



Town of Shelburne, Vermont

SELECTBOARD MEETING AGENDA

Tuesday, June 30, 2020

Shelburne Town Offices, 5420 Shelburne Road, Shelburne, Vermont

VIRTUAL/REMOTE MEETING LOGIN/CALL IN DETAILS BELOW

Join Selectboard Zoom Meeting

<https://us02web.zoom.us/j/85108463262?pwd=WVNOREZDZlFaOGhXZ2lQSjJkY2paUT09>

Meeting ID: 851 0846 3262

Password: 8RNPZy

Dial by your location

+1 929 205 6099 US (New York)

Meeting ID: 851 0846 3262

Password: 478887

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|---|------------------|
| Call to Order/Roll Call | 7:00 P.M. |
| *Approve Agenda | 7:00 P.M. |
| *Approve meeting minutes of June 23, 2020 | 7:00 P.M. |
| Public Comments | 7:05 P.M. |
| Selectboard Comments | 7:15 P.M. |
| Town Manager Report/Update | 7:20 P.M. |
| *Public Hearing – proposed interim zoning bylaws | 7:25 P.M. |

Attached please find the proposed interim zoning bylaw which we have ‘fast tracked’ for tonight as a way to help local businesses during the COVID-19 pandemic. As an interim bylaw, it’s a way to get this adopted and effective immediately for maximum benefit during the summer and autumn seasons. It would allow outdoor dining and other outdoor commercial activities as described, and will expire on November 30, 2020, after which time the weather would likely preclude these outdoor activities. We can evaluate experience during these seasons. If successful and of limited or no adverse consequences, we will have the winter season to consider adopting similar measures more permanently.

When we set this hearing date, there was a suggestion to require appropriate insurance if a tent or other structure were used for these outdoor activities. I imagine that any business would need appropriate insurance coverage for any such outdoor activity, with or without a tent. If felt appropriate, a statement such as suggested below could be added as a new specific provision, being germane and a non-substantial change to purpose, meaning, and scope.

New 3 G: Any entity conducting business outdoors under this interim bylaw shall ensure that it has adequate and appropriate insurance coverage pertaining to this outdoor business activity.

The current Section 3 G (All other provisions of the Shelburne Zoning Regulations shall remain in effect...) would then become Section 3 H.

If approved this evening, the interim bylaw will take effect immediately, allowing these outdoor uses to begin in time for the July 4 holiday weekend and beyond. I recommend that the Board take action this evening to maximize benefit to local businesses and the local economy.

In that is the will of the Board, then a motion to adopt this interim zoning bylaw (whether as proposed or as amended with the new insurance provision), to become effective immediately and to expire on November 30, 2020 will be appropriate.

***Set tax rate and due dates for property taxes; set penalty rate for delinquent taxes**

7:35 P.M.

There are several steps involved in this process of approve a tax rate and due dates for property tax payments for Fiscal Year 2021, and then setting the interest rate to be applied to delinquent property taxes. Based on the budget of \$9,504,936 as approved at Town Meeting and an estimated Grand List value of \$15,601,839, the estimated Town tax rate was \$0.4632.

As occurred last year, it appears that the actual Grand List (after grievances, of which there were very few this year) will be very close to that estimate; thus, the actual tax rate will also be very close to the estimate presented in the budget as approved by the voters.

Finance Director Peter Frankenburg will have actual final figures for us by Tuesday night, if not before.

As for due dates, the Town Charter requires the Selectboard to set these each year by June 30. Traditionally, these have been August 15, November 15, and March 15, with payments due in three equal installments (also per Charter). However, with the due date for income tax and homestead declaration filings pushed back from March 15 to July 15, and other complications with school budgets around the state, we have not yet received the school tax rate from the state, nor have the prebates yet been calculated that factor into many peoples' adjusted tax bills.

Thus, we will be unable to prepare and mail out property tax bills by July 15 to meet the 30-day notice requirement for an August 15 due date. We recommend setting the first due date as September 15 to provide needed lead time.

