

**MINUTES
ST. JOHNSBURY SELECTBOARD
SPECIAL SELECTBOARD MEETING
WEDNESDAY, DECEMBER 17, 2008**

The St. Johnsbury SelectBoard held a Special SelectBoard meeting on Wednesday, December 17, 2008 beginning at 6:45a.m. in the Board Room of the Municipal Building.

SelectBoard Members Present: Chairperson Bryon Quatrini, Gary Reis, Daniel Kimbell, Jean Hall Wheeler, and Jim Rust.

Others Present: Sandy Grenier, Stan Wilkins, Dan Scott, Larry Gadapee, Joe Fox, Priscilla Messier, Troy Ruggles, Linda Fogg, David Redmond, Joel Schwartz, and Mike Welch.

Chairperson Quatrini called the meeting to order with the Pledge at approximately 6:50a.m.

MUNICIPAL BUDGET 2009 DISCUSSION – The members of the Board reviewed the Proposed Municipal Expenditure Budget for 2009. The Manager presented the Board with the following estimates for reduction in the General Fund, Highway Fund, and Special Services Fund Budget:

GENERAL FUND:

Department Heads take a 2.5% Pay raise (instead of 3.5% approved for the Fire Union) to cover increase to 12% employee health insurance contribution and, 1% employee pension contribution. Total Reduction \$8,250.

Town Manager and Town Clerk take a 5% Salary Reduction – same as State request for officers earning more that \$60,000 per year.

Lister's Office Clerk – currently budgeted at 30 hours per week – position eliminated after July 1, 2009. Work load for this position to be taken up by Town Clerk Office Staff, following completion of reappraisal.

Town Clerk Office Clerk – Current 20 hour per week position eliminated from Town Clerk's Office. Eliminate contract services of \$12,000 for cleaning of municipal building. This ½ time position will take on responsibility for cleaning municipal building and Pomerleau Building – retaining this full-time position. Personnel cost for cleaning to be budgeted in Municipal Building and Pomerleau Building.

Reappraisal Fund – Reduce by \$10,000. Retain reserves of \$53,000.

Fire Department Equipment for Reserve Fund – reduce by \$30,000.

Merit Pay – Eliminate Merit Pay for Fire Department employees in 2009 - \$5,000

Net Effect of these adjustment is \$75,400 reduction in General Fund expenditures.

HIGHWAY FUND:

Consolidation of Water/Sewer Superintendent and Highway Superintendent into new Public Works Director position effective July 1, 2009. Net Reduction = \$19,500.

Department Head 2.5% Adjustment.

Merit Pay – Eliminate - \$7,500

Highway Equipment for Reserve – Reduce by \$20,000

Engineering – Reduce by \$5,000

Contractual Services – Reduce by \$25,000

Eliminate Winter Part-time Position – Effective after July 1, 2009.

Eliminate 1 Full-Time Highway Department Position – Effective July 1, 2009.

Net effect of these adjustments would be a reduction in Highway Expenditure Budget of \$135,860.

SPECIAL SERVICES FUND:

Department Head 2.5% Adjustment.

Special Services Equipment Reserve reduce to \$15,000.

Net effect of these adjustments would be a reduction in Special Services Fund Expenditure Budget of \$11,000.

The Manager informed the Board that the current Special Services Budget does include a full-time patrol officer position that is currently vacant. The Manager stated that the plan would be to fill this position in order to retain 24 hour coverage for the Department.

David Redmond stated that even with these cuts the Town is still looking at an increase in expenditure budgets, not a decrease, and the SelectBoard has asked the local non-profit organizations to take a 10% reduction in Town appropriations.

Linda Fogg said that she believed that there should be no increase in the municipal operating budgets – but if there is an increase – the Selectmen should develop a 3-5 year trend line for reduction of the municipal budget. She suggested that the plan moving forward should be a 10% reduction in current municipal spending levels.

Stan Wilkins said he felt that the Town should be looking at a reduction in the overall municipal operating budgets.

Jim Rust suggested that the Town consider taking the Recreation Fund transfer out of the municipal operating budget and have the article stand alone for consideration by the voters.

Jim Rust recommended that we should also look at what has been added in municipal services over the last 10 years – and are there specific service areas that we should trim back on.

David Redmond asked if the Town had approached the unions about accepting a higher deductible insurance plan – with the Town covering the deductibles. This could keep the insurance coverage nearly the same – while reducing the premium. The Manager stated that this has not been discussed, but some communities have done this – and it is something that can be investigated.

Linda Fogg asked about reopening the labor agreements that are signed. The Manager said that can be done by mutual consent. The SelectBoard has not discussed revisiting existing Union contracts at this time – but that is an issue that the SelectBoard can consider.

Bryon Quatrini suggested that the SelectBoard let the Manager enter in all of the recommendations that were made this morning, and then the Finance Committee and the SelectBoard can review the financial impact, and determine if additional steps need to be taken.

Daniel Kimbell asked about status of revenue projections. The Manager stated that he has completed revenue projections, and prepared estimates for year-end fund balances. Year-end fund-balances are only an estimate – and can not be finalized until after all December bills are received, and the books closed in mid-January. The Manager said he would review revenue projections, and prepare revised expense budgets for review by the Finance Committee on Thursday 12/18.

Gary Reis stated that most people are concerned about the property tax impact. Gary asked when property tax impacts could be estimated. The Manager stated that in mid-January he could provide an estimate of what tax impacts would be, based on the 2008 Grand List. This will change with the reappraisal in 2009.

Bryon Quatrini asked about status of keeping reappraisal up-to-date with rolling inspections, and if the budget is sufficient to do that. The Manager said that he was not certain, and would need to discuss the process further with Assessor Peter Whitney in order to respond.

Sandy Grenier pointed out that the town employees are the same people who are struggling in the community, and demand for municipal service is not going down. Sandy Grenier stated that the changes outlined by the Manager will result in service level reductions.

Bryon Quatrini said that the SelectBoard will review the Municipal Budget again at their meeting on Monday, December 22, 2008.

Having no further business, it was moved by Daniel Kimbell, seconded by Jim Rust, and voted to adjourn at approximately 7:35a.m.

Respectfully submitted;

Mike Welch
Town Manager