

What is the required procedure for increasing the selectboard's salary? Does this have to be a separately warned item at town meeting or can the selectboard simply increase the line item amount in the proposed town budget?

The law regarding setting compensation for elected and appointed town officials is clear. Either the voters at the annual town meeting fix the amount or the selectboard decides how much to pay. There is one *exception* to this general rule, however. Selectboards are prohibited from setting their own salaries. Instead, the statute authorizes the town auditors to establish or adjust the selectboard's compensation at the time of the annual town audit. 24 V.S.A. §§932, 933.

Such adjustments are generally made administratively, without voter input. Just before the annual town meeting, while auditing the town's financial records, the auditors decide upon the figure to be inserted as a specific line item ("selectboard's salary") into the proposed general budget. The general budget article then appears on the official warning for the annual meeting, and the voters approve the adjusted salary as part of the annual budget. There is no legal requirement to make annual adjustments, and we can only guess at the events that may cause the auditors to adjust the board's compensation in any given year, as the reasons vary.

In 1998, the Legislature gave municipalities the authority to eliminate the office of town auditor and to contract with a licensed public accountant to audit the town's financial records. There is no legal authority for the public accountant to set the selectboard's compensation. Thus, if the office of town auditor has been eliminated, according to statute, the board "*Shall be compensated at the rate at which they were compensated during the immediately preceding year.*" 24 V.S.A. §933. Towns that vote their budgets from the floor can easily debate and adjust the selectboard's salary during town meeting. In towns that vote their budgets by Australian ballot, since voters can only vote 'yes' or 'no' to the bottom line, more forethought is needed. There are no auditors to adjust the budget before it is presented to the voters. *So, how can the board's salary be adjusted in this case?* The simple answer is the proposal to adjust the selectboard's salary must be brought to the voters under a separate article on the warning.

We suspect selectboards' compensation is not a major issue for most towns, given the amount of responsibility these dedicated volunteers willingly assume and the modest stipend most board members are paid. According to VLCT's *2000-2001 Vermont Municipal Salaries and Benefits* survey, annual compensation for selectpersons and trustees in municipalities with municipal property taxes less than a \$900,000 ranges from \$0 to \$2,460 per regular board member. In municipalities with property taxes greater than \$900,000, salaries range from \$50 to \$3,750. There is no statutory requirement that the selectboard chair be paid more than other members of the board. However, recognition that board chairs generally assume additional responsibilities is evidenced by the fact that some towns pay the chair slightly more than regular members. Most selectboard payments take the form of a set annual stipend, but some towns pay on a "per meeting" or hourly basis. No matter how you look at it, most municipalities get a real bargain!

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