

Town of Lincoln  
Selectboard Special Meeting  
January 13, 2025

{Draft} Meeting Minutes

[https://us06web.zoom.us/rec/share/9Hn\\_jwY383\\_EOU4MbIV4Ph4sMTBrgfqbqZ\\_e9BrJR6YWDb4MXMQ\\_ov6pdeIDJMhq7.vSCzANi3stUkS-zA](https://us06web.zoom.us/rec/share/9Hn_jwY383_EOU4MbIV4Ph4sMTBrgfqbqZ_e9BrJR6YWDb4MXMQ_ov6pdeIDJMhq7.vSCzANi3stUkS-zA)

Vote format: YES/NO/Vacant, Absent, Abstention, Recusal

Called to order at 5:34 PM by Tim McGowan, Chair

Present: Victor Atkins, Joe Martell, Tim McGowan, Lisa Sargent, Ken Stockman

Other town officials present: Trish Waugh, Town Administrator; Sally Ober, Town Clerk; Paul Florenza, Meeting Moderator

Public present: Bill Finger, Rob Reiber (Zoom)

Public Comment

- Tim asked if there were any public comments from the Rob participating via Zoom, Rob commented he was only there to listen in.
- Paul Florenza commented that he was attending at the request of the Trish to provide input based on past experience.

Agenda

**MOTION** by Tim, 2<sup>nd</sup> by Joe to approve the agenda as written.

**PASSED** 5/0/0

FY26 Budget Draft

- Tim summarized the point of the evenings meeting to review the FY26 budget line items.
- Trish shared the budget spreadsheet on Zoom.
- Trish and Tim explained the spreadsheet format and what columns should be focused on.
- Tim offered that he met with Trish on Friday to work through the budget and work through any items that needed further clarification.
- Trish shared that the General Fund budget is currently at \$694,056 in expenditures which is approximately a 10% increase over the prior year.
- A comparison of what was reported in the 2023 Town report. Trish and Paul discussed that you can not directly compare the line items in the town report with the GL since the approved budget is uploaded into the GL and the town report is what is yet to be approved with separate articles and warnings not included in the budget line.
- Tim asked to start at the top line of the expenses and go down through each line item to review what the expense is for, the reasoning for the current budget request and to look at the historical data.

- A discussion of what the Care of Cemeteries included. Ken asked if it included the Lincoln Cemetery. Tim replied that it only included mowing at the other town cemeteries and that the Lincoln Cemetery lawn care is not included in the town budget.
- An increase in VC3 IT services of \$6,000 per year was discussed. Trish and Tim explained that VC3 is now providing additional services including the Microsoft 365 licensing. Trish explained that the budget was based on a December invoice of \$1,300 which may be a little higher than actual since temporary licenses were needed to migrate multiple old email accounts to Outlook and provide a place to store the information until it can be archived.
- The next line item, Care of Jackson Property – Tim asked if anyone knew exactly what this was for. There was a budget of \$1,500 annually on this with no expense. Bill said it was set up for the care of what is now called Willard Wood's. The Conservation Committee has the care of this property in their annual budget. The line item was removed from the general fund budget.
- Trish and Tim explained the new line items dealing with IT and software services. They were moved to the Town Administration General Expense header for better transparency. These expenses were spread over several different line items making it difficult to track.
- The amount budgeted for legal services was discussed and past expenses were reviewed.
- Additional line-item changes under the General Expense header included breaking out the fringe benefits to the employee headers in which the expense occurs. This is necessary to see the actual costs associated with an employee. These figures will likely be rolled up into one line-item when presented in the town report.
- Trish explained that there appears to be a large increase for the property and workers compensation insurance lines however, the actual increase budgeted was only 4%. The difference being that in the past the costs for these items was spread based on a percentage of the total cost whereas now it is spread based on the actual cost for each fund.
- Tim moved onto the Selectboard Assistant heading and explained that there are no budget items for this header as the expenses for the Administrative Assistant will be captured under the Town Administration header and this header and the associated line items will eventually be removed.
- The new line items under the Town Administration header were discussed. Budgeted items in this category included wages and fringe benefits for the Town Administrator, Administrative Assistant and Bookkeeper. There were two duplicated line items, workers compensation and website that will no longer be included.
- The large increase in the Consultants/Auditors line item was discussed. Tim explained that the amount was based on our previous auditing firm and that the new auditors are considerably more expensive. In addition to the prior auditors no longer wanting to be engaged by the town, it is best practice to engage new auditors every few years.
- The Professional Services line item was previously used for the old VC3 expenses. The budget item is now included for outsourcing the payroll services. Tim explained that by outsourcing payroll, we will be able to free up more time for the bookkeeper to absorb additional accounting duties. This will have a positive effect on the Treasurer budget item which will have a neutral effect on this line item. Outsourcing the payroll includes all of the quarterly tax reporting currently being accomplished by Trish as the interim treasurer.
- Tim mentioned that a 4% increase in wages across the board has been built into the budget and is up for discussion this evening.
- Victor asked if the wages included the benefits, Tim responded that the benefits are a separate line item.
- Trish clarified that the increase currently showing for the Town Administrator's wages is a little skewed because it was included in the prior year's town meeting as a separately warned item for \$130,000 which included salary and fringe. The budget loaded into the GL for FY24 was split into two different headers. Moving forward all of the expenses will be under one header.

