

**VILLAGE OF ESSEX JUNCTION  
BOARD OF TRUSTEES  
MINUTES OF MEETING  
March 9, 2010**

**BOARD OF TRUSTEES:** Larry Yandow (Village President); Deb Billado, John Lajza, George Tyler, Peter Gustafson.  
**ADMINISTRATION:** Dave Crawford, Village Manager.

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**I. CALL TO ORDER and PLEDGE OF ALLEGIANCE**

Village President, Larry Yandow, called the meeting to order at 6:30 p.m. and led the assemblage in the Pledge of Allegiance.

**II. AGENDA ADDITIONS/CHANGES**

Add under 'New Business': Information on a Bike Park.

Add under 'New Business': Amendment to Agreement with Employees Association

Add under 'Village Manager's Report': verbal report on several items.

**MOTION by John Lajza, SECOND by George Tyler, to amend the agenda with the addition of the items noted above. VOTING: 5 ayes; motion carried.**

**III. GUESTS AND PRESENTATIONS**

**1. Comments from Public on Items Not on Agenda**

There was a request to move discussion of the Senior Center forward in the meeting to address the concern that people attending the center who are not Essex Junction residents will not be able to use the center. It was clarified information provided to the Trustees was on membership demographics and demonstrates the majority of the users are village residents. There is no plan to limit use of the center by others.

**2. Public Hearing: Charter Amendment (Fire Dept.)**

The public hearing was opened at 6:35 p.m.

**PUBLIC COMMENTS**

Marge Shepard, village resident, stated the members of the Fire Dept. are in a better position to determine their leader, not the Village Manager. The Trustees explained the request for an appointed Fire Chief rather than an elected Fire Chief came from the Fire Dept. (52% voted in support of the charter change). A selection committee will be formed to include the Village Manager in choosing a Fire Chief. The Fire Chief position requires having the knowledge and ability to handle a substantial budget as well as fighting fires. Larry Yandow further explained the villagers will vote on the charter change. The Trustees will receive the recommendation for Fire Chief from the selection committee and Village Manager and either accept or reject the choice.

There were no further comments. The public hearing was closed at 6:45 p.m.

**3. Fred Duplessis of Sullivan, Powers & Co.: FY09 Audit**

Dave Crawford credited the Finance Director, Lauren Morrisseau, for the clean audit which is a function of Ms. Morrisseau's active dedication and depth of knowledge.

Fred Duplessis reported the village's financial statements are in full conformance with generally accepted accounting principles. The unrestricted fund total is approximately \$1 million. Net assets in governmental activities were higher last year, but much of the reserves have been converted into equipment and infrastructure (capital expenditures). The General Fund balance at the end of June 30, 2009 was \$154,367 of which \$59,000 was used in the FY10 budget. The remaining undesignated balance is \$95,367 or 3.2% of the 2010 budget (less than two weeks of spending). The National Governmental Finance Officers Association recommends maintaining a fund balance between 10% and 15%. Fred Duplessis said his company recommends a fund balance between 5% and 10% because without the appropriate fund balance the village cannot manage the tax rate when times are hard. The FY11 budget does not use any reserve balance. The balance is down as low as or perhaps even lower than it should be to avoid cash flow problems, advised Mr. Duplessis. Typically from July 1<sup>st</sup> until tax payments are received the reserves sustain the village, but if the reserves have been spent for some reason, then borrowing funds will be necessary. Without an adequate fund balance the ability to leverage for grants is impacted. It is recognized that economic times are tough, stated Mr. Duplessis, and it is difficult to tell the taxpayers their money is needed, but in the long run taxes are going to go up as will other costs (insurance, fuel, salt, and such) and with reserves the growth can be managed as a steady rise rather than spikes. The Trustees ultimately have to evaluate what is best for the community. The Trustees agreed a larger fund balance (5% at the least) is needed, but there are many residents on fixed incomes who did not receive an increase in their income so they will not support an increase in taxes. The taxpayers do not recognize the ramifications of continuing to defer maintenance items, and support using funds to decrease taxes rather than putting the money into the capital reserve fund. The Trustees felt the auditor's recommendation of maintaining a 5% fund balance at the least should be stressed to the voters. Larry Yandow commented the increases added together for the village, school budgets, and the town budget is the impact.

