

Answers to Frequently Asked Questions

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1. Introduction

This document provides responses to Frequently Asked Questions (FAQ) from the recent Town-wide survey, Norwich Listserv or other sources. The FAQ will be added to and modified as more questions are asked or conditions change.

2. What is the “World List?”

The World List is an email list maintained by the Assistant to the Town Manager for the purpose of distributing information related to Town business. If you want to subscribe or unsubscribe, please send an email to manager-assistant@norwich.vt.us.

3. What is the Grand List and how has it changed?

The Grand List is a listing of all real estate parcels and business personal property within the Town of Norwich. The Grand List includes: owner's address, property location, appraised value and homestead value, where applicable. It forms the basis for defining each property's share of any taxes that are levied on all non-exempt properties. The Norwich Grand List is compiled by a professional assessment of each property on a rotating basis and is adopted by the Board of Listers, effective April 1 of each year.

A complete reappraisal was completed in 2004 and an update was done in 2005; another complete reappraisal was completed in 2013. Assessed values in 2012 were generally the same as in 2006 unless changes were made to the property or there were other reasons for the Listers to change the value. The 2012 Grand List was \$707,388,200 whereas the 2013 Grand List was \$691,454,900, a decrease of \$15,933,300 because of a region-wide decrease in property values.

Currently, each property receives a fresh assessment every 3 years with property inspections on a staggered schedule, which will achieve a full Town-wide reappraisal on April 1, 2016.

4. What is the Undesignated Fund Balance?

The Undesignated Fund balance is the amount of money kept in the General Fund to insure that adequate reserves are maintained to provide sufficient working capital for, among others, cash flow, tax rate stabilization, protection against uncollected taxes, shortfalls of revenues and natural disasters. An example of this is that a significant portion of the operating budget is funded by property taxes. Property taxes are paid in August and February. In order not to incur the cost of Tax Anticipation Notes (borrowing and paying interest) sufficient funds are needed in the General Fund to cover operating costs for about six weeks. In addition, the fund balance allowed Norwich to immediately retain contractors to repair roads after Tropical Storm Irene so that all the school bus routes were passable within three days.

The Government Finance Officers Association (GFOA) recommends that, “at a minimum, that general-purpose governments, regardless of size, maintain unrestricted fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.” Two months of operating expenditures amounts to 16.67% of the Town’s operating budget.

Town Meeting approves an appropriation for Town Services. This amount sets the maximum amount that can be spent without holding a Special Town Meeting to appropriate additional funds. The appropriation normally provides sufficient funds for normal services and a moderately severe winter and mud season. In many years, the 2013-2014 winter being an exception, the full amount of the appropriation for salt, sand, gravel and overtime will not be fully used. This amount not used is added to the Undesignated Fund balance and used to reduce the next year’s taxes.

The Undesignated Fund balance was set at 16% when the FY14 tax rate was set. The Undesignated Fund balance was reduced to 14.5% when the FY15 (current) tax rate was set. This allowed \$180,000 to be used from the Undesignated Fund balance to reduce the tax rate by \$0.0260.

5. How have the taxes I pay for Town services changed?

Although Town and School taxes are combined on a single bill, they are determined by different boards—the Selectboard, which recommends the Town budget, and the school board, which recommends the School budget. Those boards present their budgets for adoption by the voters at Town Meeting. The Selectboard sets the Town tax rate, the State of Vermont sets the school tax rate.

The Town tax rate is calculated by dividing the approved Town expenses (less its anticipated income from various sources and appropriations not spent in the previous year) by the Grand List. The amount of Town taxes owed on a given property is the product of the Town tax rate times that property’s assessed value from the Grand List.

The following table shows the Town tax rate and Town (not including the schools) taxes paid in 2006 and 2012 for a number of assessed values. There has been a 1.21% increase in the amount of Town taxes over the six years or 0.20% per year. The Town tax rates in FY98, FY99, FY00, FY03, FY04 and FY 05 were higher than the FY15 tax rate.

Assessed Value	Total Town Taxes Paid (Year)		
	2006	2012	2012/2006 %
100,000	\$ 453.30	\$ 458.80	1.21%
200,000	\$ 906.60	\$ 917.60	1.21%
300,000	\$ 1,359.90	\$ 1,376.40	1.21%
400,000	\$ 1,813.20	\$ 1,835.20	1.21%
500,000	\$ 2,266.50	\$ 2,294.00	1.21%
600,000	\$ 2,719.80	\$ 2,752.80	1.21%
700,000	\$ 3,173.10	\$ 3,211.60	1.21%
800,000	\$ 3,626.40	\$ 3,670.40	1.21%
900,000	\$ 4,079.70	\$ 4,129.20	1.21%
1,000,000	\$ 4,533.00	\$ 4,588.00	1.21%

