

**TOWN OF NORTHFIELD, VERMONT
SELECT BOARD SPECIAL MEETING
Minutes of December 3, 2024**

- I. ROLL CALL.** Select Board Chair K. David Maxwell, Board members Charles Morse, Lydia Petty, Merry Shernock, and John Stevens. Also present were Manager Jeff Schulz, Laurie Baroffio (Finance Director), Thomas Davis (Economic Development Director), and Elroy C. Hill.

Chair Maxwell called the meeting to order at 6:00 p.m.

- II. PUBLIC PARTICIPATION (SCHEDULED):** None.

III. DISCUSSION

- a. Proposed FY 2025/2026 Town Budget.** Before Manager Schulz begins his review of the proposed budget, Chair Maxwell wanted it noted that he attended two (2) Budget & Financial Review Subcommittee meetings with Board member Morse (11/15/24) and Board member Stevens (11/25/24) before the proposed budget presented tonight was finalized. A major theme at these meetings was that the same approach to drafting municipal budgets cannot be taken every year due to ever-changing conditions and increased costs for capital equipment, etc. Chair Maxwell felt it was important to think outside the box and perhaps looks at new ways of determining whether the right kind of heavy equipment is being purchased, whether these purchases are occurring at the right times, etc.

- 1. Municipal Budget Overview.** Manager Schulz said he and Financial Director Baroffio have been working on the current budget draft over the past couple of months with valuable input from the various department heads. As a result of their efforts, the property tax increase required to support this budget has been kept below eight percent (8%). Manager Schulz added that this initial budget doesn't include the use of American Rescue Plan Act (ARPA) funds. However, should the Select Board members approve the ARPA Fund Allocation Agreement at their next regular meeting (12/10/24), any unallocated ARPA funds would be converted to Town General surplus funds and could be used for specific projects, etc. if Select Board members so choose. Manager Schulz noted that the 7.7% increase in the local property tax rate would produce \$4,352,450 in tax revenue. The budget also would be supported by \$1,469,560 in non-tax revenue and \$339,710 in prior year surplus funds. Looking at the revenue side of the proposed budget, Manager Schulz did not see significant increases in the municipality's revenue accounts. There will be a 2.9% increase that will result in \$41,020 of additional revenue. Board member Morse believes the amount projected for Town Clerk's fees (\$35,000) is not realistic given lower actual expenditures in recent years. He would like this amount reduced to \$28,000. Ms. Baroffio noted that Town Clerk's fees did go down in recent years with the State of Vermont allowing Town Clerks in other towns to collect fees on Northfield-related matters, such as birth certificates, etc. After further discussion, Board member Morse suggested setting this revenue amount at \$30,000. He also noted that passport processing fees had provided \$11,435 of revenue during FY 2023-2024 but only \$3,000 has been projected for this revenue account in the next fiscal year. Manager Schulz noted that the cited fiscal year saw a great increase in municipal passport processing due to the closure of the Montpelier passport office for over a year due to the July 2023 flooding. This office reopened a few months ago and at the same time a new passport processing location opened at the Northfield Post Office. Those are the main reasons anticipated revenue for this municipal service has been set at \$3,000, which is now a more accurate projection. Board member Morse then noted that the Interest of Investments account had actual revenue of \$70,740 during FY 2023-2024 but the anticipated amount in the next fiscal year was set at \$30,000. Ms. Baroffio noted that a good part of the surplus funds that had earned that interest have been spent over the past couple of fiscal years, which reduces bank balances and lowers the amount of interest being collected. Manager Schulz said the \$30,000 figure could be revisited and perhaps raised slightly. It was noted that this was the interest income for Town General funds only as the interest earned on Capital Improvement Plan (CIP) and the utility accounts are tracked separately.

Manager Schulz noted Northfield Ambulance Service (NAS) revenue has been increasing in recent years due to the increased number of emergency responses, non-emergency transfers, etc. He added that the per capita fee charged to West Berlin and Roxbury for NAS coverage has been adjusted in recent years to better cover the actual costs of this service. In the next fiscal year, Manager Schulz would like to increase the per capita fee by \$3.00 to \$38.00. Even with this increase, this amount is below what Barre Town Ambulance and some other ambulance services charge for providing emergency coverage for neighboring towns. Chair Maxwell remembers a few years ago when the per capita fee was set at \$18, which now seems quite low. This increase in the per capita fee will provide an additional \$2,900 in NAS revenue in the next fiscal year. Board member Petty felt these incremental increases were the appropriate course of action. Chair Maxwell agrees that we now seem to be moving in the right direction. Manager Schulz noted that in addition to the per capita fee, the NAS also collects fees from the West Berlin and Roxbury patients it has treated. Manager Schulz then provided a brief overview of the budget pages that indicate the use of surplus funds and CIP account interest income.