- Tim continued the review by moving onto the Town Clerk header and explaining that the budget item for salary here included the 4% increase. Sally is requesting an additional increase above that amount that will be included as a separately warned item.
- Trish and Tim explained the changes to the Listers/Assessors header after the departure of Lisa Truchon, Lister. A line item was created to capture the new appointed position and the expenses of NEMRC acting as the professional Lister/Assessor. This is a rough estimate as there is no way to predict the actual expenses for this new line-item.
- Tim and Trish presented ideas regarding the Treasurer's heading and what effect outsourcing payroll and having the bookkeeping absorb some of these responsibilities would have on the overall budget. Ken asked if it is a requirement or if there is anything statutory that would prevent the Town Administrator from performing the duties of the treasurer. Paul mentioned that there maybe something regarding conflicts of interest and he would be happy to look it up. Trish brought up the point that having an outsourced payroll company and three people handling different accounting functions would be a better strategy for the required segregation of duties. Bill and other members continued discussing the assistant treasurer position and roles of past treasurers.
- Tim indicated that the next item, Zoning Administrator was showing an increase in the budget due to Steve absorbing the 911 duties and the additional hours needed to fulfill those duties. Additionally, the line-item used for mileage reimbursement increased as well due to the additional duties.
- The Planning Commission request for an additional \$10,000 budget was discussed. Trish mentioned that Jo Jackson sent over a budget that covered anticipated expenses for FY25 and FY26. The commission is in the process of applying for a \$20,000 grant that would cover these costs, however, the expenses will need to be paid prior to the grant funds being received and it is not guaranteed that they will receive the grant. Bill finger questioned if the included required annual fees. Ken asked what proposed expenses are. There needs to be clarification on if the proposed budget from Jo includes the Addison County Regional Planning expenses. Trish explained that the annual assessment is a separate line-item under the planning header.
- The line-items under the Public Safety header were briefly discussed before moving onto the Town Office header.
- Tim continued to review the individual line-items and mentioned there is a contract for the leased copier. Costs for the phone system upgrade approved earlier this year were discussed. Computer hardware was changed to IT Hardware and a budget of \$20,000 proposed for a new server and upgrades to the audio/video for town meetings. Trish also commented on the need to upgrade to a server environment and the benefits that could be achieved. This can be broken down into a multi-year project if necessary.
- Tim explained the Transfer Station contractor expenses and repairs that were accomplished in FY25. The FY26 budget includes the replacement of a shed at the location. Lisa asked if we would be going out to bid at that end of the contract, and Tim confirmed.
- Discussion of the Conservation Committee budget. Trish verified that there was not a need to transfer anything to that fund in FY26, there is enough in the fund to cover the proposed expenses. \$1,000 is on the budget as it would be better to transfer a small amount into the fund so that there is not a larger amount needed in a future fiscal year.
- Paul followed up that after further research, there is no conflict for the Town Administrator to absorb the majority of the treasurer duties.
- Having reached the bottom of the general fund line-items, Tim asked if everyone would like to go back through the figures again and see where changes can be made to bring down the current increase in expenses down from the proposed 9% now or move onto the highway fund and come back to this later.
- Victor mentioned to Sally that although he supports her request for the additional salary increase, he is concerned that high percentage might be an issue for her. Victor suggested that Sally bring