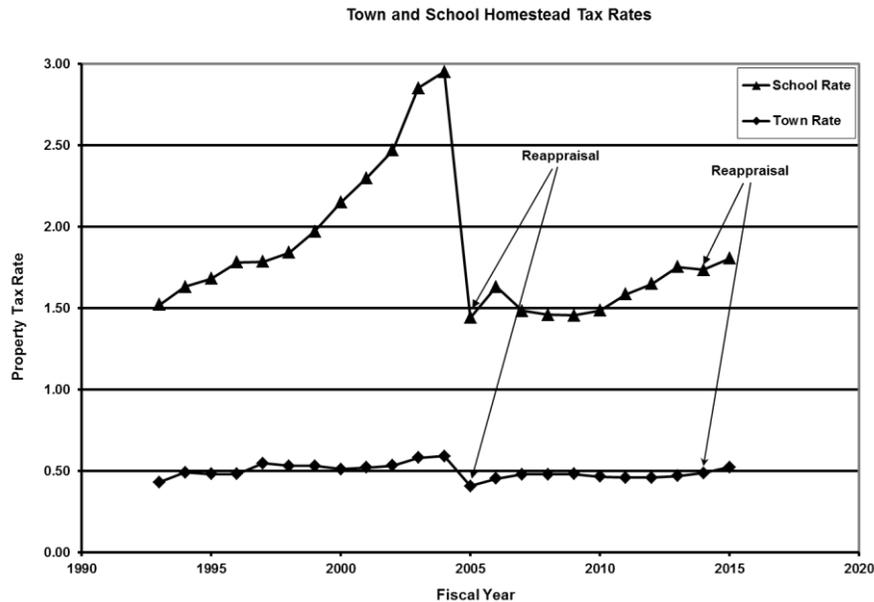
A tax rate can go up, yet taxes on a property can go down (or vice versa), depending on how the total Grand List changes and what fraction that property's value is of the total Grand List. So, for any given property, it's more important to track tax rate and property value to determine a change in property taxes.

The FY15 Town tax rate is 6.36% more than the FY14 tax rate. An explanation of the increases follows:

- 2.93% (46% of the increase) is a result of the \$100,000 Town-voted increase in the Library appropriation.
- 1.78% (28% of the increase) is a result of the \$60,790 for debt service for the communications systems improvements and the voter-supported decision to build the tower using Town funds to repay a bond on the condition that there are no private uses of the tower, including high-speed internet or cellular communications, during the 10-year term of the bond.
- 1.39% (22% of the increase) is a result of a \$47,500 increase in insurance costs.
- 0.25% (4% of the increase) is a result of other changes in the Town's operating budget.

Without these increases the Town tax rate would have been \$0.4930, an increase of 0.25%.

The following table shows a history of the Town and School Homestead tax rates. The Town tax rates have remained essentially level, whereas the school tax rates have risen, as shown.



6. Why does the Norwich Fire Department have an Aerial Ladder?

Aerial ladders are often used for fires in tall buildings; they also provide a safe platform for firefighters to work on roofs of lower buildings. The current aerial ladder is a multi-purpose vehicle, called a “quint” because it has five functions – ground ladders, aerial ladder, pump, water tank and hose. The presence of the quint in Norwich’s fire-fighting inventory is an important factor in lowering Norwich fire and homeowners’ insurance costs.

The cost of fire insurance and a portion of the cost of homeowners’ insurance in Norwich (and all towns) is based on a Public Protection Classification (PPC) determined by the Insurance Services Office (ISO), a service company to the insurance industry. Fifty percent of the PPC is based on the fire department, 40% on fire protection water supply and 10% on emergency communications including dispatch services. In evaluating the fire department the following items are considered.

- The distribution of fire companies.
- The frequency of testing of fire department pumpers and aerial ladders.
- The type and extent of training provided to fire department personnel.
- The number of firefighters who participate in training.
- The number of firefighters who respond to emergencies.
- The maintenance and testing of fire department’s apparatus and equipment.

The quint earns credits towards Norwich’s PPC, because it is an aerial ladder truck, a ladder truck, and a pumper in one unit. Norwich has had an aerial ladder truck since before 1980. When the quint was put in service in March 2010 with its pump, hose and water tank—features that the previous ladder truck lacked—a mini-pumper was removed from service, thus reducing the Fire Department fleet by one vehicle.

