

**TOWN OF NORTHFIELD, VERMONT**  
**SELECT BOARD**  
**SPECIAL MEETING**  
**Minutes of January 5, 2016**

- I. **ROLL CALL.** Chair John Quinn III (absent), Vice-Chair K. David Maxwell, Select Board members, Lynn Doney, Matthew Gadbois, and Kenneth W. Goslant. Also present were Town Manager Jeff Schulz; Finance Director, Laurie Baroffio, and Elroy Hill.

Acting Chair Maxwell called the meeting to order at 6:05 p.m.

- II. **PUBLIC PARTICIPATION:** None.

III. **BUDGET WORK SESSION**

Manager Schulz noted that several possible areas for reducing the proposed FY 2016/2017 budget were discussed at the last budget meeting (12/29/15). He noted that about \$12,000 can be saved in personnel costs due to a lower COLA than anticipated. In addition, an employee has decided to opt out of the Town's health insurance policy.

However, a recent invoice from VLCT PACIF indicates that the cost of the Town's general insurance policy (auto insurance, workers comp, liability, etc.) will be more expensive than had been anticipated. Finance Director Baroffio has found some errors in the bill so will be contacting VLCT PACIF for a correction. Ms. Baroffio noted that some of the increase is due to factors specific to Northfield while other reflect growing state-wide concerns (i.e. municipal embezzlement, fraud, etc.). For example, one factor for workers compensation is based upon an average of recent years and one large claim is no longer offset by a particularly low claim year. After making all the revisions, the proposed budget reflects a \$20,120 decrease in the tax levy compared to last year.

Select Board member Gadbois asked about a \$35,000 decrease in the amount allocated for Central Street drainage. Ms. Baroffio said that these funds did not have to be spent because the Central Street Water Project came in under budget. Of this amount, approximately \$24,000 would be transferred to the King Street/Turkey Hill drainage account and the remainder into a general drainage account. Select Board member Gadbois asked if the voters would have to authorize this transfer. Ms. Baroffio is unsure but will check with VLCT before the Town Meeting warning is signed.

Select Board member Gadbois then asked about the CIP account for fixing the Brown Public Library roof. Ms. Baroffio stated that \$10,000 in surplus funds from the current fiscal year would be put into this account and \$2,000 from taxes, thus reducing the amount funded by property taxes by about \$8,000. Acting Chair Maxwell noted that that there are plans to seek state funds to pay for building improvements.

Acting Chair Maxwell asked about the amount of this current fiscal year surplus. Ms. Baroffio stated that the total amount was \$327,483. There are proposals to use \$228,071 for various projects, leaving \$99,412 to carry over into the next fiscal year. Acting Chair Maxwell asked if this was an appropriate amount to keep on hand. Manager Schulz said that it might be a little low but since the cost of borrowing remains rather inexpensive, there should be no real cause for concern. Ms. Baroffio said that merger has had some impact on this as there now is a combined \$3,000,000 operating budget. Although optimally we could plan to have two (2) months of operating expenses on hand, it no longer is feasible given the current economic climate.

Select Board member Goslant favors selling the roadside mower (tractor) and contracting out the work in the future. Select Board member Gadbois believes that it would be a good idea to keep the tractor in case the outsourcing does not work out. Acting Chair Maxwell asked how this would affect the proposed budget. Ms. Baroffio stated that there would be the need to add the cost of the contracted services to the budget. If the tractor was sold, the funding received could be set aside to pay for the contract in future years (or put into another account).

Select Board member Goslant felt that given the age of the tractor, there was no reason to hold onto it while its sale value decreases. The funds received should more than offset the contracting costs. Even sitting unused at the garage, the tractor would still have to be maintained on occasion. Acting Chair Maxwell asked if there was any quotes yet for the roadside mowing. Manager Schulz said that the initial bids were 10,000 and \$7,500. He expected the actual amount to be closed to \$12,000.

Select Board member Gadbois is concerned that even though selling the tractor will fund the mowing services in the first few years, after that it will need to be funded by property taxes. Manager Schulz said that this does not take into account the reduced costs in maintenance, liability insurance, and personnel should the work be outsourced. Select Board member Doney asked how much actual use the tractor got each year. Manager Schulz thought that it was about thirty (30) days in total. Select Board member Doney asked how much it cost to maintain each year. Manager Schulz said that there were a couple of repairs last year that together cost about \$6000.

Acting Chair Maxwell asked what the Board's consensus on this was. Personally, he agreed with Select Board member Goslant that the tractor be sold and the roadside mowing contracted out in future years. Select Board member Doney asked if it were possible to get an estimate first on the tractor's sale value. Acting Chair Maxwell said this was possible. Select Board member Goslant would like to be sure that the sale is advertised properly in order to get full value. Select Board member Doney does agree that the vehicle should be sold. Ms. Baroffio asked if anyone could estimate the resale value. Select Board member Goslant felt that it should bring in at least \$40,000. Manager Schulz said that former Highway Superintendent Ray Hudson thought that it could be sold for between \$30,000 and \$35,000. Ms. Baroffio said that the cost of the contracted mowing would need to be added to the proposed budget but future years could be funded by the vehicle sale (if the Board wished).

