



TOWN OF ST. JOHNSBURY

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Select Board Meeting Notes

December 21, 2015

This meeting was scheduled as a working session to review the proposed 2016-17 Town budget.

Board Attendees: Kevin Oddy, Jamie Murphy, Jeffery Moore, Tim Angell, Tom Moore

Staff Attendees: Chad Whitehead, Joe Kasprzak, Lesley Russ, Holly English, Linda Perkins, Maurine Hennings, Clem Houde, Troy Ruggles, Hugh Wescott, Stacy Jewell, Mark Gilleland

Media Attendees:: KATV

The Select Board opened the meeting at 6:00p.m. with the Pledge of Allegiance.

Town Manager Whitehead presented the 2016-17 budget overview that included the budget process, revenue highlights, and large-scale expenses that have the greatest effect on the budget.

In summary, Town Manger Whitehead shared the impact of the proposed budget on tax payers (based on the 2015 grand list):

- Inside the Special Services District: 4.02% increase over last year, which translates to a \$72.95 increase in taxes Year-Over-Year (YOY) on a home valued at \$150,000
- Outside the Special Services District: 4.47% increase over last year, which translates to a \$52.40 increase in taxes YOY on a home valued at \$150,000

The Select Board had the following budget questions:

Jeff Moore-

- Town Manager's Office Budget- *Why had furniture been reduced by \$2,000, to \$2,000?*
Response- *(Town Manager) the Town recently acquired office furniture from the State of Vermont (for free) reducing the need for the original \$4,000 that had been budgeted.*
- Town Clerk's Office Budget- *What makes up the \$22,000 contracted services budget?*
Response- *(Town Clerk) land records \$875/month, copier contract, preservation of files expense and postage machine.*
- Community Center Budget- *What is the \$10,000 line item under contracted services?*
Response - *(Assistant Town Manager) the Town included funds for the next step of the PCB assessment and cost estimates for full remediation of the facility. Funds in this budget are also allocated to identify a temporary solution to the leaking roof.*
- Assessor's Office Budget- *When is the next appraisal scheduled and at what level will the \$20,000 budgeted for reserves put the Town?*
Response- *(Town Assessor, Finance officer) the State of Vermont determines when a town-wide reappraisal is necessary. Recently our Common Level of Appraisal (CLA) dropped from 108% to 106% (very good news). We should expect that a new appraisal will be necessary in the next 3-5 years and with the*

existing reserves, plus the continued funding of these reserves at the current level, we expect to have sufficient funds in the reserve to pay for the next re-appraisal.

Summer & Winter Maintenance Budgets- *Why is worker's compensation so high?*

Response - (Finance Officer) Allocations between departments have been made to better represent true expenses; general increases in WC rates across the board; increases due to local claims. Overall WC increase is 7% for the 2016-17 budget.

Highway Department- *Why is internet expense \$2,000?*

Response- (Town Clerk) The \$2,000 expense includes an allocation of server expense, internet for the PW Director's iPad, and internet for the Dept. Public Works building.

Tim Angell-

Summer Maintenance Budget- Contracted Services (Clark's Ave. retaining wall project) - *is this project to be contracted out or done in-house?*

Response- (Town Manager, Public Works Director) at this point we plan to contract this out and have received one preliminary bid.

Police Department Budget- *what are the current staffing levels?*

Response- (Chief Houde) the budget represents eleven full-timers and three part-timers which is the same levels as last year. Due to recent staff changes there are currently eleven full-time, one part-time, and one part-time in training, with one part-time position left to be filled.

Tom Moore-

Police Department Budget- *why do we need new handguns?*

Response- (Chief Houde) there are state and federal requirements pertaining to law enforcement gun inventory. Our inventory in many cases exceeds these requirements therefore replacement is necessary.

Kevin Oddy-

Fire Dept. Budget- *why do we need to purchase a new pumper truck?*

Response- (Chief Ruggles) fire apparatus replacement is based on a schedule, ladder trucks should be replaced on a thirty year cycle, while pumper trucks replacement schedule is twenty years. We plan to finish paying off the last purchase of the ladder truck in January of 2018 and the pumper truck will be the next in the replacement schedule. The existing replacement schedule is important to keep as it eliminates the potential for having two fire truck payments within the same year.

Zoning Budget- *what does a code enforcement officer do?*

Response- (Town Manager) the enforcement officer will work closely with the Zoning Administrator to ensure compliance with conditions outlined on issued permits. The Code Enforcement Officer duties will include periodic inspection of commercial properties. Expectations include the improvement of the Town's aging housing and commercial building stock. Many other communities have implemented similar programs that has proven to be successful.

Jamie Murphy-

General Fund Budget- *are there any changes to the appropriation requests for this budget versus the previous year?*

Response- (Town Manager, Town Clerk) all appropriations are the same as last year.