information to the town meeting to support her request in case there are questions. Sally stated that she had planned on doing that and will also address the fact that her current salary is based on part-time hours. Sally is only asking to be compensated for the full-time hours she works on a regular basis.

- Tim again asked if everyone wants to go back and modify any of the general fund numbers or move on to the highway fund and come back later. Everyone decided to stay on the general fund and see where there maybe modifications needed.
- Victor questioned the amount budgeted for Care of the Cemeteries if it includes the main cemetery. It does not seem that there is anything hitting this GL. Trish commented that it is likely that the vendor invoices are either not specifically listing the properties or it is not being properly coded when paid through AP.
- The request for a one additional appropriation from the cemetery association was discussed again. Board members discussed the procedures involved in requesting additional money. Sally explained that it is up to the Selectboard to decide on steps involved in the appropriation request process. Past selectboards required any associations outside of the town or not directly involved with the town, such as Bristol Rescue Squad to complete a petition for the requests. Paul said that he could not voice an opinion as his partner is on the board but that the additional request for \$5,000 is to support the fundraising efforts for the replacement of the fence.
- Victor asked about the Town office and if funds were being put aside for future maintenance issues. It looks like there is only \$1,000 set-aside for the office maintenance and as the building gets older, like the garage, the roof should be inspected, and other expensive repairs might be needed. How do we ensure there is a fund were the money goes just for these repairs. We should be better prepared by coming up with a plan with actual figures. Paul discussed what the purpose of the different funds are for and how to go about warning funds to be transferred just for the purpose of future maintenance on the town buildings. In prior years, these funds would be included in the requested transfer to the capital fund. Trish commented that the mortgage payments for the office come out of this fund and currently only enough funds to cover the mortgage payment are transferred into the fund. If we are looking to build up money, there is also an existing reserve fund for the town office project that could be used. Victor asked for clarification on why there is a separate line-item for maintenance if funds are transferred into the capital fund for this purpose. Sally clarified that the maintenance line-item is for things like preventive maintenance and not larger repairs or replacement. The board decided to raise the transfer for the capital fund to start building a reserve for future repairs.
- Transfers of funds and their timing were discussed. Paul commented that Larry moves the funds at the end of the fiscal year so that the entries are not an expense against the general fund.
- Sally inquired where smaller projects like shelving for the office would come from.
- Trish suggested splitting the budget line item into a couple of year project. Ken questioned if that would cover the upkeep of the server or if one of the staff would have to manage it directly. Trish suggests that best practice would be to have an outside IT vendor, such as VC3 handle the management. Actual costs for the server still need to be obtained and it could be a virtual rather than physical service. Ken was considered if this was a project that could be accomplished in phases and are we obligating the town and only half installing and then not finishing the project. Tim replied that it is possible to do that and splitting it up will make a difference on this year's budget.
- After that the increase was still at 9% and Tim reminded everyone that cutting \$1,000 or \$500 from several line-items will make a big difference. Paul said in the past, the board would finish reviewing both funds and then adjust the amount of money that was transferred to the funds to lower the increase. Tim mentioned that is a scary practice because you are taking away from the nest egg that will cover unexpected expenses.
- Ken asked if a 9% increase would be reflected directly in the increase in taxes. Paul said no, it does not necessarily reflect that. Paul will work with Trish to calculate the tax rates and revenues

which will then determine the increase. Paul reminded everyone that what is calculated now is just an estimate, the actual tax rates are not set until after the new budget year starts based on the Grand List.

