

CHARTER REVIEW COMMITTEE MEETING  
BENNINGTON TOWN OFFICE – CONFERENCE ROOM  
205 SOUTH STREET  
BENNINGTON, VERMONT 05201

OCTOBER 25, 2017

MINUTES

**COMMITTEE MEMBERS PRESENT:** Sean-Marie Oller-Co-Chair; Robert Plunkett-Co-Chair; Jonathan Cohen; Michael A. Keane; Daniel Malmberg; Robert Ebert and P. Lynn Green.

**COMMITTEE MEMBERS ABSENT:** None.

**ALSO PRESENT:** Stuart Hurd-Town Manager; Dan Monks-Zoning Administrator; Beth Antognioni; Jim Therrien-Bennington Banner and Nancy H. Lively-Secretary.

At 11:45 am, Co-Chair Robert Plunkett called the meeting to order.

Agenda item #4. Discuss Ground Rules for October 26<sup>th</sup> Forum is amended to also discuss the rescheduling of the October 26<sup>th</sup> meeting.

**1. PUBLIC COMMENTS**

None.

**2. REVIEW ANY PUBLIC COMMENTS RECEIVED**

None.

**3. APPROVE MINUTES OF OCTOBER 17, 2017**

*Daniel Malmberg moved and Michael Keane seconded to approve the Minutes of October 17, 2017 amended as follows:*

*Page 8, Line 7, Change "of 'due diligence' at this time." to "of what 'due diligence' would be in this context."*

*The motion carried unanimously.*

**4. DISCUSS GROUND RULES FOR OCTOBER 26<sup>TH</sup> FORUM AND THE RESCHEDULING OF THE OCTOBER 26<sup>TH</sup> FORUM TO A DIFFERENT DATE**

The Act 46 meeting was scheduled right after the Public Forum on October 26<sup>th</sup>, so to eliminate the potential impact of scheduling the two meetings back-to-back, the Committee rescheduled the Charter Review Committee Public Forum for November 28, 2017.

Discussion for the ground rules for the Public Forum Meeting was to allow people to speak their minds without a time limit structure, as long as, they weren't being disruptive and everyone has a chance to speak.

**5. BEGIN REVIEW OF CHAPTER 5 - TAXATION**

Discussion ensued on the Local Option Tax as follows:

- If we do initiate a Local Option Tax, the Select Board will determine how it is spent.
- The State collects the tax and 70% of that will come back to the Town.
- One opinion was that the tax should go into the General Fund of the Town, and another was that it should be restricted on an annual basis for Select Board distribution.
- If it were to be added to the room's tax, it would be relatively unnoticed on the pricier rooms but possibly cost prohibitive on the less expense rooms. Transient rooms for 30 days or more are paid for by the State and not subject to tax.
- A couple of lodging businesses felt that, if it were added to the rooms tax, a portion of it should be earmarked for marketing and the percent of tax should not increase the rooms tax by 1% to 10%. It should be an odd amount.
- The rooms tax is generally paid by non-residents which would lessen the burden locally, whereas, a sales tax increase would affect our local citizens.
- Bennington's role as a regional, economic center is part of the Town Plan, so even though citizens shopping in Bennington would have to pay the extra sales tax, the non-residents would have to, as well.
- Because Bennington was a 'Receiving Town' and not one of the 'Gold Towns', we are not eligible for the Local Option Tax, which is 1%, as it is defined. If Bennington is to receive a 1% local option tax, it must be done through a charter change passed by the voters, and ultimately, the legislature.
- We should give our Select Board the option to do this so we are consistent with other towns that have the tax to make it more palatable to the legislature.
- There is no sales tax on food or clothing under \$100.00.
- There are currently 18 towns receiving the 1% tax.
- We are not allowed to apply the Local Option Tax to gasoline.

Mr. Hurd will assemble information on the Gold Towns that receive the tax for that reason, the towns that receive the tax through a charter change, and the towns that were unsuccessful in receiving the tax through a charter change. Mr. Barlow will also be contacted for his comments on the Local Option Tax.

Other information the Committee is interested in obtaining is the size of the towns that have the Local Option Tax and what reasons other towns have for not having pursued receiving it.

***" SUBCHAPTER 5, TAXATION, §501. TAXES***

*Taxes shall be assessed by the Town based on the fair market value of real and personal property, in accordance with State law."*

Discussion:

- Personal property as stated in the State law is machinery and equipment. The law gives a town the authority to vote that out and Bennington voted that out years ago.

***Robert Ebert moved and Jonathan Cohen seconded to amend SUBCHAPTER 5., TAXATION, §501.***

***TAXES as follows:***

***Line 1, Change "real and personal property" to "real property"***

*"§ 502. Discounts elimination*

*At such time as the discounts given on the tax rate to those who do not have water or sewer provided by or available from the Town may be eliminated, all costs of operation and previously incurred debt, shall be paid from funds established for those purposes and funded by user fees, as may be established from time to time, by the Select Board and applied against users of water and sewer services only."*

Discussion:

- Water funds used to be managed by the Water Board and Sewer Funds were managed by the Town. People living in rural areas that didn't have either, were receiving a discount of \$.65 on the tax rate. As property values went up and tax rates went down, the discounts were approaching 50% of the tax rate. The discounts were eliminated and all expenses related to water and sewer were transferred out of the General Fund and into the respective funds to be paid for by the residents that utilized the respective service.
- §502. Discounts elimination as it reads now has been obsolete for decades.

*Sean-Marie Oller moved and Michael Keane seconded to amend SUBCHAPTER 5., TAXATION, §502.*

*Discounts elimination as follows:*

*Change "§502. Discounts elimination" to "§502. Water and sewer fees"*

*Line 1, Delete "At such time as the discounts given on the tax rate to those who do not have water or sewer"*

*Line 2, Delete "provided by or available from the Town may be eliminated,"*

*Line 2, Change "all costs of operation, and previously" to "All costs of operation of the water and sewer systems, including"*

*Line 4, Change "applied against users of water" to "charged to owners of real estate that is serviced by municipal water and sewer."*

*Line 5. Delete "and sewer services only."*

*The motion carried unanimously.*

**6. DECIDE DATE FOR LONGER EVENING MEETING IN NOVEMBER**

It had previously been decided for the longer meeting to take place on November 28, 2017 at 4:30pm, as well as, a longer meeting in December, if needed, to take place on December 20, 2017.

**7. OTHER**

Ms. Oller thanked Mr. Keane for reminding everyone of the TIF Meeting that took place on October 18<sup>th</sup>. This presentation demonstrated that the vision and leadership that people are asking for through changes in the Charter, already exist in the Town.

Mr. Keane added that they were "blown away" by the positive comments that everyone was making.

*At 1:03 pm, Robert Plunkett moved and Michael Keane seconded to adjourn the meeting. The motion carried unanimously.*

Respectfully submitted,

Nancy H. Lively

Secretary