Fred Duplessis reviewed budgeted and actual figures. Revenues were \$2,700,796 which was \$1,800 over the budgeted amount. Budgeted expenditures were \$2,768,954. Actual expenditures were \$2,850,971 or \$82,000 more than budgeted. Funds used from the fund balance equaled \$150,000. The unrestricted fund balance in the water and sanitation funds was the same as last year. The waste water fund has a deficit (\$193,000), but there is a plan in place to eliminate this. Revenue for the water fund was \$33,000 to the positive and \$50,000 to the positive for the sanitation fund. The waste water fund showed a loss of \$415,000. Total general fund budget is \$2,739,000. Total operating expenses for water, sanitation, and waste water is \$4,200,000.

Mr. Duplessis summarized there are no significant weaknesses or deficiencies to report for the village. Items that were brought up last year have been addressed. The system is well documented and functioning as it should be. The management letter to the Trustees says the audit went smoothly, management was prepared, and there were no problems.

#### **IV. OLD BUSINESS**

##### **1. Village Annual Meeting and Newsletter Preparation**

The Board reviewed the draft newsletter. There was discussion of the article on the shift in storm water costs from the state to towns. It was noted there has been ongoing joint effort with the village and town on stream monitoring, data collection, and GIS input. Funds have been set aside for storm water issues. Work has been done on Indian Brook and Fairview Pond. There was agreement discussion of concerns and finding the right solution is needed.

**MOTION by Peter Gustafson, SECOND by Deb Billado, to approve the village newsletter as presented. VOTING: 5 ayes; motion carried.**

The Board reviewed budget questions and answers for the annual meeting. George Tyler stated a simple straight forward narrative explaining why the budget is being increased is needed. The fund balance recommendation by the auditor and the redevelopment effort should be cited. John Lajza observed many projects have been done because the bids were very reasonable due to the economic environment. Deb Billado added federal earmarks used for the projects should also be emphasized, and it should be noted that the village had to position itself to receive federal funding by doing the engineering studies and seeking grants. The cost of the project versus the cost to the village should be shown. It should be pointed out that the grants received justify the cost in the grant preparation and administration line item. There was continued discussion of the actual presentation at the annual meeting. The Trustees will highlight statements in the Trustees Report. There will be a presentation on the local option tax. The public will receive the sheet of questions and answers on the budget. Budget graphs and charts are in the annual report and can be referenced at the meeting. Slides can be shown as needed. There was discussion of the 3.5% fund reserve being too lean and the danger of losing skilled, cross trained employees and cutting services if the budget is not passed by the voters. Grants are being pursued for the Pearl Street project (multi-use path and streetscape) and the Amtrak station improvements, but often a match is required and match money is not budgeted.

#### **V. NEW BUSINESS**

##### **1. Discussion and Approval of Recreation Dept. Agreement**

**MOTION by John Lajza, SECOND by Deb Billado, to approve The Essex Junction Recreation and Parks Agreement and to authorize the Village Manager to sign the agreement as proposed. VOTING: 5 ayes; motion carried.**

##### **2. Information on Bike Park**

Following discussion of the proposal for a BMX bike park, the Village Manager will notify Brad Luck that the Trustees would like a briefing on the proposal. It is suggested input from the police on the proposal be sought.

##### **3. Amendment of Agreement with Employees Association**

**MOTION by John Lajza, SECOND by Peter Gustafson, to approve the proposed language as presented in the Amendment Between Village of Essex Junction and Village of Essex Junction Employees Association Option #2, and to authorize the Village Manager to sign the document.**

**DISCUSSION:** It was noted the difference between options #1 and #2 is the number of signatures.

**CALL THE QUESTION by Peter Gustafson. Discussion ceased.**

**VOTING: 5 ayes; motion carried.**

## **VI. VILLAGE MANAGER'S REPORT**

### **1. Meeting Schedule**

- March 16 @ 6:30 – Special Trustees Meeting
- March 23 @ 6:30 – Regular Trustees Meeting
- April 7 @ 7:00 – Village Annual Meeting
- April 13 @ 6:30 – Regular Trustees Meeting
- April 13 from 7 AM to 7 PM – Annual Village Meeting Australian Ballot Voting
- April 22 @ 8 AM – Special Meeting: Board Retreat
- April 27 @ 6:30 – Regular Trustees Meeting
- May 11 @ 6:30 – Regular Trustees Meeting
- May 25 @ 6:30 – Regular Trustees Meeting

### **2. Fiber Optic Grant & Open Source Consortium**

The library is researching grants for fiber optic service and open source consortium. The Vermont Telecom Authority is trying to get a fiber optic grant from Google for high speed service in Vermont as the test site.