2. **Operations & Maintenance (O&M) Budgets.** Manager Schulz stated that the O&M budgets will see an overall increase of four percent (4.0%) in the next fiscal year. This is mainly due to increased personnel costs due to scheduled wage rises in the employee union contracts. Another factor is the higher cost of employee health insurance costs. Board member Morse felt this was a reasonable overall increase. Manager Schulz then provided brief overviews of the O&M budgets, focusing on those areas where the specific budget line items have significant increases or reductions.

In the Manager's budget, the 5.7% overall budget increase is mainly due to higher wages and increased health insurance costs. Liability and other insurance coverage usually increase annually and Ms. Baroffio said we cannot know the actual figures until the Vermont League of Cities & Towns (VLCT) provides its updated rates for the next calendar year in January 2025. In the Town Clerk/Treasurer budget, there will be a 6.5% overall increase mainly due (again) to higher personnel and health insurance costs. Board member Morse is pleased to see a bump in the compensation for the Town Clerk. Manager Schulz then noted that the Board of Civil Authority budget will be level-funded in the next fiscal year. The Accounting Department budget will see a 7.0% increase due to higher personnel and health insurance costs.

In the Listers budget, Manager Schulz noted that although the hourly wage for the Listers and their assistant has been raised, personnel costs for this department have decreased in recent years due to a reduction in their work hours. As a result, the budget increase for this department is only 0.3%. Board member Morse asked when the townwide reappraisal will commence. Manager Schulz said it is scheduled to start in the spring of 2026. Any increase in Lister personnel costs due to increased time in the office will be figured into the reappraisal budget.

Regarding the Northfield Fire Department (NFD) budget, Manager Schulz said NFD Chief Peter J. DeMasi will attend one of next week's budget meetings to answer any questions. He added that NFD personnel costs in the next fiscal year will be lowered by \$2,000 to \$29,000 in order to better reflect recent actuals. The overall budget will increase 6.6%. Board member Petty noted an increase in the Personal Protection Equipment line item from \$10,000 to \$14,000. She added that the need to increase spending for this particular line item was discussed at a recent meeting of the Public Safety Oversight & Planning Subcommittee.

Manager Schulz said the Northfield Police Department (NPD) O&M budget has seen significant year-end surpluses due to the difficulty in filling all six (6) full-time NPD officer positions. He and Ms. Baroffio thoroughly examined this matter and their recommendation is to reduce the potential surplus amount by reducing the number of budgeted full-time positions from six (6) to five (5). It was noted that other law enforcement departments in the area also have had difficulty recruiting and many have resorted to offering expensive hiring incentives. Board member Morse would prefer continuing to budget for six (6) officers in case additional applicants become available due to such factors as the expected officer flight from the Burlington Police Department, etc. He would like the possible budget surplus reduced but by cutting other NPD line items to the bone.

Board member Shernock believes NPD Chief Pierre Gomez supports budgeting for five (5) officers and felt the Select Board members should accede to him on this. Manager Schulz agreed that Chief Gomez did not object to this proposed staff reduction. Chair Maxwell asked when was the last time the NPD was fully staffed. Manager Schulz believes it was at least four (4) years ago. Chair Maxwell asked how much one NPD officer costs the municipality. Manager Schulz estimated that the average officer received salary and benefits in the amount of \$150,000. Ms. Baroffio noted that the municipality did not budget for six (6) officers for the current fiscal year as one officer was on military leave. That is why the NPD personnel costs in the next fiscal year will still see a 1% increase. Board member Shernock felt it might be more cost-effective in the long term for the municipality to hire a qualified social worker to handle mental health situation callouts that now require a police response. Board member Petty said there have been several recent public conversations regarding whether Northfield really needs 24/7 police coverage when NPD costs keep spiraling. Chair Maxwell looks forward to receiving input from Chief Gomez on this and other related matters. He felt that such complex issues really do require a full and open discussion. In the Northfield Ambulance Service (NAS) O&M budget, Manager Schulz said we are looking at a 5.2% increase in the next fiscal year in order to support modest pay rises for the full-time NAS Chief and the part-time EMTs.

The Highway Department O&M budget will see a 6.3% increase, which is mostly due to higher wages and health insurance costs. There will be a 4.2% increase in the Material/Supply budget due to slightly higher costs for road materials, i.e. gravel/stone, road salt, sand, etc. Fortunately, those costs seem to have stabilized over the past year. Manager Schulz said the department will go back to applying liquid chloride on the backroads as that seems to be more effective than the solid material they had been using. Board member Petty then asked about the contracted line marking account, which has a \$15,000 budget. She noted that the contractors the municipality hires seems to show up later and later each year. Manager Schulz said he would start the outreach earlier next year to avoid this problem. Chair Maxwell said Norwich University (NU) seems to have its contracted line striping and street sweeping done in a timely manner each spring so perhaps Manager Schulz should find out whom they have been using and hire them.

