

**TOWN OF SPRINGFIELD
SELECTBOARD HALL – 96 MAIN STREET – THIRD FLOOR
BUDGET WORKSHOP MEETING #3
MONDAY, December 11, 2023**

APPROVED MINUTES

A. CALL MEETING TO ORDER AND ROLL CALL

Chair, Kristi Morris, called the meeting to order at 9:08 pm. Roll Call was taken previously at the Regular Selectboard meeting immediately prior to the Budget Workshop.

Selectboard Members: Chair Kristi Morris, Vice Chair Michael Martin, and Walter Martone, and Heather Frahm were present in-person. Everett Hammond was absent.

Administration: Town Manager Jeff Mobus, Town Clerk Barbara Courchesne, and Water System Superintendent Roy Farrar were present in-person. Wastewater Treatment Facility Superintendent Nate Fraser, Fire Chief Paul Stagner, and Library Director Sue Dowdell joined via Zoom.

Budget Advisory Committee (BAC) Members: Doug Johnston, Scott Richardson, Tara Chase, and John Bond were present in-person. Jim Fog and Tre Ayer were present via Zoom.

School Board Liaison: Steve Karaffa was not in attendance due to School Board commitment.

B. Budget Workshop: Presentations by Administration and discussion of recommendations for Parks and Recreation, Library, and Senior Center.

Administration:

Town Manager Jeff Mobus discussed that on the first page of department 11 the Manager's department, the printing budget is down from \$4,700 to \$200, noting

that this was the cost of printing the annual report which was reallocated to the Town Clerk's budget. Town Manager Jeff Mobus added that advertising is up because we are doing more and more notices which are expensive, and they have requested an increase of \$1,000 for this line item. Town Manager Jeff Mobus continued that two things have been brought up during the budget process, one being the Strategic Plan discusses marketing Springfield, so he has reached out to a marketing person to find out the cost of setting up marketing for the Town. Town Manager Jeff Mobus continued that the marketing proposal is \$25,000, so that's one thing that we need to think about through the budget process.

Town Manager Jeff Mobus discussed that the other thing that they need to think about is when the Parks and Rec made their presentation, they took out the \$20,000 for use of the gym at Park Street. Town Manager Jeff Mobus noted that years ago the town was committed to, and our Strategic Plan includes supporting, the BRIC project in some way, which has been the \$20,000 to use the gym up there. Town Manager Jeff Mobus noted that the gym suffered water damage and hasn't been usable since September. Town Manager Jeff Mobus continued that SRDC, the owner of the property, is repairing the gym, and we certainly could continue to use it. Town Manager Jeff Mobus further added that there was discussion whether the \$20,000 was really for the gym rental or more of an economic development item. Town Manager Jeff Mobus further discussed that the \$20,000 is not currently in the budget so they will need to discuss that next week when they start adding and subtracting from the budget to get down to the 4%, noting that if they do choose to add the marketing and the support for BRIC it would be added to the Manager's budget.

Further discussion ensued that the School District has allowed practices for the children at the schools and the games could continue to happen at the Community Center.

Town Manager Jeff Mobus discussed that the next page is the Finance department and there is a significant increase in office supplies because they are moving the purchase of simple laptops into that line item for that department

and taking them out of the general EDP line. Further discussion ensued to note that this line item was decreased, however it had the IT software program with Tech Group that was added last year.

Town Manager Jeff Mobus discussed department 13 which is assessment and professional services are up due to increased property value changes and this is having us work more with the software program (Patriot) that we use to track the property values of the town. Town Manager Jeff Mobus noted that relatedly the last item on that page where it says assessment practices, keep current values, that's the mapping program itself, it has been running high the last couple of years, so they propose an increase of \$4,024. Town Manager Jeff Mobus added that page 14 has several decreases, the professional services are down \$2,000 and office supplies are down \$1,000 which is the result of not doing any more work on renaming roads at this time.

Town Manager Jeff Mobus discussed that the one increase is \$1,250 in the advertising line due to increased noticing costs for public hearings. Town Manager Jeff Mobus added that page 15 is the Town Clerk that was presented two weeks ago. Town Manager Jeff Mobus further added that the next page is department 20 and EDP main and periodic is where we signed an agreement with Tech Group to provide our IT support in all the main buildings except the Police.

Town Manager Jeff Mobus discussed the fixed charges much of the lines are heavily dependent upon the salaries and how many vacancies we have which we tend to run some vacancies. Town Manager Jeff Mobus added that health insurance had been being budgeted more conservatively.

Further discussion ensued to clarify that the line item that includes Tech Group is for the monitoring of our system and protect our system with firewalls and the website hosting is in department 11 under professional services which also has legal fees included.

Town Manager Jeff Mobus discussed that in fixed assets, previously had been being budgeting for a certain level of people having certain types of insurance,

noting that family coverage is much more expensive than single coverage. Town Manager Jeff Mobus continued that this time they took last year's actual and increased it by 12% or 13% increase in the rates, so we should have a much more exact number so we're not running so far under. Town Manager Jeff Mobus added that the 22-23 actual was \$1,074,000 and the budget was \$1.291 million, noting we had several vacancies that year so there is a slight increase of 2.6% on that line. Town Manager Jeff Mobus added that Social Security is a percentage of salaries and currently only have four vacancies, which is very low for us, so we are expecting the social security line to be higher, and the retirement line item is the same thing because that is a ratio of the salaries.

Town Manager Jeff Mobus discussed that the bond interest goes down because when the Vermont Municipal Bond bank issues a bond, the repayments are based on a flat principal and declining interest. Further discussion ensued that the only bond interest is on the Police facility. Town Manager Jeff Mobus continued that not included in this line item is the agreement for \$35,000 for the PTF line which is the Superfund site. Further discussion ensued that every fifth year we have a review on the Superfund site which has a lot more monitoring and we had engineers do an alternatives evaluation last year, so the line item is expected to be back to the lower range.

