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MEMORANDUM

To: Vermont Commission on Judicial Operations

From: Steven E. Jeffrey, Executive Director

Date: October 5, 2009

RE: Recommendations of the Vermont League of Cities and Towns to

Accomplish the County Property Tax Savings Proposed by the

Vermont Commission on Judicial Operations

Attached please find the recommendations of the Vermont League of Cities and Towns on how best to accomplish the county property tax savings projected in the recommendations of the Commission on Judicial Operations.

Since neither the voters nor the town governments now have the ability to control county spending or taxes, we believe that the best way to transform the savings projected into taxpayer savings would be to create county budget committees to assume the authority for setting the county budgets and to lower the current five cent county tax rate cap to one cent or the current county tax rate, whichever is higher. It also requires the county assistant judges to prepare and present a report detailing how much in county taxes was saved through the proposals of the Commission.

Specifically, the draft bill to control county budgets and taxes would do several things. It:

- establishes a county budget committee comprised of the state senators and representatives of each county and delegates from each town and city in the county. The municipal delegates have weighted votes the one from the smallest town having one and every other town having votes in proportion to their city or town population.
- empowers the county budget committee to adopt the county budget and set the side judges' compensation not set and paid for by the state.
- limits county budgets to expenses necessary for the performance of the duties and responsibilities of the county as set forth in the statutes, not provided for through state appropriation.
- provides that if the county budget committee does not adopt a budget by February 1, that proposed by the county side judges goes into effect.
- lowers the limit on the county tax rate from the current five cents to one cent or the county's current tax rate whichever is higher.
- Allows county taxes to be paid by the towns in four installments.
- requires the assistant judges to report to their taxpayers on how much they were able to save county taxpayers of the \$1.5 million state wide that the

Commission projects can be saved with its recommendations and how those savings were realized.

We hope that the Commission would consider incorporating these ideas into its findings and recommendations to assure that the \$1.5 million in cost savings proposed from the county budgets have the best chance of ending up as savings for the taxpayers.