- Discussion moved to the highway budget and where it currently stood. After Tim and Trish's meeting on Friday the highway is currently budgeted for a 9% increase.
- Victor asked about where we factor in things like a new loader. Tim and Paul confirmed there is a capital equipment fund that would be used, or the town could take out a loan for the amount.
- Trish confirmed the amounts budgeted for FY25 for the capital equipment, bridge and paving funds. The capital equipment fund is \$175,000, Victor asked why there was not a larger balance in this fund when a large amount is transferred there. Trish followed up that the loan payments for the vehicles come out of this fund and are relatively flat. The fund balance will begin building up again in FY27 as three of the five existing loans will be paid off in FY26. The balance of the loans will be paid in full by FY28.
- This first expense in the highway fund is wages and Tim reminded everyone that the budget will be higher since we increased the amount of employees on the highway crew. He also confirmed that the budget included a part-time employee full year. The 4% wage increase was applied to the amount.
- Tim explained the cost of uniforms increased due to the increase in employees.
- The highway crew is now completing more of the equipment maintenance in house and the budget was split up based on repair/maintenance costs for each vehicle. Only one piece of equipment is known to require additional repairs in the upcoming year and the budget has been changed to reflect that.
- The increase in the budget for garage supplies was discussed. Tim stated that Will has requested additional funds for tools. Since the maintenance is now inhouse two air jacks and a new air compressor will be needed.
- Will has been focusing on making sure the garage is compliant with all safety regulations. Additional funding was added to the Misc Garage Expense line to reflect these upgrades.
- Tim ran through some of the normal monthly expenses, most of which have remained flat in the new budget.
- Winter Sand, Tim clarified that the \$30,000 includes the mortgage payments and equipment use and does not include any contingency amounts. FY25 expenses were over budget at \$41,240 due to the grizzly needing repairs.
- Will has recommended increasing the gravel budget from \$155,000 to \$180,000. Tim informed the board that the budget was decreased last year and based on the first six months of the budget, we will be over the budgeted amount. With the addition of a full highway crew, more regular maintenance (ditching, crowning, grading) will be accomplished requiring a larger budget for gravel.
- The salt budget was lowered from \$55,000 in FY25 to \$39,000.
- Tim mentioned that we will likely be over budget on chloride this year due to the closure of Lincoln Rd during the summer and traffic being rerouted to Quaker. To maintain the dust being kicked up by the extra flow, more chloride was used. Once again, since we have a fully staffed highway crew, regular road maintenance will be increasing. Will recommended increasing this amount to \$30,000.
- \$20,000 was added to the budget for the purchase of guardrails. The capital equipment fund includes a 10-year line item for \$20,000 per year for replacing the entire guardrail inventory. However, emergency repairs to the guardrails due to damage caused by accidents necessitates money being allocated for the unexpected replacement outside of a townwide project.
- Currently there is nothing budgeted for cold patch. Victor stated there needs to be something for cold patch. Joe offered that \$1,000 should be enough. There are not any expenses in the GL for cold patch, Trish will look into finding if the expense was booked to a different GL.

