

South Alburgh Fire District #2  
Annual Meeting Minutes  
June 12, 2017 @ 7:00 PM  
Alburgh Municipal Conference Room

Present: Prudential Committee Members John Fitzgerald, Alton Brusio, Tony Speranza  
Treasurer Richard Ernst  
Admin. Assistant Danielle James Choiniere

Guests: Darwin Cameron, Judy Higgins, El Towle, Joseph Russo, Raleigh Palmer, Jan Tatro, Alycia Tatro, Nicholas Palmer, Debbie Palmer, Shawn Palmer, Kyler Lemery, Aria Lemery, Ralph Tatro, Cush Helfrich, Paul Hansen

Meeting was called to order at 7:08 PM by Chair John Fitzgerald.

ARTICLE I: Chairman's Report

Chair John Fitzgerald offered a brief status of where the district was at financially and that steps were underway to see if a Phase II was most feasible. There was no discussion.

ARTICLE II: Treasurer's Report

Treasurer Richard Ernst passed out an annual report for the board members and audience. In the projected budget, it should be noted that the cash flow would be \$397.28. There were some inklings of forthcoming questions, which Chair Fitzgerald said can be answered in later articles. Joseph Russo asked why there was a 100% markup from water purchased from the Village, to what SAFD2 was charging its customers. It was explained there are budget items for legal fees, admin. pay, repairs, insurance, etc. Russo asked who sets base water rates and Paul Hansen said Village of Alburgh. Raleigh asked what composes the Village rate, Alton answered water usage and shared O&M costs.

ARTICLE III: Budget for fiscal year beginning 1 July 2017

Ralph asked if they vote to approve the budget if the rate of taxation would be approved. John said yes, for a 30-year loan duration (now 29). Paul Hansen amended not necessarily, that if another water phase occurred, water users could pay the burden instead of all district residents. El said a lot of district residents can't connect or can't afford it. Paul Hansen said people living on state roads pay for town highway taxes, childless people pay school taxes. Joseph was upset and said the numbers don't make sense and said the budget could be cut. John explained some budget items were cut when necessary and was an accurate presentation. El asked why aren't only water users taxed, and it was mentioned it was a district-wide vote that approved the bond vote, so it should be equally shared.

Jan Tatro said everything goes up in terms of price. What would happen if the district stopped and ended and what would the cost be to do that. John said as many people that don't want municipal water, at least as many people do. The loan repayments do not go away just because the district stops expanding.

Tony input both board and residents want the same thing. The residents don't want to pay for water they don't have, but if Phase II becomes available, it's probable the tax burden will fall to water users instead of all district residents. Aria preferred such statements in a more concrete format and not just non-water customers "shouldn't" have to pay, which is vague.

Raleigh said current engineers will not accept old engineering documents from another firm. The board explained a member of the current firm was a member of the old one, and has yet to say they could not use prior documents. There was some doubt as to whether there would be enough interest in Phase II. Board said there were quite a few on Poor Farm Road, and mentioned a current grant and surveys of interest. Joseph asked if there were any defaulters on the people who pledged to hook onto Phase I and there were none.

Darwin asked why it was \$2,500 to hook onto Phase I. At the start of the project it was \$1,500, which was incentive for residents to hook on early while ground was still being broken. Raleigh asked why couldn't curb stops be installed by the district to account for potential future users. This would save some money and be easier for future customers. The board replied the costs to do so would add up and would be reflected in rates, but could be a consideration.

Raleigh brought up charging a flat-rate tax that would be one figure for everyone in the district. Paul Hansen said while it lowers some people's taxes, it raises others. Debbie Palmer asked if taxes would increase. The board said the loan they have to repay for 29 years is the same each year and the board lowered what they could for the budget. There is always an unpredictable nature to taxes, but the proposed 2017-18 budget had a lower tax rate than last year.

Raleigh Palmer made the motion to vote the budget down. Jan Tatro seconded. Paul Hansen stated if the 2017-18 budget is not accepted and voted down, last year's will apply and the tax rate is higher last year.

There was some rehashing of early district history between Paul and Raleigh.

Darwin asked about taxing the number of people in a household. Jan Tatro reiterated to stop the project.

Debbie Palmer said the scare is from the "maybes" and "shouldn'ts" is alarming. Raleigh stated no easements were given to the district for his property and some of his neighbors did not sign easements either. If needed, it's possible to approach the state of Vermont to work within their road right of way to put in pipeline.

Raleigh said his motion still stands. Judy Higgins asked what happens if the budget does not pass. John said there will be a revote(s), but that starting 7/1 they can operate from last year's budget.

After a vote from the floor, nine voted yes, to vote the budget down. Six voted no. The budget was not passed.

Per the wording of the article, Judy Higgins amended to approve the budget. Tony seconded. Six voted yes, ten voted no.

#### ARTICLE IV: Taxation for fiscal year beginning 1 July 2017

The proposed tax rate was .009. Judy Higgins motioned to approve the tax rate as presented. Paul Hansen seconded. Six voted yes, eight voted no.

#### ARTICLE V: Election of officers

Clerk – 1-year term: no motions.

Treasurer – 1-year term: John Fitzgerald nominated Richard Ernst. Alton Brusco seconded. Eight voted yes, zero nos.

Tax Collector – 1-year term: No nominations.

#### ARTICLE VI: Election of Prudential Committee Member

One three-year term: Ralph Tatro nominated Alton Brusco. Richard Ernst seconded. Sixteen yes, zero nos.

ADJOURN Ralph Tatro motioned to adjourn meeting at 9:03 PM. Tony Speranza seconded, all in favor. Meeting adjourned.

Respectfully submitted,  
Danielle James Choiniere