

JOHNSON SELECTBOARD/VILLAGE TRUSTEE JOINT MEETING MINUTES  
JOHNSON MUNICIPAL BUILDING  
MONDAY, OCTOBER 27, 2014

**Present:**

Selectboard Members: Kathy Black, Nat Kinney, Doug Molde, Eric Osgood, Howard Romero

Village Trustees: David Goddette, Ellis O'Hear, Walter Pomroy, Gordon Smith

Others: Duncan Hastings (Manager), Rosemary Audibert (Clerk)

**Note: All votes taken are unanimous unless otherwise noted.**

**1. *Call to Order***

Eric and Gordy called the meeting to order at 7:00.

**2. *Changes or Additions to Agenda***

Gordy added discussion of the timeline for crosswalk replacement. Duncan said currently it looks like the work will be done next Monday and Tuesday.

It was also agreed to add discussion of a phone call about a property transfer notice in the Stowe Reporter. Duncan explained that the Stowe Reporter lists property transfers based on data from the town clerk. Recently they showed (incorrectly) that the Village of Johnson Water & Light Department had bought a \$1.2 million condo. Duncan got a phone call about it and he contacted the Stowe Reporter. They told him a spreadsheet had been sorted wrong and all the property transfer information shown in that issue was wrong.

Gordy asked to add discussion of a meeting with the village crew. Ellis asked to add discussion about the compost facility.

**3. *Review of Health Insurance Options/Changes/Premiums***

Duncan distributed information about plans available from Blue Cross/Blue Shield and their costs. We are still unable to enroll through Health Connect. Both boards have chosen to direct enroll in BCBS. Last year the boards decided to provide \$536.17 to each employee for health insurance. That figure was chosen because it was what we were already paying for health insurance. If an employee chose a plan that cost less than the amount we provided, the difference went into the employee's Health Savings Account. Under some plans (those that are not high-deductible), employees are unable to use a Health Savings Account, but we can set up a Health Reimbursement Arrangement. A Health Savings Account is specific to an individual employee and if they leave they can take it with them. A Health Reimbursement Arrangement is a pool that the employer contributes to. The employer sets a maximum amount that an employee can take out to cover any unmet out of pocket expense. If we are paying a fixed amount no matter what plan an employee selects, then it seems Health Reimbursement Arrangements could grow exponentially. The Health Reimbursement Account is administered by a third party. The money we put into it rolls over into the next year. Depending on how much is used, we might not need to add more the next year. Duncan suggested that it might be a good idea for the dollar amount we contribute to be equal to the cost of one of the plans so we wouldn't have a small differential amount to put into an account. Eric pointed out we would still have the differential amount if an employee selected any other plan.

Walter said 86% of Vermonters have gold plans or less. We are paying more than the average for school teachers. But school plans are better than the plans we offer our employers, Duncan said. Walter said 56% of those on the exchange have the silver plan and 86% have gold or less. Duncan said only a small pool of people currently have insurance through the exchange. They are not small business employees; they are generally self-employed people. He doubts many municipal government employees have bronze or silver plans. He would guess most have gold or platinum plans with co-insurance. We have to compare to other municipal employees, not the general public.

Duncan reviewed information about short-term disability coverage. The least expensive plan would start on the 15<sup>th</sup> day. For all our employees, the added cost to provide short-term disability would be around \$375/month. It would pay employees 66 2/3% of their monthly salary with a cap of \$1000 per week.

Walter said he recommends that we contribute an amount equal to 100% of the gold plan and provide short-term disability. Eric said when employees use their sick time they get 100% pay, so short-term disability isn't as good a deal. Duncan pointed out that sick leave can only be used by those who have time in their sick bank. Eric said he thought if we provided short-term disability we would do away with the sick bank. Duncan said he would leave if the board took away his sick time. Why would the board take away the hours people have accrued? Eric asked why we would pay for short-term disability. Duncan said it wouldn't be a benefit to three-quarters of employees, because they have large amounts of sick leave built up. Walter said some don't have any. Nat said that could be solved by having the pool. Walter said in the future there may be a more dynamic work force. People may not stay with one employer as long and build up as much sick time. The pool is voluntary. Nat said it seems to be working so far. Duncan said he is not saying short-term disability is a bad thing, but if it were to replace sick time it would only replace 2/3 of an employee's income. Employees would object to having their sick time taken away. Walter said disability would be cheaper to us than having someone use sick time because we pay 100% of sick time but short-term disability pay comes out of the insurance company's pocket; we only pay the premium. Kathy pointed out that we might pay the premium and then not have an employee use disability. Gordy said according to the information Duncan provided last year, only 3 municipalities in Vermont provide short-term disability. He would rather not see us provide short-term disability. Instead he would rather have us fine-tune the sick leave bank and make it more permanent. Why reward people who don't save their sick leave and punish those who do? Duncan said our long-term disability kicks in at 180 days. He could get a quote on a plan that kicks in at 90 days. Walter said that would probably be cheaper than short-term disability. He thinks Duncan should get a quote.

Duncan and Rosemary said if we choose to fully fund the gold plan then employee contributions will almost double. Kathy suggested that we should keep that in mind when we consider cost of living salary increases for employees.

