

**CITY OF RUTLAND, VERMONT**  
**Board of Aldermen Minutes**  
**Setting FY 18 Tax Rate**  
**Monday, July 18, 2017**

Members present; President Davis, Aldermen Notte, \*Humphrey, Ryan, Etori, Tommola, Mattis, Cook, Larson, DePoy and Donahue. Also present, Mayor Allaire, Chief Lovett and Clerk Heck. Alderman Humphrey arrived at 6:30 PM.

President Davis called the meeting to order at 6:00 PM.

President Davis stated that the Board was present to set the FY 2018 tax rate. President Davis noted that the previous handout by Treasurer Wilton from Monday's meeting was very detailed and asked the Treasurer to explain her handout.

Treasurer Wilton spent approximately 20 minutes reviewing her handout and answering all questions from the Board. Treasurer Wilton broke down the Municipal Tax Rate Calculation figures explaining those various dollar amounts. Treasurer Wilton noted on the Education Tax Calculation figures, those come from the State and she has no input on those figures.

The Board spent an hour reviewing and dissecting the rates looking for ways to lower the Municipal Tax Rate figure. Various Aldermen asked questions about Public Safety staffing and the possibility of further cost savings. After a very thorough review, the Board then decided to look at the 10% cash reserve held for the General Fund. This reserve is used as working capital for numerous payment options instead of the City borrowing money.

Alderman Notte then asked the Treasurer how much that reserve would be affected if the rate was reduced to 9%. The Treasurer was against that option but provided the information requested. Treasurer Wilton noted that if the reserve was reduced to 9% that would leave approximately \$1.8 million in reserve and lower the Municipal Tax Rate by .02 cents, down to 1.5932. The Board then debated that information.

At this point, President Davis asked if the Board was ready to present some motions and noted there were two "housekeeping" items that needed Board attention. A motion was made and seconded (Etori, DePoy) to DE commit the MS4 (\$475,000) and the FY15 Pension (\$316,000). **Motion passed.**

A motion was made and seconded (Notte, Tommola) to recommit \$200,000 to the Fire Department and \$150,000 to the Police Department. Alderman Etori noted he would not support the logistics associated with the \$200,000 commitment, but fully supported the fire department. **Motion passed.**

A motion was made and seconded (Notte, Etori) to set aside 9% or \$1,832,159 in working capital. There was a fair amount of debate on this motion. The Board discussed the effect of borrowing and was it cost effective to do so, verses a break even scenario on a lower tax rate. A roll call vote was requested prior to the calling of the motion by Alderman Larson. Upon finishing their 9% debate, President Davis asked the clerk to call the roll.

<b>Alderman Notte</b>	<b>YES</b>
<b>Alderman Humphrey</b>	<b>YES</b>
<b>Alderman Ryan</b>	<b>YES</b>
<b>Alderman Etori</b>	<b>YES</b>
<b>Alderman Tommola</b>	<b>YES</b>
<b>Alderman Mattis</b>	<b>YES</b>

**Alderman Dr. Cook**  
**Alderman Larson**  
**Alderman DePoy**  
**Alderman Donahue**

**YES**  
**YES**  
**YES**  
**YES**

**10 YES 0 NO MOTION PASSED.**

President Davis then asked the Treasurer to provide the Board with the new tax rate. Treasurer Wilton stated the new municipal tax rate was \$1.5932. A motion was made and seconded (Ettori, Ryan) to set the Municipal Tax Rate at \$1.5932. **Motion passed.**

President Davis then asked to set the Education Tax Rates. A motion was made and seconded (DePoy, Mattis) to set the Homestead Rate at \$1.4799. **Motion passed.** A motion was made and seconded (DePoy, Ryan) to set the Non-Residential Rate at \$1.5579. **Motion passed.**

With no other business to come before the Board a motion was made and seconded (Donahue, Ettori) to adjourn. **Motion passed.**

Respectfully submitted,

Henry A. Heck  
Rutland City Clerk