Public Comment:

Dave Timson- *commented on the amount of money budgeted for sidewalks and construction projects. The existing funding does not seem to be enough for the deteriorating sidewalks and roads.*

Dave Timson- *The overall budget is too much. The tax payers cannot afford it. This is the fourth year in a row with taxes going up.*

Dave Timson- *How many cruisers in the PD? Are any unmarked?*

Response- *(Chief Houde) six vehicles total and there is one un-marked vehicle.*

Dave Timson- *What is the Town's total indebtedness?*

Response- *(Jeff Moore, Town Manager) the Water and CSO Infrastructure projects since 2008 have totaled \$31M. These projects are required by the state. FOLLOW UP: The Town received approximately \$21M in grants to offset these recent projects. A summary of loans from the 2014 Audit are attached to these notes*

Jim Brown- *can we do a community comparison to best understand where we stand regarding tax rates?*

Response *(Select Board) – this is very difficult to do since every town is different (feet of sidewalks, feet of roads, class of roads etc.). This method is reasonable when comparing School budgets.*

Carol Koukoutsis- *asked why we need so many police officers?*

Response- *(Chief Houde) the amount of officers we have is sufficient to staff a minimum of two officers, seven days per week, twenty-four hours per day, and perform all follow-up duties including court responsibilities and training.*

Dave Timson- *someone called him today to ask if all salaries could be included in the Town Report?*

Response- *(Town Clerk) this information public knowledge and available upon request.*

Town of St. Johnsbury Loans

2014 Audit

USDA LOAN 91 / 07 \$1,813,000 Phase I Water

Date of loan: 11/02/09, Payoff: 2049

Balance: (\$1,705,086.72) as of 10/1/15 Interest rate 4.25%

Payments: May & November \$47,338.00

USDA LOAN 92 / 05 \$100,100 Sewer

Date of loan: 03/15/07, Payoff: 2037

Balance: (\$82,829.26) as of 10/1/15 Interest rate 4.125%

Payments: March & September \$2924.00

USDA LOAN 91 / 09 \$427,000 Phase I Water

Date of loan: 11/02/09, Payoff: 2049

Balance: (\$401,585.41) as of 10/1/15 Interest rate 4.25%

Payments: May & November \$11,149.00

USDA LOAN 91 / 12 \$775,000 Phase II Water

Date of loan: 12/21/09, Payoff: 2049

Balance: (\$708,271.56) as of 10/1/15 Interest rate 2.5%

Payments: June & December \$15,384.00

RF 1-016 LOAN \$1,133,527.40 Sewer

Date of loan: 08/01/2009, Payoff: 2028

Balance: (\$736,792.81) as of 10/1/15 Interest Free

Payments: August \$56,676.37

VT MUNICIPAL BOND \$4,855,000

Refinance of Water/Filter Plant & Sewer Plant Loans

Date of loan: 12/01/2004, Payoff: 2024

51%Water / 49% Sewer for Budgeting

Balance: (\$2,240,000) as of 10/1/15, Net Interest Cost 4.90%

Payments May \$74,146.00 & November \$329,128.00

USDA 93-15 Westside \$4,469,000 Water/ Sewer/ Highway

Date of loan: 12/15/11, Payoff: 2041

63% highway / 27% water / 14% sewer

Balance: (\$4,088,448.14) as of 10/1/15 Interest rate 2.25%

Payments: June \$102,832.00 & December \$102,832.00

VT MUNICIPAL BOND -- WELCOME CENTER \$1,400,000

Date of loan: 12/01/11, Payoff: 2031

Balance: (\$1,190,000) as of 10/1/15, Net Interest Cost 3.843%

Payments: May \$22,476.89 & November \$92,476.89

RF 1-153-3 \$262,716.43 Hood PS, Hood FM, Oat St. PS Sewer

Date of loan: 2013, Payoff: 2028

Balance \$262,716.43 as of 10/1/15 Interest rate 0%

Payments start: November 1, 2019 \$26,271.64

RF 1-168-1 \$4,866,958.23 CSO-Eastern, Main, Western

Date of loan: 2013, Payoff: 2035

Balance \$4,866,958.23 as of 10/1/15 Interest rate 0%

Payments start: September 1, 2018 \$243,347.91

RF 3-300 \$2,559,805.13 CSO-Eastern Main Western

Date of loan: 2013, Payoff: 2045

Balance \$2,559,805.13 as of 10/1/15 Interest rate -0.0250

Payments start: September 1, 2018 \$56,270.31

WPL-221 \$55,300 Moose River Crossing Water

Date of loan: 2014, Payoff 2024

Balance \$55,300.00 as of 10/1/15 Interest rate 0%

Payments start: January 1, 2020 \$11,060.00

Fire Truck-Ladder \$605,986.00

Date of lease: 2013, Payoff 2018

Balance \$336,224.40 as of 10/1/15 Interest rate 1.99%

Payments: January \$113,209.83

Volvo Grader \$164,895.00

Date of lease: 2013, Payoff 2017

Balance \$66,693.46 as of 10/1/15 Interest rate

Payments: July \$34,469.28

Holder \$162,412

Date of Lease: 2014, Payoff 2019

Balance \$136,301.48 as of 10/1/15 Interest rate 2.79%

Payments: September \$35,251.04

Vac-Con Truck \$263,631.00

Date of Lease: 2013, Payoff 2018

Balance \$166,707.34 as of 10/1/15 Interest rate 1.99%

Payments: January & July \$27,927.38

General Fund Deficit Loan \$182,136.03

Date of Loan: 2014, Payoff 2017

Balance \$57,680.75 as of 10/1/15 Interest rate 1.25%

Payment: August 2017 \$62,237.49