The next question is whether to keep the second due date as usual - November 15. The challenge here is a shorter than usual timeframe between these first two due dates (two months instead of three). On the other hand, the Town must send a significant school tax payment to the state by December 1. Keeping the due date of November 15 maintains cash flow for that state payment and local budget needs. If we push out the November 15 due date to December 15, then we know we'll need to borrow in anticipation of taxes. As you know, the Financial Advisory Committee had recommended some form of standby credit be sought in case of need, but this would guarantee that we'd need to borrow and incur that expense.

In summary, regarding tax due dates: we recommend delaying the traditional August 15 date to September 15, and keeping the third installment due on March 15; with the Selectboard determining on balance whichever it feels is the better alternative for the second due date (November 15 or December 15). Of course, we could split the difference and set it at December 1, but we feel that would be a confusing change since due dates have always been on the 15th of the month.

Finally, regarding penalty and interest, the question here relates to the late penalty; we've already set the interest rate at 1%/month. The Charter requires that a late charge of 5% be applied to any tax not paid on or before its due date. However, as discussed earlier this year, the legislature had passed new pandemic-related statutes giving Selectboards greater latitude and flexibility in these matters. When we had asked the Town attorney for guidance, he suggested that if the Selectboard felt so inclined, it could probably rest on the new statutes and adjust the penalty down from the otherwise Charter-mandated 5%.

There is not perfect clarity here. We all know that by definition, a Charter is intended to supersede otherwise applicable statutes. However, the pandemic has brought forth new and unusual challenges, which is what led to the new and unusual statutes. The simple answer is to rest on the Charter, with its mandate of a 5% late penalty; however, this is clearly a judgment call under these new and unusual circumstances.

Action by the Selectboard can then occur either as separate motions (to set a Town tax rate of \$XXX; to set due dates for property taxes; and to establish the penalty of X% for late payment of property taxes); or these can be consolidated as a single motion for all three items. We just need to be sure we accomplish all three this evening.

***Review and adopt proposed budget deferrals for the first half of fiscal year 2021**

7:45 P.M.

Attached please find 'version 3' of proposed budget deferrals. As we've discussed, this is the first approach to budget management in light of the unknowns posed by COVID-19. We hope this will be sufficient and that revenue receipts will flow as hoped, so that we don't need to consider further and more drastic budget cutting measures. Best case, these deferrals can indeed remain temporary; worst case, we need to dig deeper. Needless to say, we will monitor the overall budget carefully and regularly, and the first two property tax installments will certainly clarify for us where we are headed.

Much of this third version is the same as the second version, which itself included the reinstated line items sought by the Selectboard after review of version 1, and changes in the P&Z budget. New changes here are in Parks & Rec (additional budget cut reflecting a decision not to create a printed brochure for fall/winter programs, given present uncertainties), and in Library (intent to save money by decreasing hours of service/salaries rather than resource acquisition). That rationale is presented below, and maintains the \$23,500 in deferred expenses suggested originally, just in different ways:

From Library Director Kevin Unrath: I'd recommend the following reductions to the library budget in place of the ones proposed:

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| LIBRARY SALARIES | \$15,000 |
| LIB. SUPPLIES | \$1,500 |
| LIB. EQUIP MAINT & REPAIR | \$500 |
| LIB. ADMIN. EXPENSE | \$1,000 |
| LIBRARY PROGRAMS | \$2,000 |
| COMPUTER HARDWARE/SOFTWARE | \$3,500 |
| TOTALS | \$23,500 |

This spreads around the cuts, with the biggest change being the reduction to salaries rather than materials. To distill it to one sentence: We added \$20,000 to the staffing budget last year to expand hours, so reducing this budget line will have minimal impact on our operations from a customer perspective, whereas reducing materials will have an outsized impact now and for years to come.

Understanding that this will remain a work in progress during the new fiscal year, a motion to adopt the overall proposal as presented or as may be changed this evening will make it 'official'.

***Adjourn**

7:55 P.M.

Thank you.

* Decision Item

Times allotted to each agenda item are approximate and may vary depending on the discussion.

Reasonable accommodations will be provided upon request to ensure that this meeting is accessible to all individuals