

MINUTES
ST. JOHNSBURY SELECTBOARD
MONDAY, MARCH 10, 2010
WELCOME CENTER
6:00 PM – SPECIAL MEETING

The St. Johnsbury SelectBoard held their SPECIAL Select Board Meeting on Wednesday, March 10, 2010 beginning at 6:00 p.m. at the Welcome Center.

Select Board Members Present: Chair Jim Rust, Daniel Kimbell, Bryon Quatrini, Rodney Lamotte and Bernard Timson.

Others Present: There were approximately 70 people in attendance including town department heads, employees, residents and others. Mike Welch, Sandy Grenier, Caledonian Record and News Channel 7.

CALL TO ORDER – Chairperson Jim Rust called the meeting to order at approximately 6:00p.m.with the Pledge.

GENERAL FUND BUDGET REVIEW – Chair Rust explained the process for the meeting: The Public would be heard, and then the board would take over and do their work.

Town Manager Mike Welch presented recommendations to the SelectBoard for general fund budget adjustments:

Department Head Wages – Department heads with annual salary greater than \$50,000 will take a 3% salary reduction effective 4/1/10.

Car Allowance – Five employees receive car allowances of \$2000 per year. Only two employees who receive these allowances have received any mileage reimbursement – in 2009 Schwartz - \$362.30 (out of town travel); Fox - \$205.93 (out of town travel Lacrosse). \$2,804 of \$3,344 amount in recreation expense for Gas, Oil, & Mileage was for Butler Bus for transportation. Employees to receive 1st quarterly installment of car allowance (\$500), eliminate flat car allowance effective 4/1/10. Budget \$750 per account for mileage reimbursement at federal rate – develop policy to cover employee deductible amount in the event of damage to personal vehicle while be used for Town purposes.

Health Insurance – Department Heads will increase contribution toward employee health insurance benefit from 14% to 18% effective 4/1/10, and to 20% of premium effective 1/1/11 in the event that the same plans are in effect.

Fire Department – 2010 Labor savings based on disability coverage - \$10,000.
Community Center – (\$5,000)

Recreation Transfer – based on revised Recreation Fund Expenditure Budget = \$80,340, reduction of (\$6,875).

Recreation Transfer – Cover the \$17,460 deficit amount from general fund surplus.
Reduces property tax requirement by that amount.

Welcome Center Rental + \$1,200 (Revenue)

VMERS – Subject to agreement with bargaining unit – Those employees not 100% vested in St. Johnsbury Pension Plan will participate in VMERS C (Fire Police) or VMERS B (all others) and will make the appropriate employer/employee contributions as recommended by VMERS. (VMERS C = 9% Employee and 6% employer – VMERS B = 4.5% employee and 5% employer.) There are 6 employees who are not 100% vested in current plan. We have currently budgeted 17% of wage by employer. Actuary estimate was 22%

Early Retirement – There are currently 13 employees who will reach their Normal retirement Date (NRD) within the next 5 years. By 7/1/10 – develop early retirement incentive – the positions of any employees accepting incentive will be reviewed for consolidation of responsibility before any replacement.

Labor Negotiations – Health - All three (3) labor contracts expire on 12/31/10. The Town has already contacted agents, VLCT, and BC/BS to get information about High Deductible Insurance Plans – and will develop a proposal for labor negotiations based on this type of plan.

Labor Negotiations – Pension – VMERS has all of the Town employee census data and is preparing cost estimates relative to acceptance of St. Johnsbury Groups into the VMERS Plans. Town proposal for labor negotiations will be based on this information.

Review all Dispatching Services Agreements for 2011.

Develop Pricing and Funding for Highway Department Garage for consolidation.

Organize Group to review and make recommendations to the SelectBoard relative to St. Johnsbury Public Safety Response – Including Medical, Fire Safety, and Police.

