

Approved Minutes

Monday, June 24, 2019

1:00 AM – 4:00 PM

Ethan Allen Room, State House

Present: Commissioners: Stephen Trenholm, Bram Kleppner, Deb Brighton, Staff Director: Sean Sheehan, Consultant: Susan Mesner, Joint Fiscal Office Staff: Joyce Manchester, Chloe Wexler, Stephen Klein, Representative Peter Anthony, Tax Department: Erin Hicks-Tibbles, Jake Feldman, Doug Farnham, Public Assets Institute: Julie Lowell, Vermont League of Cities and Towns: Karen Horn

- 1:00 P.M. Welcome – Bram Kleppner, Commissioner – called to order at 1PM**
Approval of minutes from 5/29/19 – Commissioner Trenholm moves to approve, Commissioner Brighton seconds, all in favor
Review of agenda – Treasurer Pearce is not able to make the meeting today and will reschedule.
Public comment – see below.
- 1:10 P.M. Vermont’s long-term revenue challenges - CANCELLED**
Beth Pearce, Treasurer, State of Vermont
- 1:10 P.M. Introduction to Commission’s work on education system and funding**
Susan Mesner, Consultant, Joint Fiscal Office
Ms. Mesner presented Legislative Initiatives Related to Changing the Education Financing System, 1994-1998. Commissioner Brighton highlighted the guaranteed yield concept and the shifting of some of the education tax to the income tax. Commissioner Brighton mentioned that the 1994 bill H.541 as passed by the House, does not seem to be online for review. Ms. Mesner will investigate.
- 1:30 P.M. Education Property Tax Data**
Chloe Wexler, Legislative Fiscal Data Analyst, Joint Fiscal Office – power point presentation.
- 2:10 P.M. Education system and funding work plan -**
Sean Sheehan, Staff Director, Tax Structure Commission
Susan Mesner, Consultant, Joint Fiscal Office:
Commissioners discussed the workplan points.
- 2:40 P.M. Work status update/Future work**
Sean Sheehan, Staff Director, Tax Structure Commission
Susan Mesner, Consultant, Joint Fiscal Office
Public Comments:
-Ms. Manchester offered issues to keep in mind:
-Who bears the tax burden, in respect to income and/or wealth?

- Current year house value vs. current income
- Baby boomers are in peak income years but in 10 years that income will go down. Their property and wealth will be greater than their income.
- Mr. Feldman suggested having data on whether retirees remain in their houses would be helpful.
- Representative Peter Anthony, Barre, added that the heart of the Brigham decision concerns equity for students. He's noticed that whenever the conversation gets difficult, the focus slides back to taxpayer equity; to be faithful to Brigham, however, we can't let go of equity of opportunity for students.
- Ms. Wexler added that municipal taxes can affect a town's property tax capacity.

3:10 P.M. Next meeting date (confirm July 24, 2019) and agenda

Bram Kleppner, Commissioner

Next meeting date and time was confirmed by the Commissioners. Ms. Mesner will look into inviting those involved in administering the property tax.

3:22 P.M. Adjourn by consensus