

**TOWN OF SHELBURNE
SELECTBOARD
MINUTES OF MEETING
June 30, 2020**

***Meeting held via teleconference.**

MEMBERS PRESENT: Jerry Storey (Chair); Mike Ashooh, Mary Kehoe, Jaime Heins, Kate Lalley.
ADMINISTRATION: Lee Krohn, Town Manager; Peter Frankenburg, Finance Director; Dean Pierce, Planning Director; Diana Vachon, Town Clerk.
OTHERS PRESENT: Members of the public participating in the meeting included Rep. Jessica Brumsted, Allyson Myers, Roz Graham, Don Porter, Jane Zenaty, Susan McLellan, Bill Deming, Lisa Merrill, Joyce George, Jason Grignon.

1. CALL TO ORDER

Chair Jerry Storey called the teleconference meeting to order at 7 PM, explained the procedure to be followed, and held a roll call.

2. APPROVE AGENDA

MOTION by Jaime Heins, SECOND by Kate Lalley, to approve the agenda with the addition of a legislative update from Rep. Brumsted. VOTING by roll call: unanimous (5-0); motion carried.

3. MINUTES

June 23, 2020

Postponed to 7/14/20 meeting.

4. PUBLIC COMMENT

Don Porter recognized Lee Krohn and Peter Frankenburg for their work and assistance to the Financial Advisory Committee.

5. SELECTBOARD COMMENTS

- The Selectboard thanked Lee Krohn and Peter Frankenburg for their work.
- Everyone was urged to “stay masked and stay safe”.

6. TOWN MANAGER REPORT/UPDATE

Lee Krohn reported:

- Appreciation was extended to the Selectboard for holding four meetings during the month of June.
- Stay safe and Happy 4th of July to all.

7. PUBLIC HEARING: Proposed Interim Zoning Bylaws

Lee Krohn explained the intent of this “fast tracked” interim zoning bylaw is to allow businesses to operate and thrive during the difficult pandemic.

MOTION by Jaime Heins, SECOND by Kate Lalley, to open the public hearing on proposed interim zoning bylaws. VOTING by roll call: unanimous (5-0); motion carried.

Dean Pierce reviewed the proposed interim zoning bylaws forwarded by the Planning Commission to the Selectboard, noting there is the possibility of future proposals to further help the town.

COMMENTS

Lee Krohn noted Shelburne Business and Professional Association expressed support for the interim zoning bylaws.

Allyson Myers suggested the interim zoning bylaws be in place for a 12-month period. The Selectboard discussed sunseting the bylaws on December 31, 2020 or June 30, 2021, acknowledging there is opportunity to review and extend the bylaws or extend with changes.

Roz Graham spoke in support of the interim zoning bylaws which will be very helpful to businesses.

Rep. Brumsted stated there is COVID money for municipalities to help find ways to produce revenue.

There were no further comments.

MOTION by Jaime Heins, SECOND by Kate Lalley, to close the public hearing. VOTING by roll call: unanimous (5-0); motion carried.

MOTION by Mary Kehoe, SECOND by Kate Lalley, to adopt the interim zoning bylaws proposal as presented and amended to run for one year ending June 30, 2021. VOTING by roll call: unanimous (5-0); motion carried.

8. TAX RATE, DUE DATE, PENALTY RATE FOR DELINQUENT TAXES

Tax Rate

Peter Frankenburg reviewed the elements that determine the tax rate and the amount to be raised by taxes (\$7.283 million which is a 5.2% increase over last fiscal year). The tax rate will be \$0.4644. The education tax rate is set by the state (typically August 10th). Shelburne's grand list is showing a 1% increase over last year, with a remarkably accurate estimate provided in advance of Town Meeting earlier this year. Work has begun on a reappraisal in town due to decrease in the CLA. The voters had also previously approved a Veterans' exemption, and the Beaver Creek special assessment remains on the books.

MOTION by Mary Kehoe, SECOND by Jaime Heins, to adopt the municipal tax rate of \$0.4644 as presented. VOTING by roll call: unanimous (5-0); motion carried.

MOTION by Mary Kehoe, SECOND by Kate Lalley, to adopt the local agreement for a veteran exemption of \$0.0007. VOTING by roll call: unanimous (5-0); motion carried.

MOTION by Mary Kehoe, SECOND by Kate Lalley, to adopt the Beaver Creek special assessment of \$44,637 or \$1,539.21 per parcel. VOTING by roll call: unanimous (5-0); motion carried.

MOTION by Mary Kehoe, SECOND by Mike Ashooh, to adopt the school tax rate as determined by the State of Vermont at which time the rate is set. VOTING by roll call: unanimous (5-0); motion carried.

The Selectboard suggested the Assessor give an update on the grand list and property taxes in July or August.