- Pete Gummere – submitted written comments. He felt Welch was making good progress and the board ought to be cautious about cutting too much.
- Brian Cushman – questioned what would happen to unused vehicle allowance? Mike Welch said it would stay in the budget.
- Dave Askren- wages need to be cut more.
- Elwood Cohen – Suggested 10 % cut.
- Nancy Cohen –questioned moving fuel from Recreation Dept to Welcome Center. Mike Welch said it would probably be moved to wastewater plant because of the size of the tank.
- Tony Greenwood – stated that people who do menial tasks should not be making \$75,000 per year. Mike Welch said that is not happening.
- Dave Redmond –Congratulated Mike Welch for taking steps in the right direction.
- Mike Fortier – said it was a great start but did not think it was enough. He submitted written comments and recommended a 20% reduction in expenses.
- Jim Flynn – You get what you pay for. He complimented Manager and Department Heads on a good job done. He also worried about cutting so much that you loose the expertise.
- Kim Colangelo – spoke in favor of the Recreation Department.

- Nancy Cohen – Thanked Town Manager and Department Heads for putting the best foot forward. But still respected Mike Fortier’s comments. She supports recreation.
- Priscilla Messier (zoning admin.) – Said she made calls today to verify information given at the last meeting. She called Poulos Insurance who verified that your home insurance would go up if we had a call vs. full time fire dept. She also called to verify that the Academy had taken a 3 year cut in pay. The Academy stated that they had frozen their wage for three years except those who were due steps were given them.
- Brad Reed – Asked the Board if the public would have a chance to speak again after the board dealt with it. Mr. Rust said the board could vote on it after. Mr. Reed said he felt that if changes got made from Mike’s proposal then the public should be able to comment again.
- Sandy Grenier – Showed a brochure from the Census 2010 that they are hiring at \$13.50 per hour with .50 per mile reimbursement. She stated that she has a person in her office who after 11 years earns \$12.85.
- Louis Lacroix – hoped the board accepted this proposal.
- Jim Rust – stated that Jerry Rowe and Mark Desrocher had written letters that were for the public view.

Daniel Kimbell comments were as follows:

1. No stipend for Selectmen
2. Concern with pay cuts to only top people. State Police has cut all wages and reduced services.
3. Could shut down town building (except emergency services) for one day a month thus cutting wages.

Rod Lamotte comments:

1. Need to cut more than 3%.

Bryon Quatrini comments:

1. Agreed with Kimbell
2. Need to better manage over time.
3. Salaries need to be on a pay range.

Bernard Timson comments:

1. Agreed with Quatrini
2. Cut overtime but would not want my wage cut.

Jim Rust comments:

1. Agreed with everyone
2. Need policy and procedure
3. Cost of living only raises
4. Not sure about closing office one day a month.
5. Like what Town Manager submitted

Jim Rust asked what the board wanted to do. Mike Welch commented that if you were to open contracts now it would not be a great idea. Fire Department over time mostly has to do with fair labor standard act. Police have overtime that is uncontrollable also because they cannot schedule their own court time. He also said that raises, for years, have been based on cost of living increases. He endorses this budget fully.

Mike Welch told the board that the recommendations represented a 5% reduction in general fund taxes from last year. Rodney Lamotte then suggested 7 ½ to 10%. Board agreed it was too late to open contracts and most salaries were untouchable.

Bernard Timson asked if Economic Development could be cut back to part time. Mike said that this is not the time to do that and that Economic Development is a full time job and Joel gives 100%.

Welch stated that he felt town employees work hard, he is proud of the job they do. Bryon Quatrini agreed not to cut economic development. Daniel Kimbell commented that unless we increase our user base for water/sewer we will be hurting, so we need Joel working on our behalf. Welch said he supports this budget and will work hard at getting it passed.

Bryon Quatrini moved to accept the 3/10/10 proposal by Mike Welch cutting the General Fund Budget to \$2,323,000 with taxes to be raised in the amount of \$1,722,590. Seconded by Daniel Kimbell. The vote was all in favor except Lamotte opposed.

Discussion then went to a date and time of meeting. Concern was day of week, place, absentee ballot mailing. The board agreed to meet Tuesday March 16th at 7AM. To discuss the voting date. The next regular meeting will be March 22, 2010.

Bernard Timson asked for study on fire department medical calls. Jim Rust asked for study of Public Safety in general including police, medical, and fire. Jim Rust suggested inviting participation from State Police, NVRH, CALEX, and municipal service representatives.

Meeting adjourned at 7:35 PM.

Respectfully submitted,

Mike Welch
Town Manager