The Cemetery budget will see a 3.3% increase mainly due to the annual three percent (3%) increase in the cost of the cemetery care contract. The Town Garage budget is basically level-funded with a 0.3% increase. The budget for the Brown Public Library/Historical Society building will decrease by 2.4% primarily due to lowering the amount budgeted for heating the building from \$19,000 to \$16,000. The budget for the Municipal Building will similarly decrease by 5.6% mainly due to reductions in the amounts budgeted for janitorial costs, heating oil, water, and sewer. The Human Services budget that helps support the operations of the Northfield Senior Center and the Brown Public Library will increase 2.6%.

The budget for the Grounds, Parks, & Facilities department will see a 10.9% increase mainly due to increased compensation and health insurance costs for the maintenance worker. In addition, since TDS Telecom doesn't assist with installing holiday decorations and banners as much as it used to do, there is a new line item in the budget for equipment rental. Board member Shernock suggested contacting local tree trimming companies to see if they could be hired to use their bucket trucks for these projects. The Municipal Pool O&M budget will increase 5.7% to cover wage increases for the Pool Director and lifeguards.

The Support Services budget will increase 4.8% in the next fiscal year. The amount budgeted for legal services will increase from \$24,000 to \$25,000. The cost of printing the Town Report remains level-funded at \$2,200. In addition, Manager Schulz will ask Green Mountain Transit to discuss their future service plans for Northfield as this budget includes \$3,350 to operate the local shuttle bus service. The Planning & Zoning budget will see a 3.4% increase mainly due to higher budgeted amounts for postage and for advertising & legal notices. The Economic Development budget will increase 5.8% mainly due to a wage increase and higher health insurance costs for the Economic Development Director. The Debt Retirement/Capital budget will see a 11.5% reduction as the payment amounts for old bond notes have been reduced in recent years.

3. **Future Budget Meeting Schedule.** Chair Maxwell noted that another budget meeting will be held this Thursday night (12/05/24) and the Police Department, Brown Public Library, and Municipal Pool budgets will be discussed at that time. Manager Schulz said the upcoming meetings scheduled for Tuesday, December 10, 2024 (prior to the regular meeting); Thursday, December 12, 2024; and Tuesday, December 17, 2024 will include discussions of the Ambulance Service, Fire Department, and Highway Department budgets. The budget meetings will recommence after the holiday season with the first held on Tuesday, January 7, 2025. Additional budget meetings will be scheduled that month as needed.
4. **Other Matters.** Board member Petty will be attending a flood resilience roundtable tomorrow and asked if any of the other Select Board members had any local concerns they would like brought up at that time. Chair Maxwell feels Northfield has become a good example of how Vermont communities should address such concerns. After the Tropical Storm Irene flooding caused significant damage to structures along the Dog River and other locations, the municipality responded by purchasing and razing flood-damaged structures through the FEMA buyout process and thus creating the Dog River Park and the adjacent floodwater retention area. Chair Maxwell noted that former Zoning Administrator Michele Braun spearheaded this effort and the Northfield community owes her a real debt of gratitude. Chair Maxwell thought it also could be mentioned that the upcoming Cross Brothers Dam Removal project is another Northfield effort at flood hazard mitigation. Board member Morse would like to see the rules regarding dredging riverbeds relaxed somewhat in order to reduce the threat of flooding at recurrent locations. Locally, that includes the NU Rugby field. Chair Maxwell would like to see additional state funding so that affected municipalities can remove knotweed situated along riverbanks. Board members Petty and Shernock said some state assistance also could be sought to reduce the stormwater flooding hazards at the Town Garage, Ambulance Bay, and Wastewater Treatment Facility. This could include creating nearby floodwater retention areas where stormwater could be diverted away from these buildings.

IV. PUBLIC PARTICIPATION (UNSCHEDULED). There was none.

V. EXECUTIVE SESSION. Motion by Board member Morse, seconded by Board member Stevens, to go into executive session, in accordance with 1 VSA 313 (a)(1)], in order to discuss legal matters and contract negotiations with Manager Schulz present. **Motion passed 5-0-0.**

The Board went into executive session at 7:29 p.m.

Economic Development Director Thomas Davis joined the executive session at 8:45 p.m.

Motion by Board member Morse, seconded by Board member Stevens, to come out of executive session. **Motion passed 5-0-0.**

The Board came out of executive session at 9:30 p.m. No action was taken.

VI. ADJOURNMENT. Motion by Board member Morse, seconded by Board member Stevens, to adjourn. **Motion passed 5-0-0.**

The Board adjourned at 9:31 p.m.

Respectfully submitted,

Kenneth L. McCann

Kenneth L. McCann, Acting Clerk

A video recording of this meeting is available at <https://youtu.be/iEDx36CaKTY>

These minutes were revised and approved at the Select Board regular meeting of December 10, 2024.