Select Board member Goslant felt that since the tractor would be sold before the next budget goes into effect (07/01/16), the initial costs could be covered by surplus funds in the Highway Department. There was discussion that the contracted mowing will become an operating expense and should be funded by taxes. Manager Schulz said that he and Ms. Baroffio will look into this and provide a recommendation. Select Board member Gadbois still opposes the sale but Select Board member Goslant noted that there is a consensus to sell.

Select Board member Gadbois asked if it were possible to bring janitorial services in-house. Ms. Baroffio said that this had been explored at one time but there was problems with the employee's union since most of the work would have to be done outside of normal working hours (nights and weekends). Acting Chair Maxwell thought that this should be explored again given the high cost of contracting the work out. He felt that any comparison of this proposal with the outsourcing the roadside mowing is "apples and oranges" since the former is seasonal work only.

Manager Schulz stated that another decision that needs to be made is whether the 2005 Mack truck should be replaced during the next fiscal year. The vehicle's body is badly rusted and there are some concerns that it might not pass inspection in its current condition. Ms. Baroffio added that most of the money in the CIP account for its replacement was used instead to purchase a Western Star truck last year in order to replace the 2008 Mack truck, which was considered to be in worse condition. As a result, only \$35,649 remains in the CIP account to replace the 2008 Mack truck. Select Board member Gadbois wants to be sure that the vehicle could not be kept in service for a few years more even if it means installing a new body. Manager Schulz said that would assume that the rest of the vehicle (engine, transmission, etc.) remains in good shape. Select Board member Doney also concurred, stating that other than the rusted body, the vehicle is in excellent condition. Manager Schulz stated that funds would need to be kept in the CIP account as this vehicle would have to be replaced eventually. Ms. Baroffio said that the cost of the new truck body (\$30,000) would need to be added to the budget unless it is the Select Board's desire to use the aforementioned existing CIP funds. After further discussion, it was Board consensus to use the existing CIP funds to purchase the new truck body, put \$10,000 in next year's budget for 2005 Mack truck replacement CIP account, and increase this amount to \$19,000 in subsequent years.

Manager Schulz stated that the last large item to discuss is whether to replace the 1996 Fire Pumper truck during the next fiscal year, which is what Fire Chief Peter J. DeMasi has requested. Select Board member Goslant felt that it might be useful to have a conversation with Norwich University to see if it would like to make another donation to cover the cost. Given the recent and planned campus expansion, Norwich University might be willing to contribute towards the increased level of fire protection that it will be receiving. In any case, he would like to put off the purchase for another year. Select Board member Doney understands that the Fire Tanker truck is in much worse condition and should be replaced sooner. This also would be a less expensive purchase. Acting Chair Maxwell suggested that Manager Schulz should discuss this possibility with Chief DeMasi. As for now, the Board consensus is to adopt Select Board member Doney's suggestion and purchase a Fire Tanker truck instead.

Select Board member Goslant believes that it would be good idea for Manager Schulz to have an extensive conversation with the Fire and Ambulance Chiefs in order to determine what is really needed for this community. He added that the Ambulance equipment appears to be almost in constant usage while the Fire trucks often sit around for a while. He feels that we now have the right Town Manager and Chiefs to develop a proper emergency services plan for Northfield. Select Board member Goslant added that Mutual Aid assistance is available when needed. He also would like to know how Norwich University fits into this discussion. Ms. Baroffio suggested that with the Fire Pumper truck postponed for another year, there will be time to hold meetings with Norwich University administrators and discuss a possible contribution.

Manager Schulz stated that the matters discussed tonight were the major outstanding ones regarding the proposed FY 2016/2017 municipal budget. There can be a budget discussion at next week's regular meeting (01/12/16) in order to tie up any loose ends. If needed, a final budget meeting could be scheduled for the following Thursday night (01/14/16).

Acting Chair Maxwell asked what was the Board consensus regarding the proposal to eliminate the municipality's contribution to the employee's secondary retirement fund (ICMA) for savings of \$35,000. Select Board member Gadbois still doesn't believe that current employees should be affected by this change. Select Board member Goslant does not believe in the municipality funding two separate employee retirement funds. He suggested that the elimination of the Town's ICMA contribution be phased out over two years. The first year the Town would pay one-half of its current contribution and then eliminate it entirely the following year. Manager Schulz stated that this might create some bargaining leverage for the municipality during this year's union negotiations. He added that ICMA does not care how much municipalities contribute (if anything) to their employees' retirement accounts. Acting Chair Maxwell noted that this sort of cutback in employee retirement plans has become rather common for both public and private employers.

**IV. PUBLIC PARTICIPATION (Unscheduled).** There was none.

**V. ADJOURNMENT.** Motion by Select Board member Gadbois, seconded by Select Board member Goslant, to adjourn. **Motion passed 4-0-0.**

The Board adjourned at 8:06 p.m.

Respectfully submitted,

*Jeffrey Schulz*

Jeffrey Schulz, Acting Clerk

An audio recording of this meeting is available in the Town Manager's Office.

These minutes were approved at the regular Select Board meeting of January 12, 2016.