**Nat moved to contribute toward each town employee's health coverage an amount equal to 100% of the gold plan offered by Blue Cross/Blue Shield, seconded by Kathy.**

**Walter moved to contribute toward each village employee's health coverage an amount equal to 100% of the gold plan offered by Blue Cross/Blue Shield, seconded by Ellis.**

Duncan said those employees who want to stay on the platinum plan will have to nearly double their contribution. The percentage of the cost we contribute will drop from 92% to 87% but our overall cost would increase slightly. Nat said he thinks we should keep in mind the increase in what employees will be paying when we consider salaries, as Kathy suggested.

**The selectboard passed the motion. The trustees passed the motion.**

**4. *Review of Changes in Village Departments and Possible Town/Village Cooperation and Coordination of Services***

Gordy said Steve Towne is leaving January 1. Duncan is retiring in less than 2 years. Cliff could be retiring any time. Tim is moving to Montpelier. The trustees instructed Duncan to set up meetings with Morrisville Water & Light and Vermont Electric Coop to hear proposals. In the short term the village is considering contracting with them and in the long term the village is potentially open to any possibility, including selling the electric utility. The trustees met with Steve Fitzhugh of Northfield. Northfield contracts with GMP and has the second lowest rates in the state.

We have two employees at the wastewater treatment plant. Gordy thinks we need at least 2 other people on our work force full time. As far as any consideration of a town/village merger, he thinks that will be on the back burner. He wants to just deal with the electric department for now. Ellis said he fears that if we contract out our electric department work our current employees who are linemen may leave, which will cause problems when it comes to moving snow. Walter said those employees also run the backhoe if we have a water main break. The village posted for part-time help. One possibility is that the town could take over winter plowing for the village and in return the village could give back some of the 10 cents on the grand list. Or maybe Steve Smith could provide supervision for village employees. He could be the one to call employees in to clear snow. If someone is needed to run a backhoe, maybe a town employee could do it.

Eric said he thinks in emergency situations the town could help out, but the town doesn't have the capacity to take on sidewalk plowing. The selectboard has discussed whether an additional highway department employee is needed. So far they have decided there is not quite enough need. If the village hired someone to work on sidewalks in winter, maybe the highway department could use that person in the summer.

Duncan said the village linemen spend about 50% of their time doing line work and the rest of their time is spent on general maintenance and construction. We pay more than a general employee would typically get but less than a lineman usually gets. Walter said if they are no longer needed for electric work there will be no reason to pay them \$27/hour, which means they will probably leave. Kathy asked, if we contract out the work to another utility, will that utility be hiring? Duncan said we don't know. Kathy asked about the possibility of selling the village electric utility. Duncan said it is an option but there are complications with it.

Duncan said Steve Smith is retiring early next year. He thinks his job will change over the next 5 years and we will be looking for someone with a different skill set – more of a public works supervisor than a working foreman. He thinks there will be an opportunity to think about coordinating the work of the village public works department with the town highway department. There could be an intermunicipal agreement between the town and the village. There could be a public works department with employees who were available for both village and town work.

Nat asked what the village would be looking for from Steve Smith. Gordy said he would need to check on the amount of snow and then call one person from the village to come in if needed. That person could then call the others. Duncan said because of Steve's schedule he may not be able to call village employees in until an hour later than they are called in now. Steve is happy to do it as long as the village is fine with the change in timing. Eric asked if the village is looking for anything from Steve other than making a phone call. The trustees said they won't know that for a while. The trustees agreed that the village should compensate Steve Smith for any work he does for the village. Eric suggested that specific decisions on compensation wait until January after the trustees see just what is needed from him. Duncan said he will ask Steve to track his time for the village.

5. ***Adjourn - Selectboard***

**The selectboard adjourned and left at 8:37.**

6. ***Village Crew Request for Meeting***

Gordy said Tim had approached him on behalf of the village outside crew. They would like to meet with at least two trustees to find out what is going on with their jobs. Ellis agreed he can join Gordy to meet with them.

Ellis asked if there is any possibility of contracting out some of the paperwork Steve Towne does now. Duncan said if we keep the electric utility we need to have someone with Steve's background or someone who can learn it. But that person might not need to do all that Steve does. David said he thinks holding onto the electric department will be expensive. Duncan said if we had a working foreman we wouldn't need 4 linemen in addition to that person. Maybe we could have 2 lineworkers and contract out all basic line work.

7. ***Compost Facility Discussion***

Ellis asked about the walk through with the solid waste district. Duncan said they wanted to meet to talk about plans for the transfer station, so the meeting was there. The solid waste board trustees who were there brought up the compost facility so Duncan said they could go and see it. They are not ready yet to do anything with the compost facility. They are just trying to plan. Duncan suggested that they get a consultant who knows about composting. Duncan reviewed the history of the composting facility. Some figures were presented in the past indicating that it was more expensive to compost solids from the wastewater treatment plant than to truck them out. The trustees are not sure those figures are correct. Ellis said now the solid waste district is going to need a place for food scraps, due to new state legislation. Walter said he thinks it could be cost effective for us to piggyback onto their composting efforts. Ellis said he thinks we could save a little by composting sewage.

8. ***Adjourn - Trustees***

**It was moved and seconded to adjourn at 9:05 and the motion was passed.**

*Minutes submitted by Donna Griffiths*