Middlesex Budget Committee
Regular Meeting
Tuesday, January 20, 2026
4:00 PM
Location

Present: Sam Beaudoin, Elias Gardner, Mark Harris, Matt Rkiouak, and Zara Vincent
Guest: Dorinda Crowell

Meeting Minutes

4:01 Call to Order - Amendments - none offered
4:02 Other Business:

- Approve today's agenda
  - Elias moved to approve the agenda as-is and Zara seconded
  - The motion passed 4-0-1
- Review and approve December minutes
  - 2025-12-16 Budget Committee Minutes.rtf
  - Elias moved to approve the minutes as-is and Zara seconded
  - The motion passed 4-0-1
- Final FY 2027 Budget Thoughts:
  - Though the increase is relatively high, it was a significant improvement from the first draft, @ 19.5%
  - Dorinda mentioned that, outside of the new positions (Town Admin & part-time Road Commissioner) there really isn't anything to cut
  - Mark mentioned that both he and Matt had received responses from their FPF posts to make the budget public. Elias suggested it be linked on the WNM site. Mark mentioned that Matt had built a site and would likely put it there. Elias said we could then provide a link to that from WNM.
  - There was consensus that approving @ Town Meeting vs. Australian Ballot gave the budget a better chance of passage, though less than 10% of town residents attend the meeting
- Town Financing Options (Dorinda)
  - VT Bond Bank for large purchases (buildings as an example) -
    - The VT Municipal Bond Bank (VMBB) takes loan requests from town twice a year
    - Requests are then pooled, and bond loans approved to most/all towns in the pool
    - The VMBB has a bond rating of AA+, so they have access to very good rates
    - The VMBB has the option to refinance bonds when there's an opportunity to reduce the rate. They did this on the Fire Station bond, which was issued in 2009 and refinanced in 2015. In 2015, the principal had been reduced from $825,000 on the original bond to $780,000 on the new bond.
    - When the bond is refinanced, sometimes towns begin to receive what are termed interest refunds

        - Total interest refunds for the bond totaled $15,559. The overall interest rate on the 20-yr bond stands @ 4.19%
    - Traditional borrowing - 5/7 year loans -
        - There is a State municipal loan program with the following features:
            - The asset being purchased cost less than $150,000
            - The loan term is 5 years or less
            - The asset's expected life should exceed the loan term
            - The rate for these loans is 2%
            - We haven't financed with this program, as what we're buying exceeds $150,000 in price
        - Bank Financing -
            - We've had a very good relationship with Community Bank (formerly Merchants Bank) for decades
            - We do most of our asset borrowing (dump trucks, graders, etc.) with Community. Our lowest loan rate with them has been 2%.
            - Most loan terms are 5 years
    - Flood Loans -
        - For the 2023/24 floods, we first took out a $1.5MM LOC, and followed that up with a 2nd $1.5MM LOC
        - We then worked with VMBB to obtain an emergency-type loan @ 1.3%, and paid off the first Community Bank LOC
        - The 2nd LOC will be paid off this year
- Capital Asset Replacement Forecast:
    - FY 2028
        - Town Septic - $40K -
            - Dorinda mentioned that the tank was pumped within the past few years, and a clogged pipe issue was fixed
            - We probably shouldn't do anything to upgrade it until the future occupancy of the Town Hall is established
            - Matt suggested we get the latest report from the Septic company
            - Dorinda offered to find it (*Action Item 77*)
            - There was agreement that this estimate is low
        - Backhoe - $106K- we'll need an updated replacement cost
    - FY 2029
        - Town Server - $20K (removal likely) -
            - As RB Technologies is currently working to move the employees to Office 365 and more cloud-based, this cost is likely moot
        - Fire Station Overhead Doors - $11K - need an updated replacement cost
        - Pickup Truck w/plow - $43K - need an updated replacement cost
    - FY 2030
        - Town Hall windows - $25K - this will wait for the outcome of the FIT recommendation
        - Fire Engine #6 - $250K - need an updated replacement cost
        - Kenworth Dump Truck - $179K - need an updated replacement cost
- Local Option Tax (LOT) potential for revenue down the road -
    - 1% Tax -

        - Mark outlined the LOT approach, and reported that about 26 towns in VT have adopted LOTs, some Sales only, and others with a couple or all 3 taxes (Sales, Rooms & Meals, Liquor)
        - The way these taxes work is the State calculates the 1% amount and then reserves 25%, returning 75% to the towns. This is up from 70% a few years ago.
        - He mentioned that Hartford generates significant revenue $$, as they sit at the intersection of I-89 and I-91. They generate over $1MM annually in Sales tax revenue.
        - Mark suggested we look at the 1% LOT on Sales first, as it's pretty straightforward
        - If Middlesex had a 1% Sales LOT in place for the prior two fiscal years, it would have generated $33,000 in FY 2024 and $41,000 in FY 2025
        - The Zip Code issue was discussed -
            - With Montpelier sharing the 05602 zip code with Berlin and Middlesex, when Montpelier implemented a 1% LOT, residents in the other two towns saw a 1% tax on their Netflix bills, as one example
            - To-date, there's no solution pending for this issue
            - Mark mentioned that using the Zip+4 code can isolate Middlesex, as we have a range of the extended 4 digit codes assigned
            - Matt said the problem is point-of-sale (POS) systems can't handle Zip+4, only the 5-digit Zip codes
- Other Business - none was discussed
- Scheduling next meeting - it will be Tuesday, February 17th, at 4 PM
- Motion to end meeting -
    - Matt moved to end the meeting, and Sam seconded
    - The meeting adjourned at 4:54 PM

Action Item #	Assignee	Action Item	Due Date	Date Closed
77	Dorinda	Locate the latest Septic invoice/report and distribute	02/17/26	
78				