Due Date for Property Taxes

The Selectboard discussed potentially deferring the property tax installment due dates by a month, due to delay in the State setting the education tax rate – thus, we cannot prepare and mail tax bills on the usual timeframe. This would make the first due date September 15 instead of August 15. It was suggested that the Town keep the other two due dates as per usual practice (November 15 and March 15). The Town must make a significant payment to the State on or about December 1, so also delaying the November due date would cause a major cash flow concern. Peter Frankenburg said it is likely the town will pursue a tax anticipation note (TAN) even for the first due date, but it would be much smaller than if we also had to cover for the second due date. Rep. Brumsted noted the State of Vermont will cover the interest cost on the TAN.

Mike Ashooh asked about the percentage of taxes that are escrowed. Peter Frankenburg said the town received payment from mortgage companies of approximately \$3 million, but most are paid by individual property owners.

Don Porter reviewed considerations with delaying property tax payments and impact on cash flow.

MOTION by Mary Kehoe, SECOND by Kate Lalley, to set the tax due dates as September 15, 2020, November 15, 2020, and March 15, 2021. VOTING by roll call: unanimous (5-0); motion carried.

Penalty Charge for Late Payment

Staff reviewed the 5% penalty change on late payment of taxes and a chart showing the amount of revenue with a penalty of 5%, (approximately \$45,000), 4% (decrease of about \$9,000), 3% (decrease of about \$18,000), 2% (decrease of about \$27,000), and 1% (decrease of about \$36,000).

MOTION by Mary Kehoe, SECOND by Jerry Storey, to decrease the penalty charge for late payment of property taxes from 5% to 3%. VOTING by roll call: 3 ayes, 2 nays (Jaime Heins, Kate Lalley); motion carried.

9. PROPOSED BUDGET DEFERRALS FOR FIRST HALF OF FY21

Lee Krohn reviewed the recommended deferrals totaling \$512,850. Town Clerk, Diana Vachon, explained the suggested \$3,500 in deferrals until fall from the Town Clerk budget.

MOTION by Mary Kehoe, SECOND by Jaime Heins, to adopt the budget deferrals with the revision to excise \$10,000 for the Town Clerk and leave the amount of \$3,500 for a total amount in deferrals of \$506,350.

DISCUSSION:

- Lee Krohn explained how the deferrals will be handled by department heads, and the possibility that some may become permanent cuts.
- Mike Ashooh asked if the town will borrow the full amount on the TAN or the amount less the deferrals. Peter Frankenburg said cash flow will determine the amount needed from the TAN. Don Porter said the note is a line of credit that the town will draw down as needed.
- Jerry Storey suggested adding \$10,000 to the Social Services allocation to deal with food insecurity due to the COVID pandemic. The money can be pulled from the funding to address traffic safety in the Marsett/Falls Road area. Mary Kehoe and Jaime Heins pointed out funding will have to be cut somewhere.

AMENDMENT by Mary Kehoe, SECOND by Jerry Storey, to amend the budget deferrals to include \$10,000 to the Social Services allocation to deal with food insecurity. VOTING by roll call: 1 aye, 4 nays (Jaime Heins, Mary Kehoe, Kate Lalley, Mike Ashooh); motion does not carry.

DISCUSSION (continued):

- Mike Ashooh suggested the Social Services Committee give an update on activities to the Selectboard. Jerry Storey added a report from the school would also be good.
- Rep. Brumsted stated all the deferral items under discussion are available for COVID-19 relief funds from the state.
- The Selectboard requested an update on the deferrals in August.

VOTING by roll call: unanimous (5-0); motion carried.

10. LEGISLATIVE UPDATE

Rep. Brumsted reported there are grant relief funds (\$1 billion) to help businesses, nonprofits, agriculture, arts & culture, women owned businesses, forest economy, outdoor rec, food bank, childcare, summer meals, housing, Shelburne rehab, municipal reimbursements for COVID related expenses, solid waste districts, digitalization of town records, community block grants, community action network, marketing, broadband. Regional Planning and VLCT can assist the town.

Don Porter said the Financial Advisory Committee can take a closer look at the grant relief funds.

Roz Graham said Shelburne Business Association will be discussing the grants.

The Selectboard will get a status update on the grant relief funds on 7/14/20 or 7/28/20.

Peter Frankenburg asked when the State will collect the school tax. Rep. Brumsted said there are three bills being spearheaded by the Ways & Means Committee. The Town should forward their comments.

11. ADJOURNMENT

MOTION by Jaime Heins, SECOND by Mike Ashooh, to adjourn the meeting.

VOTING by roll call: unanimous (5-0); motion carried.

The meeting was adjourned at 9:01 PM.

RScty by tape: MERiordan

For the Selectboard

Date