- Signs are over budget, but Tim mentioned it was a grant project which we will be reimbursed for some of the costs. Lisa asked if we pay upfront for grant projects and then get reimbursed. Trish confirmed. Tim gave a brief overview of what was included in that grant. \$5,000 was left in this budget for additional replacements due to damage or vandalism. The amount was reduced to \$2,000.
- The cost of roadside mowing was discussed. There was a \$6,900 entry in the GL that should have been included in FY25 and was for road sweeping not mowing.
- \$15,000 has been set aside for canopy maintenance.
- Bridge maintenance of \$15,000, should that be included in the bridge reserve? The \$15,000 line item is for small repairs while the reserve is for larger projects.
- Ken inquired on the line item for culverts. It was discussed that is for inventory which is depleted.
- Ken wanted to know if any of the contracted items now removed with the addition of a full highway crew was accounted for in the costs of labor. Was a one for one? Tim explained it was not, there is no way to account for the offset of not using the contractors. Ken would like to know if there was a way to figure out if it cost us \$20,000 in contracting to perform a service what does it cost for our own crew to complete the same service. Ken thinks this will be helpful during Town meeting to explain the increase in staff and the cost savings in contracting. Tim commented that we do not currently track performance and maintenance like that so it is not something we can accomplish.
- Tim discussed how the funds were managed last fiscal year budgeting to ensure a minimal increase in spending.
- The Selectboard discussed getting the budget down to a 7% increase from a 9% and proceeded to go through the individual line items. Contractual services were decreased by \$2,000 and gravel was decreased by \$4,000.
- The guardrails were discussed and compared to the Capital Equipment budget. The line-item in projects was decreased by a small amount.
- The highway budget was reduced to a 7% increase.
- Chloride and using less was brought up again.
- Tim verified that the wages included on the budget included a 4% increase. Trish reminded Tim during the discussion that only the employees that had been with the Town for over a year received a cost-of-living increase.
- Tim asked to review the Treasure salary again. Ken asked if we needed to keep this roll. Trish and Tim commented that a lot of time has been committed to learning this roll and straightening out the GL. Now that everything is being organized, efficiencies will be found but some portion of salary should be left in the budget for another future employee to take over some of the duties so that Trish can focus on what she was hired to accomplish. Lisa agreed that is better to leave a small amount in the budget rather than find we need an additional person and not have the funds to hire someone. The amount was reduced to \$18,000.
- The Planning Commission request was again reviewed and changed to \$7,000. Their budget spreadsheet was adjusted to show where the differences would need to be accounted for.
- Tim asked to remove the Conservation Committee transfer of \$1,000, this brought the budget increase down to 7%.
- Sally asked to review the budget for computer items again to see if it could be reduced further as new laptops were purchased for staff the prior year. It was verified that there was nothing built into FY26 budget for additional laptops and Tim explained that the IT costs are now broken out into additional GL's, so the GL Sally was referring to did not contain funds for any IT.
- Ken asked how likely we are to use all of the legal budget at \$25,000. Paul commented that the legal budget some years was over budget and \$60,000 had to be spent. Lisa agreed that the legal budget should remain the same.
- Sally verified that the copier contract is a flat rate that includes the copies so the cost will continue the same throughout the contract period.

- The board decided to stop editing the budget until Trish and Paul could calculate the new tax rate and revenues. Once the revenue, expenses and tax rate are put together, we will have a clearer picture of the overall increase to the tax rate.
- Time discussed having another open public meeting to review the budget. Members discussed if this should be a special meeting or if it could be done during a regular meeting. Trish noted that there is a deadline for the town report to be submitted to the printer. Sally, Kristyn and Trish already have a meeting scheduled review the final draft for submission on 1/22. We would need to schedule another special meeting before then. Ken asked if we could meet earlier and just schedule the regular meeting for only a public discussion and final approval of the draft budget. Everyone agreed that this could be accomplished at the regular meeting and the start of the meeting would be changed to 6pm. Paul mentioned that there would still need to be a public presentation of the budget prior to the town meeting in March.

**MOTION** by Tim, 2nd by Joe to adjourn at 8:42 PM.

**PASSED** 5/0/0

Respectfully submitted: Patricia Waugh