHI. In closing discussions Joe Ronan noted the SB's agreement with, and preference for, increased funding to SHI to help it cover its E&O insurance increase versus absorbing SHI as a town organization. SB members thanked SHI volunteers and Community Nurse Karen Gray for their important service to the community.

#### **6. Notice of CLA Change Greater than 5%:**

The SB and Board of Listers are in receipt of a letter from the VT Department of Taxes in follow-up to this year's Equalization Study, the process through which the State analyzes property sales across the state. The Town has been advised that its Common Level of Appraisal (CLA) has dropped from 102.39 in 2019 to 94.93 in 2020 – a drop of 7 points which is a change of greater than 5%. 20 towns saw a change of greater than 5%.

The letter further explains a second measurement of taxation equity is the Coefficient of Dispersion, which indicates whether taxpayers are paying more or less than their fair share. The Town of Sharon's COD is now 11.33%. The letter from the VT Dept. of Taxes does not mandate a reappraisal this year, but suggests one should occur.

Board of Listers members Helen Barrett, Ken Wright, and Galen Mudgett provided comments with respect to the Equalization Study and "Notice of Change of Greater than 5%". Galen commented the Department's letter implies that the BOL has not done a good job of assessments. He indicated to the contrary that since 2003 the Town's CLA has been above 100%. The real estate market has drastically changed since 2018, especially with regards to sales over this past year. He stated he felt the Town's COD is still okay and that the town is taxing residents fairly.

Galen indicated the Listers are brainstorming about the sales that contributed to the drop in CLA. He indicated that sales are occurring in the high end price range, and many of the sales above \$500,000 were *cash*. He also reported that the majority of sales has been existing properties and not land. Currently there are 3 parcels for sale, plus 4 single-family residences and the Half-Acre Motel. Even prior to receipt of this Notice from the Department of Taxes, the Listers had already begun to forecast the need for a reappraisal.

Ken Wright reported the Equalization Study indicates 236 towns saw their CLA drop in the range of 0-7.5%, including Sharon. Sharon appears to be 7<sup>th</sup> from the bottom and 17<sup>th</sup> from the top in CLA's. He also stated he feels the Town's COD is okay for now. Ken Wright further explained the Equalization Study uses *weighted* values of homes. Because more upper end homes are selling, they have a lot more weighted value. Ken reported the *volume of sales in 2020* already matches the total number of sales in 2018-2019. He predicts another drop in the CLA for next year, when COVID-driven sales will start to affect the CLA. He

indicated the CLA could likely drop below 90. When the CLA drops this much, there is a very negative impact on education tax rates.

Mary Gavin inquired whether the Legislature was taking note of the fact that there may be a problem with the tax system, with so many towns facing drops in their CLA. Kevin Gish stated he thought action is needed at the State level. Galen indicated he has recently read a study of Vermont's tax system recently conducted for the VT Department of Taxes. The study recommends de-linking residential properties on the education side. The study found Vermont's sales tax base is very narrow compared to other states. Mary Gavin noted this was because the State does not tax *services*. Galen concurred the State has moved to a service economy, and that the State should look at this fact.

SB members inquired if sale of WindsOrange properties contributed to the drop in the CLA. Listers responded that WindsOrange properties sold close to their valuation, and the Utah-based landowner has put acreage off Blake Hill Road into conservation easements.

Mary Gavin inquired as to the costs of a reappraisal. Ken Wright indicated that the Listers' Reappraisal Fund has accumulated enough funds to conduct the reappraisal. Deb Jones confirmed the fund balance is approximately \$69,000.

Helen Barrett stated in closing discussions that the Listers have just begun to discuss the implications of the VT Department of Taxes' Notice concerning the CLA decrease. Selectmen expressed appreciation and support for the work the Listers have done to-date. Mary Gavin suggested SB members should follow-up with State Representatives and Senators. And she noted the unfortunate situation the school district is in, having to confront the impact of the drop in the CLA. Education funding is poorly structured and lacks local control, she said.

## **7. Town Meeting 2021:**

Margy Becker provided a brief summary of H48 as passed and signed into law. The law allows, but does not require, the SB to change the date of town meeting and to take action to adopt the Australian ballot system (secret paper ballot) for conduct of town meeting business. If the SB moved the date of town meeting, for the purpose of holding a safer socially-distanced town meeting and elections, all town officers whose terms usually expire in March will continue to serve until that later date.

Town Clerk Debbie St. Peter discussed the pros and cons of delaying Town Meeting with SB members. Consideration was given to the desire to preserve the in-person floor meeting if possible, anticipated voter participation in an outdoor in-person event versus AB voting, health and safety concerns, and the need for the annual meeting schedules to accommodate potential budget failures. Debbie St. Peter also reported on a recent conversation with the Superintendent, who indicated the school board may be receptive to delaying the school annual meeting. The School Board meets Monday night, January 25<sup>th</sup> to further discuss. Debbie stated her hope that both the Town and School District would delay their meetings to the same date, so that money could be saved with use of one ballot and one voting day.

**Mary Gavin made the motion that the SB vote to delay Town Meeting from March 2, 2021 to May 2021 in order to hold Town Meeting outside and to allow time for the Town to work with the School Board to agree on a date and time that would work for both the Town and the School. Kevin Gish seconded. The motion carried.**

In subsequent discussions staff and SB members agreed to join the School meeting on January 25<sup>th</sup>.