Heather Frahm inquired about the liability \$200,000 line item. Town Manager Jeff Mobus responded that this is the property insurance also on Town properties and the Town is part of a group with Vermont League of Cities and Towns (VLCT) Property and Casualty Insurance Fund (PACIF).

Michael Martin inquired if we are working towards redistributing the fixed costs over their appropriate departments. Town Manager Jeff Mobus confirmed noting particularly the health insurance and retirement, noting that the Finance Director is working on a new General Ledger. Town Manager Jeff Mobus added that for General Accepted Accounting Practices (GAAP) 34 reporting on our final financial reports, we do allocate out the retirement and health insurance to the different departments. Further discussion ensued that due to the small sizes of the departments it would be very easy to figure out what type of insurance the

employees have if these were allocated by department, and they would need to group the smaller departments to protect what type of health insurance they have.

Recommendations for Library, Senior Center, and Parks and Recreation:

Town Manager Jeff Mobus discussed that last Monday, he met with the Budget Advisory Committee, and they went through the departments that they had visited, the library, the Senior Center, and Parks and Rec. Town Manager Jeff Mobus continued that they recommend that the Board accept the library and the Senior Center budgets without change. Town Manager Jeff Mobus added that there's a significant change in the Parks and Rec services that they would like to propose that would allow us to save a fair amount of funds.

Town Manager Jeff Mobus discussed that they discussed the fact that our swimming pool needs some significant repairs, and the pool is only open between 6-10 weeks a summer depending on the weather and over the last several years an average of 33 people using the pool a day. Town Manager Jeff Mobus added that the repairs are very expensive, and it's not cost effective to try to repair the pool and pool house and bring them up to what they should be to maintain. Town Manager Jeff Mobus continued that as a result he has reached out to Edgar May Health Center as they have a privately owned pool and worked with Christian Craig to come up with an alternative solution to allow the community to swim at the Edgar May. Town Manager Jeff Mobus continued that he received a proposal that would allow for more hours per week than we've had at the Town pool here for 40 hours a week schedule that varies based on their programming. Town Manager Jeff Mobus further added that the proposal would allow the community to swim at the Edgar May pool for a cost to the town of \$2,000 a week for 10 weeks or \$20,000 total a year.

Town Manager Jeff Mobus discussed that this could be funded by reallocating funds in the Parks and Rec budget. Town Manager Jeff Mobus added that the second line item for temporary pay under 1062 Parks and Rec is for \$4,000 for the summer days program, the lifeguard salaries, and official salaries. Town Manager Jeff Mobus continued that he worked with Parks and Rec Director Chris

Merrill, and we can reduce that line from \$43,000 down to \$10,000 by not paying for the lifeguards, so that's a savings of \$33,000 and \$20,000 would be added back into facility rental which would go to Edgar May. Town Manager Jeff Mobus noted that this would be a net savings of \$13,000 on that page.

Town Manager Jeff Mobus noted that this is a one-year trial for the town and Edgar May and if this doesn't end up working for either party there's no commitment passed the first year. Town Manager Jeff Mobus added that he is very appreciative the Edgar May is allowing us to do this trial to see if we really need to do the repairs to the outdoor pool.

Further discussion ensued that the \$4,000 for the summer days program helps the town in general because they also have been very generous with grants, noting the pavilion at Riverside that the public is allowed to use.

Town Manager Jeff Mobus discussed on the next page department 63, we can eliminate \$8,000 for chemicals if we are not running the pool and the building repair should be reduced to \$50,000 which would save \$38,000 on that page. Town Manager Jeff Mobus noted that would be a total reduction of \$51,000 in recommendations to the Board. Further discussion ensued that there may be an additional reduction in utilities for not running the pool.

Town Manager Jeff Mobus discussed that he would like to do a lot more of the precise recommendations and changes that we're never looking at for the budget at the next workshop the following week. Town Manager Jeff Mobus added that the BAC has visits scheduled to Public Works, the Police, and the Fire Station this Wednesday afternoon.

Scott Richardson inquired about the fixed charges for the CSO project for the half million-dollar fund for the treatment of stormwater runoff. Town Manager Jeff Mobus responded that was largely a loan funded project and that's the payment on the loan. Town Manager Jeff Mobus continued that it's called an interfund transfer because the loan is actually paid for out of the water fund, but stormwater isn't a water utility it's really a Town's responsibility to maintain

the stormwater. Town Manager Jeff Mobus added that we transfer over the half million dollars.

Town Manager Jeff Mobus discussed the concept of a local option tax to generate revenue for the Town. Town Manager Jeff Mobus noted that would have to be voted on by the voters and there are different types of local option taxes such as the rooms and meals tax, the sales tax, and a liquor tax. Town Manager Jeff Mobus continued that Manchester has generated about \$1.5 million a year in revenue from their local options tax. Town Manager Jeff Mobus added that if we did the local options tax on room and meals only and if there are no changes in habits, we'd probably raise around \$125,000 as a community. Town Manager Jeff Mobus further added that generally a room and meals tax would primarily generate revenue from nonresidents and could also apply to Airbnb's.

Further discussion ensued that it is believed that the alcohol local option tax might be able to be applied to cannabis as well, though the Town Manager is waiting to hear back from VLCT to determine if that was correct or if cannabis is included in the sales tax option. John Bond noted concerns of increased taxes and the perception that it may prohibit restaurants from coming to Springfield.

The meeting adjourned at 10:05 pm.

Respectfully submitted,

Carrie M. Kellow, Recording Secretary