

BENNINGTON SELECT BOARD BUDGET MEETING

BENNINGTON FIRE FACILITY

130 RIVER STREET

BENNINGTON, VERMONT 05201

JANUARY 13, 2018

MINUTES

SELECT BOARD MEMBERS PRESENT: Thomas Jacobs-Chair; Donald Campbell-Vice Chair; Jim Carroll; Jeannie Jenkins; Chad Gordon; Carson Thurber and Jeanne Conner.

SELECT BOARD MEMBERS ABSENT: None.

ALSO PRESENT: Stuart Hurd-Town Manager; Dan Monks-Zoning Administrator and Assistant Town Manager; Michele Johnson-Human Resources and Contracts Administrator; Melissa Currier-Finance Director; Zirwat Chowdhury-Community Development Director; Cassandra Barbeau-Town Clerk; Lynne Fonteneau McCann-Bennington Free Library Director; Jennie Rozycki-J. McCullough Library Director; Mary Rogers-J. McCullough Library Treasurer; Forest Weyen-Bennington Rescue Squad Executive Director; Brian Peat-Bennington Rescue Squad Board of Directors Chair; Brian Murphy-Bennington Rescue Squad Board of Directors Vice-Chair; CAT-TV and Nancy H. Lively-Secretary.

At 8:06am, Thomas Jacobs called the meeting to order.

Cassandra Barbeau, Town Clerk, requested that a Restoration and Preservation Reserve Fund be created because there is a drafted bill before the Legislature that will be increasing the recording fees and mandating that a portion of those fees be put into a reserve fund. Ms. Barbeau stated that our records are in "good shape" and feels that the mandated amount is more than is needed. Towns can opt out if a reserve fund already exists.

The bill is requiring \$1/\$10 fee, and Ms. Barbeau is asking for \$.50/\$10.00 fee. This will generate ~\$4,500 which is what was expended in the last two years with the next anticipated large expense being to digitize the records, if and when, we are required to do so. The reserve fund would be listed with the other reserve funds and must be used for restoration and preservation purposes.

Donald Campbell moved and Jeanne Conner seconded to create a Restoration and Preservation Reserve Fund as requested at \$.50/\$10.00 recording fee. The motion carried unanimously.

RECREATION BUDGET

Mr. Hurd reported the following on the Recreation Budget:

- Salaries - decreased due to fewer part time positions needed because of the Y's presence but have also budgeted to continue subsidizing Y memberships for children that can't afford it.
- Pool - replace areas as needed for safety especially since it is so heavily used.
- Capital Expense - replace ceiling at Willow Park but no major capital projects planned for the Rec Center in the next 5-10 years.
- Paving - finish paving parking area at Willow Park.
- Hot Water Tanks - replace 2 hot water tanks as mandated by our insurers.

Board questions/comments:

Mr. Campbell: His wife swims all over the State and says that the rec pool is the best kept with the highest usage in the State.

Ms. Conner: Is there anything we need to do to accommodate the Y's needs, and Ms. Jenkins noted that there is a meeting scheduled with the Y where this can be discussed. Mr. Hurd added that it remains to be seen, as our relationship with the Y develops, if they could be a revenue source to us, as well.

Ms. Jenkins: Stated that the Rec Center has 3 full time staff and the Senior Center has 1 full time staff, and wondered if these two entities were under the Community Development umbrella. Mr. Hurd responded that they are considered on the State's Recreation line item but community development does have a role with them. There is a Community Development budget, a Rec Center budget and a Senior Center budget. Since the Community Development Director spends much time involved with the recreation departments, Ms. Jenkins feels that a portion of that budget should be allocated to the recreation budgets, and that the Rec Center budget and the Senior Center budget should be combined.

Mr. Campbell: The usage of the two facilities is much different and combining the budgets would distort the reality.

Mr. Hurd: The Rec Center staff do fill in at the Senior Center as needed and the Rec Center director oversees the Senior Center. If that has stopped, he is not aware of it. Ms. Jenkins doesn't feel that the migration is taking place as expected.

Ms. Chowdhury: Perhaps another position could be developed that is scheduled to split their time between the Senior Center and the Rec Center but the larger picture is what the role of Community Development is to those two centers and their place in the town.