In subsequent discussions SB members thanked Ken Wright for his input into the issue of whether or not to provide a grace period before assessment of the 8% delinquent tax penalty. Ken serves currently as Delinquent Tax Collector. Ken noted that there are several avoidable delinquencies each year having to do with the fact the some people just do not understand how to pay their taxes correctly. SB members noted there are several area agencies, which provide taxpayer assistance. But they also agreed to further research those options for assistance and to report back. SB members briefly further discussed the idea of instituting a grace period before assessment of the 8% delinquent tax penalty, no formal action was taken to recommend an article for the Town Meeting warning to change current tax collection procedures.

#### **8. Adoption of FY22 Budget:**

**Mary Gavin made the motion to adopt FY22 budgets as follows:**

General Fund Budget	
Total General Fund Revenues	\$ 656,604
Total General Fund Expenses	\$ <u>(681,432)</u>
Revenues less expenses	\$ (24,828)*

(\*unmet need to be drawn from general fund fund balance in lieu of increase in property taxes or reduction in expenses)

Highway Fund Budget	
Total Highway Fund Revenues	\$ 972,785
Total Highway Fund Expenses	\$ <u>(1,007,311)</u>
Revenues less expenses	\$ (34,526)*

(\*unmet need to be drawn from highway fund fund balance in lieu of increase in property taxes or reduction in expenses)

#### **Property Taxes to be raised for FY22 Budgets:**

General Fund	\$ 423,599
Highway Fund	\$ <u>842,970</u>
Total amount to be raised in property taxes	\$1,266,569

**Kevin Gish seconded, and the motion to adopt the FY22 budgets passed unanimously.**

### **9. Finance Manager Reports:**

SB members acknowledged receipt of financial reports. Deb Jones pointed out the Library has already raised \$7,200 in 2021. SB members acknowledged the need to amend personnel policies to reflect the Board's intent to make Martin Luther King's birthday a paid town holiday.

**Mary Gavin made the motion to make Martin Luther King's Birthday day a paid holiday, retroactively for 2021, and to amend the personnel policies accordingly. Kevin Gish seconded. The motion carried unanimously.**

### **10. Selectboard Assistant Reports:**

Margy Becker reported on recent boiler repairs required at the Old School House. She suggested the lease with TSA for occupancy of the Old School House be re-examined in light of TSA's substantial leasehold improvements (ERV installation). She will inquire whether TSA has an agreement with Alliance Mechanical for maintenance of the ERV. Lastly, she suggested a formal written agreement between the Town and P2 Environmental (water system operator) is desirable. P2 has been responding to the Town's and TSA's concerns regarding water quality and odor at the taps in the OSH and Town Offices.

### **11. Coronavirus planning/updates:**

There were no relevant updates to report.

### **12. Harlow Road – updates:**

There were no relevant updates to report.

### **13. Approval of Minutes:**

**Mary Gavin made the motion to approve the minutes of the January 11, 2021 regular meeting as submitted. Kevin Gish seconded. The motion carried unanimously.**

### **Approval of Warrants:**

**Motion by Mary Gavin to approve AP Warrant #1114 in the amount of \$10,028.71 for payment of invoices from Chappell Tractor for \$163.00 for a tow chain, for Margy Becker for multiple reimbursements totaling \$68.62 for mailing & office supplies, Cargill for \$6111.93 for 3 loads of salt, for Casella Waste for \$42.86 for the garage dumpster, for Chase Site Services for \$1800 for period of 12/31-1/4 for snow plowing, shoveling, salting & sanding the downtown locations per contract, EJ Pringle for \$22.02 for gas for the garage, Evans Motor Fuel for \$1593.05 for diesel at the garage for 2 weeks, Eyemed for \$57.67 for January's premium, for \$169.56 for Foley Services for uniforms. **The motion was seconded and carried unanimously.****

**Motion by Mary Gavin to approve AP Warrant #1115 in the amount of \$11,105.81** for payment of invoices from GUVW solid waste district for \$568 for car stickers for the transfer station, to GUVWS for \$1237.50 for punch coupons for the transfer station, Have Trash Will Travel for \$26 for Dec trash pickup, Health Equity for \$30 for 2020 HRA reimbursement, Joe's Equip for \$81.95 for chain saw bar & misc, Lucky's Trailer Sales for \$155.71 for LED beacon on the J Deere tractor, for Sabil & Sons for \$364.16 to repair brake chambers and inspect 2018 Freightliner, Southworth Milton CAT for \$74.80 for nuts & bolts for the loader, Tri-Valley Transit for \$4,054 for FY21 appropriation, for Suburban Propane for \$1,242.09 for propane for the office and fuel oil for the library, for Ted Green for \$321.60 for service for F550, and for TRORC for \$2,950 for the 2<sup>nd</sup> half of the Energy Coordinator. **The motion was seconded and carried unanimously.**

**Motion by Mary Gavin to approve AP Warrant #1116 in the amount of \$6,698.09** for payment of invoices to Tenco for \$431.19 for parts for the 2018 Freightliner for wing arm and 2017 Freightliner for Push arms, to Tarrant et al for \$120 for legal service re TSA road easement for power to solar panels, for VMERS for \$3,216.88 for January's retirement, for Welch's for \$52.57 for a torch kit and caulk, for Windsor County Sheriff's for \$2,552 for Dec 2020, for Worksafe for \$325.45 for 4 stop signs and a street sign for Beaver Meadow Rd and brackets. **The motion was seconded and carried unanimously.**

**Motion by Kevin Gish to approve AP Warrant #1117 OSH for \$2,960** for payment to Christian Electric for the balance of his contract for the bathroom ventilation system at OSH. **The motion was seconded and carried unanimously. The motion was seconded and carried unanimously.**

#### **14. Adjourn:**

**Mary Gavin made the motion to adjourn at 8:36PM. Kevin Gish seconded. The motion carried unanimously.**

Submitted by,  
Margy Becker