

**St. Johnsbury Selectboard  
Regular Selectboard Meeting  
Monday July 14, 2014 in the Pomerleau Building**

Present; Selectboard members Oddy, Ruggles, J. Moore, T. Moore and Murphy

Staff; Jewell, Hall, Ormiston, Russ, and English

Press; KATV and Reed (CR)

The meeting opened at 7PM.

At 7:04PM, on a motion by J. Moore and Ruggles the board voted to go into executive session to discuss pending litigation where premature public knowledge of the discussion would put the town at a substantial disadvantage. The town manager and Kyle Sipples were included in the meeting.

At 7:13PM, on a motion by Ruggles and J. Moore the board voted to come out of executive session. Chairman Oddy stated there was nothing to report.

The minutes of the June 23, 2014 meeting were approved on a motion by Ruggles and T. Moore.

The minutes of the July 7, 2014 special meeting were approved on a motion by Ruggles and T. Moore.

The warrants were approved on a motion by J. Moore and Ruggles.

A change in the outside consumption permit for the Kingdom Taproom was approved on a motion by J. Moore and Ruggles. Murphy abstained.

Mel O'Conner from MRI did a presentation outlining the recruitment services available through her firm. They are interested in being considered for the purpose of recruiting John Hall's replacement as town manager.

Dave Ormiston reported on the audit. The Selectboard has to decide how they want to deal with the positive fund balances in the special service and highway fund so the audit can be wrapped up.

The Special Services financials for FY 2013 have a positive fund balance of \$121,140.09.

On a motion by Ruggles and T. Moore the board voted to put \$16,700.00 into the Police Equipment Reserve Fund and \$104,440.09 into the Special Service general reserve fund.

The Highway Dept. financials for Fy2013 have positive fund balance of \$614,927.40.

On a motion by Murphy and J. Moore the board voted to put \$169,763.78 into the highway equipment fund, \$165,250.00 into the highway construction fund and \$160,007.24 into the Capital Projects fund to cover bike path costs that have accrued over several years. The remaining \$119,906.38 remains unassigned.

The General Fund started 2013 with about a \$330,000 negative fund balance but was able to reduce it to \$119,906.38 by the end of 2013.

Also in 2011 the voters at town meeting agreed to pay off the \$54,407 balance owed on the loan for the parking lot by the Downtown District. This resulted in a negative fund balance of \$54,407 in the Downtown District fund with no revenue flow. The auditor advised the Selectboard to transfer that amount from the General Fund to balance the ledgers.

On a motion by Ruggles and Murphy the board voted to transfer \$54,407 from the General Fund to the Downtown District Fund.

On a motion by J. Moore and T. Moore the board approved reserving \$7,822.65 from the General Fund to the Fire Department Donation Reserve Fund. These funds are direct donations to the Fire Department that if not reserved would likewise be lost to the General Fund at years end.

These two motions cause an increase in the negative balance in the General Fund to \$182,136.03. The Selectboard has at least two ways they can resolve the negative fund balance. They could raise it by increasing the tax rate when they set it next month or borrow the money and pay it back over a term of three or more years.

On a motion by Ruggles and T. Moore the board tabled it until next meeting. In the meantime Dave will see what terms may be available and how it would affect future tax rates if we decide to borrow the money.

On a motion by J. Moore and Murphy the board ratified the signing of a document allowing Fairpoint to move some poles on Summer St and Church St as part of the Westside South project. The document was signed by a majority of the board between the last board meeting and this meeting in order to expedite the work.

In accordance with the changes in the public meeting law the board on a motion by J. Moore and Ruggles voted to designate the Town Clerk's office, the front hall of the Public Safety Building and the entryway to the St. Johnsbury Athenaeum as the places public meeting notices would be posted.

On a motion by Ruggles and J. Moore Dennis Smith was appointed to fill a vacancy on the Design Review Board.

The town manager reported that the town is working with the town attorney to develop a RFP for potential developers of the Armory building.

At 9:30PM on a motion by T. Moore and J. Moore the meeting was adjourned.