Mr. Jacobs: Added that a part time position at \$11,000 would be a small amount to enhance the programs at the Senior Center which do need to be enhanced and potentially increase the numbers of seniors that utilize the programs.

Mr. Thurber: Feels that an analysis of the responsibilities of the 4 current staff needs to be done before we additionally increase the budget by \$11,000.

Ms. Conner: In addition to analyzing the way things are now, job descriptions should reflect the responsibilities and skill sets needed going forward.

For FY19, the Recreation Budget and Senior Budget, both basically level funded, will remain separate and discussion will take place during the year on the recreation programs at both centers with the possibility of combining the budgets in FY20.

ADMINISTRATIVE BUDGET

Mr. Campbell stated that the Administrative Budget "was as clean as it could possibly be" with the only variations due to "staff shuffling" and their benefits shuffling with them.

WBTN REQUEST

WBTN has sent a letter requesting to be put in the budget as a line item for \$25,000. Unrelated to the dollar amount, this is not consistent with our process to do so. The Board can put them on the ballot if they so choose, however, historically they have been defeated every time they have been on the ballot. No one from WBTN was in attendance at the meeting but may bring their request to the annual meeting if they wish.

AGENCY DISCUSSION

The Bennington Coalition for the Homeless, Bennington County Association Against Child Abuse, and Sunrise Family Resource Center are on the ballot via petition but have not submitted a financial report. Mr. Hurd will contact them to do so.

Carson Thurber moved and Jeannie Jenkins seconded to approve the following amounts as submitted:

<i>BCRC</i>	<i>-</i>	<i>\$15,510</i>
<i>North Bennington Recreation</i>	<i>-</i>	<i>\$6,000</i>
<i>Paran Recreation</i>	<i>-</i>	<i>\$2,700</i>

The motion carried with Donald Campbell abstaining from voting on the BCRC.

1. F.Y. 19 BUDGET WORK SESSION

A. BENNINGTON FREE LIBRARY

Bennington Free Library is requesting a 2.7% increase of \$12,250 to go from \$457,750 to \$470,000. Director Lynne Fonteneau McCann did the following presentation:

- Annual circulation is down to 78,622 as is the trend with all libraries. People are buying kindles online and we need to do a better job of letting the public know that we have these services for free.
- There are 504 new registered borrowers, mostly children, and had 77,012 visitors, or 1,481/week.
- There are 194 volunteers with 1,944 hours of service.
- 14,139 individuals used library computers and we spend many hours training people on computer use with 25,983 hours of free Internet including 12,770 hours of free Wi-Fi, and 6,032 of reference transactions.
- 75% of expenditures were local, exceeding Bennington's contribution by 4%.
- 25% of revenue is generated by fundraising.
- Per capita tax support for FY15-16 from Bennington was \$23.62 which is less than is paid in Brattleboro, Burlington, Rutland and Springfield. And, even adding in the contributions from Shaftsbury and North Bennington, we are still at ~\$28.00.
- Roof repair is in progress and paid for from private funds with the heating system to be considered next.
- There is a sign-up sheet for computer use on a first come first serve basis.
- There is a strong presence in the community with a strong focus on children.
- Level funding is done as much as possible, however, the request is for a 2.7% increase from the Town.

Board questions/comments:

Mr. Gordon: Kudos for handing out the glasses during the eclipse.

Ms. Conner: Not many people know about the free passes to various places that are available from the library. Information on this is on the website and Facebook.

The Board was in favor of the FY19 allocation for the Bennington Free Library for \$470,000.

