TOWN OF HARTFORD SELECTBOARD AGENDA
SPECIAL BUDGET MEETING

Thursday, December 4, 2025, 6:00pm Rescheduled from 12.2 due to Inclement Weather.
Hartford Town Hall, 171 Bridge Street,
White River Junction, VT 05001

This meeting will be conducted in person at Town Hall

The meeting will also be available on Zoom:
https://zoom.us/j/91619901314

Live stream the meeting on YouTube: https://www.youtube.com/@junctionartsandmedia

I. Call to Order the Selectboard Meeting (6:00)
II. Pledge of Allegiance (6:01)
III. Order of Agenda
IV. Selectboard

1. Public Comment (6:02)
   Public comment is an opportunity for the public to comment. It is not the place for dialogue. Questions about Town Operations? Please Contact the Town Manager.
2. Selectboard Comments and Announcements (6:12)
3. Board Report, Motions & Ordinances
   a. Budget Wrap Up #2 (6:15)
   b. Consider Proposed Unassigned Fund Policy (8:30)

V. Executive Session: Continued Discussion of Evaluation of a Town Employee (8:40)
VI. Adjourn the Selectboard Meeting (9:00)

All Meetings of the Hartford Selectboard are open to the public. Persons who are seeking action by the Selectboard are asked to submit their request and/or materials to the Selectboard Chair or the Town Manager's office no later than 5pm on Tuesday two weeks prior to the meeting date. Requests received after that date will be addressed at the discretion of the Chair. Individuals wishing to address the board should do so during the Public Comment period. Please Note: The Hartford Selectboard offers public viewing of meetings live at Town Hall, and additionally as a courtesy generally on YouTube, Channel 1085, and Zoom. If a member of the public has technical difficulties accessing this meeting remotely, please alert us by emailing Selectboard@hartford-vt.org.

John Haverstock

From: Ida Griesemer
Sent: Wednesday, October 22, 2025 11:33 AM
To: John Haverstock; Michael Hoyt; Mary Erdei
Subject: Re: DRAFT SB Agendas
Attachments: agendas.eml

Hi John, Mary, and Mike,
Hoping you receive this before the agenda setting meeting- apologies for the short notice. Can you please consider the attached budget-related memo for an upcoming meeting agenda? Let me know if you have any questions.
https://docs.google.com/document/u/0/d/12Vlzn7yhtQyPiNuVglkAOiva7g2v8bHtBGED8lg2me8/mobilebasic

Thanks!
Ida

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From: John Haverstock <jhaverstock@hartford-vt.org>
Sent: Wednesday, October 22, 2025 8:49:40 AM
To: Selectboard <selectboard@hartford-vt.org>
Subject: DRAFT SB Agendas

Hello All.

Attached please find three draft agendas which I will be discussing with Mary and Mike at Noon today.
Note that the attached includes our regular Selectboard Meeting on Tuesday evening and a Special Budget Meeting on Thursday evening.
Finally, there will likely need to be a Health Board hearing Tuesday at 5:30 pm (immediately before the regular Selectboard meeting. As you may know, the Town's seldom-convened Health Board consists of the Health Officer (Brett Mayfield) and the members of the Selectboard.

Thanks.

John Haverstock
Town Manager, Hartford, VT
802/295-9353 x216

Unassigned Fund Memorandum

Submitted By: Ida Griesemer, Erik Krauss

Subject: Use of Unassigned Funds

Background (NOTE: much of this is adapted from an email by Chuck Wooster)**:**

Unassigned funds are the excess funds not classified as non-spendable, restricted, committed, or assigned and can technically be used for any purpose. In other words, the unassigned fund balance is simply the money left over in the bank at the end of the year if/when the town runs a surplus.

In the recent past, in budgeting operating expenses, Selectboards have used some of the unassigned funds to reduce the amount of revenue raised by property taxes (authorized by voters) as shown below. Sometimes the board will assign some of it to some projects, but primarily the practice has been to "give it back" to the taxpayers the following year by subtracting it from the budget on the town meeting warrant. In the current year, for example, Article 2 shows a total budget of $22,465,113, of which $1,479,000 is paid by an assigned fund budget transfer.

This strategy could make the budget overly reliant on the assumption that there will be a surplus year after year. If there is a tight budget year, as the town experienced in the 2008-2009 recession, a surplus is not guaranteed. For example, if the town suddenly doesn't have a surplus of at least $1,479,000 next year, the town would have to either raise taxes by that much or cut the budget by that much just to stay where we are today.

Fiscal Year Budget	Transfer from Unassigned Funds (UF) towards Annual Budget[1]	Remaining UF Balance[2]	Remaining UF Balance as % of Annual Budget[3]
2026	$1,479,000	$1,000,090	4.45%
2025	$2,000,000	$1,164,444	5.44%
2024	$1,000,000	$1,754,908	9.24%
2023	$1,000,000	$2,029,374	11.12%
2022	$608,120	$2,462,830	14.14%
2021	$742,472	$1,874,455	10.79%
2020	$865,012	$1,617,987	9.60%

[1] Amount authorized for transfer per Article 2 of the Town Meeting Warning
[2] Unassigned Fund balance as of the end of the fiscal year (as reported in Independent Financial Auditor's Report) less amount transferred per Article 2. Note: Actual balance could differ.
[3] Total fund expenditures for operating expense authorized by voters per Article 2 of the Town Meeting Warning

Discussion:
We suggest the Selectboard, with guidance from staff and municipal finance professionals, consider the merits of different approaches to using unassigned funds and consider a policy to formalize the use of unassigned funds. Several approaches (some of which could be combined) to consider include:

1. The approach taken in recent years to apply a portion of the funds to the general fund budget. This "gives back" money to taxpayers but in a non-specific way.

2. Limiting the use of unassigned funds to fund one-time future expenses (capital or operating) or to increase reserve account balances. With this approach, the Town targets specific future expenses when there is a surplus in anticipation for leaner years. These types of allocations could reduce future pressure on the budget (the town can skip adding to capital reserves during a tight budget year) rather than exacerbating it.

3. Establishing a rainy day fund and transferring funds into it from the unassigned funds at the end of the fiscal year or during the budget process. The rainy day fund could be used for unanticipated expenditures and revenue shortfalls that may be caused by economic downturns, disasters, or other unanticipated circumstances.

The Selectboard should also consider creating and adopting a policy that establishes a target balance for unassigned funds (such as 5-10% of the annual budget), a rainy day fund, or both and guidelines for the consistent use of these funds.

Financial Impact: TBD

Recommendation:
Take steps to ensure a consistent, sustainable, and financially responsible approach to the way unassigned funds are allocated.