

**MINUTES OF THE SHAFTSBURY SELECTBOARD
DECEMBER 28, 2009
COLE HALL
SHAFTSBURY, VERMONT**

Board Present: Lon McClintock (Chairman), Bill Pennebaker, Karen Mellinger, Craig Bruder, Cinda Morse. **Others Present:** Larry Johnson (Lister).

1. Call to Order: Budget Workshop

Chairman Lon McClintock called the meeting to order at 6:00 PM.

2. Announcements:

Karen Mellinger announced that the proposal submitted for the Energy Efficiency and Conservation Block Grant had been accepted and that work has now begun on the second round of the application.

3. Conflict of Interest Statement:

Lon McClintock asked if any board member had a conflict of interest with any topic on the agenda. No member stated a conflict of interest.

4. Public Comments:

There were no public comments.

6. Budget Work Session: Employee Compensation:

Chairman McClintock distributed a first draft of the budget for FY 2011 to the board.

This draft required projections of current year expenses, some quite accurate and some that were estimates based on past experience. For revenues, quantities in parentheses designated shortfalls whereas for expenses, parentheses designated over-budget quantities. There are still problems and uncertainties due to the change to modified accrual accounting.

In the solid waste section utilities are now listed separately for the transfer station and landfill.

Two new highway trucks are budgeted that would replace truck #2 (1998) and truck #7 (2002). Replacement of truck #2 is overdue whereas the replacement of truck #7 is just coming due.

A lengthy discussion occurred concerning the Flexible Spending Account (FSA) of the medical plan. Currently, the plan has no cap on the amount the employee can request for an FSA, and if an employee expends the full amount of the FSA early in the year and then terminates his employment, the Town would not receive the full employee's contribution. A cap would limit the Town's exposure. This will be on the agenda for the next meeting.

Craig Bruder lead the discussion on employee salaries, using as a guide the spreadsheet he had put together from VLTC data comparing salaries of road crews and foremen at nearby towns and towns similar in size to Shaftsbury. The data show that Shaftsbury's wages are about 10% below the average for towns similar to Shaftsbury. The draft budget assumes a 6% increase in wages, but this is only for purposes of illustrating the impact a 6% wage increase would have. Cinda Morse stated that she could support an increase of this general magnitude if it was coupled with a requirement that the road crew

receiving the increase had completed the Roads Scholar program.

As part of the compensation discussion, Karen Mellinger pointed out that in next year's health plan the employee contribution for a family plan will increase by about \$250.

The paving budget assumes work on three sections of East Road, installation of fabric on Paran road, and work on Murphy Hill. There was a lengthy discussion of this budget item, and Karen Mellinger expressed concern about the size of the budget increase in Highway Construction and Maintenance

Bill Pennebaker pointed out that in the Solid Waste budget category 322, Professional Services, the \$11,000 duplicated the \$10,000 in category 324, ground water monitoring. Category 322 was deleted and 324 was increased to \$11,000 to match the amount formerly in 322.

Chairman McClintock requested that the Selectboard members go through the draft budget and e-mail any questions or suggestions they might have.

7. Warrants

The following warrants were presented for approval:

1. Transfer warrant for \$370,123.40: **Cinda Morse made the motion to approve the transfer warrant reimbursing the general fund for water and sidewalk expenditures and for reappraisal expenses. Bill Pennebaker seconded and the motion carried 5-0-0 in favor.**
2. Warrant #W-23 for \$140,000 for payment of a bank loan: **Karen Mellinger made the motion to approve the warrant. Cinda Morse seconded and the motion carried 5-0-0 in favor.**
3. Payroll warrant #26 for \$8443.21: **Cinda Morse made the motion to approve the warrant. Craig Bruder seconded and the motion carried 5-0-0 in favor.**

8. Other business:

Bill Pennebaker asked about warning a meeting concerning Ancient Roads. Chairman McClintock stated that a meeting on this topic will be warned for the middle of January.

9. Adjournment:

Lon McClintock made the motion to adjourn the meeting at 8:31PM. The motion was seconded and carried unanimously.

Respectfully submitted,

Bill Pennebaker