### **3. Front Porch Forum**

A poll on the dog park is ongoing on Front Porch Forum.

### **4. Noise from F-35A Aircraft**

The Board received a letter from the City of South Burlington regarding noise from the military aircraft.

### **5. Insurance Coverage for Memorial Day Parade**

VLCT confirmed a separate entity cannot be added to the village's insurance coverage, but the Trustees can adopt the group as a committee that reports to the Board. An event on village property should provide its own liability coverage. VLCT advises against holding events without insurance. There are insurance companies that provide coverage for an event. A list of providers can be drafted and given to organizations. Dave Crawford will draft language for a policy on insurance requirements for events that are not sponsored by the village.

Larry Yandow announced the VFW will provide umbrella coverage for the Memorial Day Parade.

### **6. Amtrak Station Improvements**

Sawyer Joecks reported the first phase of the project are the aesthetic improvements, such as painting, benches, planters. Regarding the roof, Tech Center students can do the work which will be a substantial savings. A quote and completion date is needed. There are many questions to be answered before the project can proceed.

#### 7. Grants

Sawyer Joecks reported application has been submitted to Green Mountain Coffee Roasters for a \$5,000 grant for community event planning (the funding would pay for paint and other supplies to improve the Amtrak station). An energy grant of \$2,500 was received from CCRPC for building insulation. Application has been made for a safety grant through VLCT. The grant is a 50/50 match to efforts that decrease liability. The funding if received will be used for a new fuel tank at Lincoln Hall.

#### 8. Railroad Project & Crescent Connector

General Manager of New England Central Railroad is positive on the project, but did not have any position on the changes to the train station. The railroad supports Main Street transforming to a plaza with the connector road because this eliminates an at-grade crossing. CCMPO agreed to do the crescent road scoping study.

George Tyler mentioned Robin Pierce gave a good presentation on the crescent road at the Brownell Library.

#### 9. Email to Legislative Delegation re: Storm Water

The Board approved the email to be sent.

#### 10. Prouty Building

According to Sen. Leahy's Office there are agreements for use of space in the 17,500 s.f. Prouty Building until 2013. Dave Crawford will check into use of the parking lot.

### **VII. TRUSTEES COMMENTS/CONCERNS**

None.

### **VIII. CONSENT AGENDA & READING FILE**

**MOTION by Peter Gustafson, SECOND by John Lajza, to approve the consent agenda as follows with the exception of the 2/23/10 minutes so the meeting tape can be reviewed as to the comments by John O'Kane on the local option tax:**

- 1. Approve Minutes of Previous Meeting (2/10/10 & 2/15/10)**
- 2. Approve CVE Street Banner Applications**
- 3. Reading List Acceptance (Letters & Communications)**
  - Planning Commission Minutes 2/18/10**
  - Basic Emergency Operations Plan**
  - Article on 3/25/10 about CVE in LCRCC Newsletter/Business After Hours**

**VOTING: 5 ayes; motion carried.**

### **IX. EXECUTIVE SESSION**

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**MOTION by Peter Gustafson, SECOND by John Lajza, that the Board of Trustees go into Executive Session to consider legal matters, contract negotiations and personnel matters, and potential budget changes related to personnel issues where premature general public knowledge would clearly place the Village at a substantial disadvantage. VOTING: 5 ayes; motion carried.**

The Board entered Executive Session at 9 p.m.

**MOTION by George Tyler, SECOND by John Lajza, to adjourn Executive Session and reconvene the regular meeting. VOTING: 5 ayes; motion carried.**

Executive Session was adjourned and the regular meeting reconvened at 10:09 p.m.

**X. ADJOURNMENT**

**MOTION by John Lajza, SECOND by Deb Billado, to adjourn the meeting. VOTING: 5 ayes; motion carried.**

The meeting was adjourned at 10:10 p.m.

*RScty: M.E.Riordan*