B. J. MCCULLOUGH LIBRARY

The John G. McCullough Library is requesting a 1.5 increase of \$27,000 to go from \$18,000 to \$45,000. Director Jennie Rozycki and Treasurer Mary Rogers did the following presentation:

- Circulation has increased by more than 25% this year.
- There are 284 active borrowers over the past 10 years and 200 new borrowers were signed up this year with an average of 7 visitors each open hour.
- 1,500 references were done and there were 900 people going through the library during the solar eclipse.
- Fundraising efforts have increased by \$4,000 from \$14,000 to \$18,000.
- Due to poor management for decades, the endowment has supported the library's operational costs and is down to the point where it cannot continue to do that for too many more years. The endowment is now down to around \$215,000.
- The increase to North Bennington is \$9,000 - or \$.01 on the tax rate - from \$16,000 to \$25,000 and the increase will be put on their ballot. An increase is also requested from Shaftsbury of \$10,000 to go from \$10,000 to \$20,000 and they have yet to respond to the request.
- The general public is not aware of the library's financial situation but plans are in place to make previous donors, at least, aware.

Board questions/comments:

Ms. Conner: The communities at large should be made aware of the financial situation. It is a hard decision to decline such a large increase but the taxpayers can't be expected to "bale out" previous board's bad decisions.

Mr. Thurber: Kudos to the library for their efforts, however, \$27,000 is too much of a jump in one year. He will support the same 2.7% increase that the Bennington Library requested.

Mr. Carroll: Asked if they had reached out to banks and larger corporations, and Ms. Rozycki answered that they have sent letters with no response. Perhaps a phone call to the head of the organizations would be more effective.

Mr. Campbell: Feels that the \$45,000 amount plus the \$25,000 from North Bennington is probably correct but will also have an impact on the tax rate of the Village of North Bennington. Bennington should be putting at least \$20,000 to the McCullough library so that plus the \$25,000 from North Bennington equals the \$45,000, or \$27.00/capita.

Mr. Jacobs: Agreed that the taxpayers should not be expected to correct previous bad management in one year and was thinking around \$22,000 with the library being "more ambitious" in their fundraising efforts. Reports of a 5-10 year plan to the Board would also be expected.

Ms. Jenkins: It is a fantastic library, however, this is too large of an increase to support. She will support \$22,000 with reports of a 5-10 year plan.

Mr. Gordon: Concurred with Ms. Jenkins.

The Board voted to approve an FY19 allocation of \$22,000 for the John McCullough Library with six in favor and Carson Thurber opposed.

C. AGENCY FUNDING DISCUSSION

BENNINGTON RESCUE SQUAD

The Bennington Rescue Squad (BRS) is requesting to be in the budget as a line item at the same amount of \$207,460 that was approved on the ballot last year. Executive Director, Forest Weyen, Board Chair, Brian Peat, and Board Vice-Chair Brian Murphy were in attendance to answer Board questions.

Mr. Gordon: Had no questions and thanked the BRS for the work they do.

Ms. Jenkins: Has concerns that the request is so large when there is a \$3M endowment. Mr. Murphy explained that it is expected that the endowment will generate at 5% which is somewhat on the high side with 7% being high. We will still be using that \$156,000 for operations when level funded. Because we were depending on the endowment almost completely for operations for several years, we had stopped any capital expenditures. We have been very fortunate that the market has been so strong, however, this is not expected to last and we need to make some capital purchases, such as an ambulance for \$200,000.

Mr. Campbell: Was pleased to see the 5-year capital plan and questioned the apparent understatement of revenue in 2017. Much discussion ensued as to the presentation of the town being on a fiscal year of July 2017-June 2018, and the BRS being on a fiscal year of January 2017-December 2017, endowment earnings, and drawing from the endowment vs. getting a loan for capital expenditures. Mr. Campbell also doesn't see this as level funding because the BRS was not a line item in the budget last year.

Mr. Jacobs: Pointed out that the endowment was ~\$3.292M on September 30, 2017 up from ~\$2.977M on September 30, 2016. Mr. Peat added that because we've had to take so much out for operations, we are basically at the same point that we were 10 years ago without using anything for capital expenditures. We felt that it was our responsibility to fund what we could from our endowment and not ask the voters to also cover that \$150,000.

Mr. Jacobs; Asked about the presentation of the Medicaid and Medicare revenues, and Mr. Weyen explained that transitioning the accounting system from a cash basis to an accrual basis distorts the revenue in 2017 but will adjust itself as time goes on. Also, he added that "there is no fluff in staffing" and we may have to turn down a sure paying transport if it takes our only available ambulance so we can be available to serve the town if there is a call from a citizen.

