

Shelburne Finance Committee Minutes of the Meeting of 1-8-2026 3:30 PM-5:15 PM.

Attendees:

Members: Don Porter, Chair; Lee Suskin; Joan Lenex; Ken Albert with Jeff Carr via internet.

Also attending: Matt Lawless, Town Manager; Aaron DeNamur, Town Planning; Patricia Carpenter, Town Finance

Motion to approve minutes of the Dec 4 Finance Committee meeting:

Ken motioned, Lee 2<sup>nd</sup>. Approved.

CPC coordination updates

Jeff Car addressed the Mid-year Chittenden County Regional Planning Commission UPWP adjustment.

Shelburne's big ask was for inclusion of the Bay Road Study. The study will cover the multi-year year project span. Request was granted for \$60K consulting costs. The Town portion is \$12.5k. Selectboard member Chunka Mui informed that he is following the issue and is planning to set up study committee to help. The Town Funding match from which specific Town source, is To Be Determined. Per Don, the Last 3 months of a Fiscal year-end, town funds can be re-allocated from one item to another, or per Patricia, funds can come in part from Town reserve funds. The total project cost of 2 to 3 million is not yet in capital improvement plan. Lee Suskin asked: since not in CIP how can we do it? It usually awaits scoping study before full CIP entry. If funding does not come thru as expected, the timing can likely be moved to later time period. Per Jeff, this is typical and a responsible way to proceed based on past history. Per Don Porter, both the Bay Road and Webster Road plans should have place holders in the CIP. Matt: uncertain how to show these costs.

Significant grant aid is needed to realistically proceed with the projects Ken: with the very realistic option to move a project forward in the calendar, it may be reasonable to proceed as proposed. The local 10% and State 10% portions then dependent on what is the increasingly unreliable Federal actions on funding such grant. Per Jeff this is a good risk.

Don: Are there other Town CBC.s we should be looking at for projects? Suggests our committee look around and investigate what may benefit from such a review.

Next year budget status:

Per Matt Lawless: There are minimum changes since the Finance group last looked at the budget. We are still advertising a 5.62% increase. Keeping staffing pretty low helps. The Police union's still to be settled contract, is an unknown, so a conservative contingency has been budgeted for it. This is the current state of the budget going into the public hearing. Lee suggested that the Town budget, overall, be looked at by comparing it to the overall town property assessed value of \$1.7billion. The tax rate based on that is approximately one half of one percent.

Bond Bank Fund:

Patricia stated that our portion of this state fund for the upcoming January agenda meeting does not include approval for the Irish Hill and the Beach House projects as we are awaiting our attorneys opinion on these items. That review is needed before they can be OK'd by the bond bank. The current amount applied for to the Bond Bank is \$2.1 million. (\$1.3 million for the general fund obligation and \$789 thousand is the water/sewer funds obligation). The estimated debt service obligation on the \$2.1 million total is \$164 thousand.

School funding:

Joan Lenex reported that the education budget is nearing its final state. Last year 82 positions and \$9.2 million cut. Statewide average increase is projected to be 5.8%. CVSD is projecting 5%, via managing teacher

contract to a 5.5% and support staff to a 5% increase . Per Joan, 1,000 of our students (out of approximately 4,000 total) qualify for state aid. Per Matt, (as an example), the new Bay Ridge project has 12 students moving in so far, and all are subsidized. And the overall rate? It will end up higher. The final rate includes the State compensation for the subsidize related shortfall. As Matt explained, the increase, once the state mandates are added, will likely end up being a couple to several percentage points higher.

#### Debt service status:

Per Matt, the proposed debt increase is mostly for the maintenance shop, Davis Park, road paving, a dump truck, and a bit more. There is no big-ticket item year. The Multi-million dollar projects are still beyond this budget year. So, not an eye-popping year for the budget. Ballot items this budget year total \$1.5 million. Some funding coming for other than property taxing. Total debt service is \$815k. A key funding source, the Local Option Tax comes in around \$1 million.

#### Waste Water:

Per Don, \$10 million has been suggested by our engineers for expenditure in the first stage to State SRF. The second stage will be approximately \$32 million. The current total cost is estimated at \$46 million. How to move ahead given the town authorization of \$38 million? Per Matt, we may have to go back to town due to this mismatch. We will readdress and ask for guidance from the state and from our engineers. There hopefully will be some state-approved funding. We are Holding up now, maybe, hold off for a year. It's dependent what and when the state comes in on what they previously committed. This of course puts stress on aging infrastructure. Utility grants from state continue to be impacted by along with other demands, statewide education funding.. Discussion proceeds on how long the delay might be with a hope more clarity by next month's meeting.

#### Selectboard Upcoming April planning retreat:

Don reviewed discussion items. He highlighted dispatch needs, other expense categories, along with maybe benchmarking, and benefits and capital expenditures.

Discussion proceeded on best way to communicate true cost to provide a given Town department's services. There is need to start this activity quickly for presentation to the Selectboard. Budget status sustainability needs addressing. Matt suggested we also put this information in the town report. There is a need to clarify for all of us how spending is allocated in the effort to generate a realistic and meaningful budget that also allows for some future projects. Ken asked can we do some bench marking /Peer comparisons to guide us? Lee inquired on the degree of Selectboard connecting directly with town staff.

Discussion proceeded on optimizing the budget, and how to best communicate to the Selectboard a clear picture of individual department staffing , activities, and costs. A key component of the current budget pressure is the Increased share that staffing is taking on the overall budget. Matt stated he is working to best explain and prioritize key moving parts and staffing level impacts on the budget. Jeff suggests holding a pre-meeting a couple of weeks before the full session to review basics to allow more efficient retreat. Don suggested the need to communicate to the public that there is a very concerted and ongoing effort to properly manage our budget

Motion to adjourn: Joan Lenes made the motion and it was seconded by Jeff Carr and approved by all.  
5:15pm.

Submitted by Ken Albert.