Mr. Weyen: Noted that the overall dollars of salaries and benefits is accurate but are listed on the wrong line items. Mr. Murphy stated that the salaries for most employees is below the 50th percentile and the paramedics are in the 10th -25th percentile with the 100th percentile being the highest paid. These statistics are from both cities and small towns.

Mr. Weyen: We went to each town - Bennington, Woodford and Shaftsbury - with the same \$12.32/person request which is much less than other rescue squads get from their towns.

Mr. Jacobs: Asked for the BRS reaction to the statement that Chief Doucette had made that the rescue squad is only paying \$18,000 for dispatch when their usage is worth \$138,000. Mr. Weyen responded that he had met with Chief Doucette a couple of times this past week and there seems to be some opportunities for collaboration with dispatch that will need further discussion. Mr. Hurd added that the Town of Bennington needs that 24/7 dispatch coverage, and the expenses that go along with it, whether the BRS utilize it or not.

Mr. Carroll: Asked about the BRS talking to the hospital concerning transport services, and Mr. Weyen answered that there have been numerous conversations on this. It is more complicated that it appears on the surface.

Ms. Conner: Asked if the replaced ambulance has a use, and Mr. Weyen responded that any ambulance - regardless of how far it goes - has to meet certain standards. Ms. Conner also asked about getting a loan instead of using the endowment, and Mr. Peat answered that an evaluation would need to be done to see which would be more beneficial case by case.

Ms. Conner: Is the goal to reduce the amount of the line item, and Mr. Weyen stated that is probably everyone's goal but he doubted that it would happen. Mr. Peat noted the decreases in Medicaid and Medicare, as well as, insurances throughout the years no longer supports an EMS service.

Ms. Jenkins: Feels like we have years to figure this out and it is too much to ask of the voters every year when the endowment is so large.

The Board indicated that some voters had indicated that they thought the \$207,460 last year was only for one year.

Mr. Campbell: Proposed to put the BRS in as a \$150,000 line item with the indication of a 10% increase each year based on their financial reports. Mr. Jacobs added that it wouldn't be appropriate to commit future boards to an actual percentage.

Donald Campbell moved and Jeanne Conner seconded to put the Bennington Rescue Squad in the FY19 budget as a line item for \$150,000 while looking at their budgets in depth every year.

It was noted that the BRS has the option of turning this down and being placed on the ballot. The BRS will need to discuss this with their full Board and a decision is needed at the Town Office by January 18, 2018.

Much discussion took place as to how this will work going forward with potential increased or decreased needs. Mr. Hurd warned not to look too much at endowment gain fluctuations so as not to have the tax rate going up and down on a year-to-year basis.

The motion carried unanimously.

D. BUDGET WRAP-UP

To be done following Executive Session.

2. EXECUTIVE SESSION

A. Personnel

At 11:46am, Donald Campbell moved and Chad Gordon seconded finding that an Executive Session be held on Personnel as premature general public knowledge would place a person involved in the subject matter at a substantial disadvantage. The motion carried unanimously.

Respectfully submitted,

Nancy H. Lively

Secretary

**SELECT BOARD
MINUTES ADDENDUM**

January 13, 2018

Present: Jeanne Conner, Jeannie Jenkins, Tom Jacobs, Chair, Chad Gordon, Jim Carroll, Donald Campbell, V. Chair. and Carson Thurber.

The Board came out of executive session at 12:20 PM.

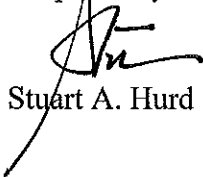
A motion was made and seconded to set the Manager's salary at \$108,472.00 annually. The motion carried 6 – 1, Donald Campbell dissented.

A motion was made and seconded to set the Town Clerk's salary at \$84,804.00 annually. The motion carried unanimously.

A motion was made and seconded to set the Treasurer's salary at \$14,422.00 annually. The motion carried 6-0-1, Chad Gordon abstained due to a familial relationship with the Treasurer.

There being no other business, the meeting adjourned at 12:23 PM.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stuart A. Hurd", is written over the typed name.

Stuart A. Hurd