Public Protection Classifications (PPC) range from a low of Class 10, meaning no protection, to a high of Class 1, the highest level of protection. Prior to 1999 Norwich received a Class 5 within the areas served by the Fire District water system, Class 9 within five road miles of the Fire

Station and Class 10 for properties more than five road miles of the Fire Station. In 1999, an ISO evaluation changed the PPC in Norwich to Class 4 for properties within five road miles of the Fire Station and Class 10 for properties more than five road miles from the Fire Station. While it depends on the insurance company and the type of house construction, fire sprinklers, fire alarm systems and other considerations in general; a change in the PPC from 10 to 9 results in a 32% decrease in insurance costs and from 9 to 4 a 28% decrease in insurance costs. There is little impact on homeowner's insurance costs for reductions in the PPC below 4. ISO has developed a revised method for determining the PPC that became effective on July 1, 2014 in Vermont. A new category 10W will apply in areas more than 5 miles and less than 7 miles from a fire station where there is a creditable water supply. We don't know the impact of this change on homeowner's insurance costs in Norwich.

At the time of the 1999 change in the PPC, there were only two other towns in Vermont with better fire protection classifications, and they both had full-time personnel. In addition, there were no towns in Vermont with a better classification than Norwich for an area not served by a municipal water system. This resulted in a significant insurance premium saving for properties within five road miles of the Fire Station, yet outside the Fire District's water service area.

7. Is it possible to Contract with Hanover for Fire Protection Services?

Norwich is part of an effective system where multiple departments are automatically dispatched on a confirmed structure fire. None of the fire departments in the area have sufficient personnel or equipment to handle a structure fire without help from other departments. A first alarm structure fire in the Norwich village area brings equipment from Norwich, Hanover and Hartford. If the fire is in the village area but outside the public water supply area, additional equipment comes from Thetford. Similar automatic responses occur for other parts of Norwich involving different fire departments.

In addition to responding to fires, the Fire Department responds to carbon monoxide incidents, propane emergencies, vehicle accidents, hazardous materials incidents, rescue and emergency medical incidents and similar types of emergencies. In addition, the Fire Department provides onsite public fire safety education at the Marion Cross School and the day care centers, does wood heat safety inspections and is available to answer fire safety and fire code questions.

The Hanover fire station is approximately 2.8 miles from the Norwich side of the Ledyard Bridge. The preferential PPC (Class 4) that now exists for any structure within 5 road miles of the Fire Station would change to Class 10 or 10W, starting 2.1 miles from the Ledyard Bridge and result in a possible increase in insurance costs of 100% for Norwich structures more than 2.1 miles from the Ledyard Bridge.

The option of contracting with Hanover for fire protection services was reviewed in the mid-2000s and revealed that the contract cost would more than offset any savings from eliminating the Fire Department.

The managers of Lebanon, Hartford, Hanover and Norwich meet together on a regular basis. One of the topics of discussion is ways to improve cooperation and looking at possible regionalization of services. Serious consideration is now being given to regionalization of dispatch services and discussions continue on emergency medical services and fire services. If fire services were regionalized, there would still be a need for a fire station in Norwich.

8. How has the Town work force changed in the last 14 years?

The number of Full Time Equivalent¹ employees (FTEs) on July 1, 2011 was 24.15. The number of FTEs on July 1, 2014 was 23.26, a decrease of 0.89. This does not include summer recreation help or paid-on-call firefighters.

A summary of some of the staffing changes follows:

- Town Meeting in March 2001 increased the number of police officers, not including the chief, from three to four.
- The Selectboard, after receiving a report from the citizen Police Services Committee and an advisory article on the March 2007 Town Meeting, reduced the number of police officers from four to three in April of 2007.
- The Selectboard, based on a budget recommendation from the Town Manager, added a Public Works, Building and Grounds position in FY08. This was the first increase in full-time staffing in the Public Works Department since 1986. This decreased outside contracted services.
- The Selectboard, based on a budget recommendation from the Town Manager, reduced summer seasonal help in the Public Works Department from two to one in FY13.
- The Selectboard, based on recommendations from the citizen Committee to Review Real Property Assessment Functions, budgeted for a reconfigured assessing function in FY13 that reduced FTE from 1.68 to 0.38 plus a part-time contract assessor. The FY12 budget included \$155,788 for the assessing function and the FY14 budget reduced that to \$86,311. There was a Town-wide reassessment in 2004 and 2013 and the schedule with the reduced budget is a Town-wide reappraisal every three years. The new reappraisal schedule should help keep the CLA current which will more equitably distribute school taxes.
- A Town Meeting vote on a separate warrant article from the Town budget in March 2013 increased the FTE in the Clerk's Office from 1.3 to 2.0.

9. When will the pool dam be replaced?

The Town pool dam failed during Tropical Storm Irene on August 28, 2011. A Public Assistance Project Worksheet, dated August 21, 2012, was prepared by FEMA in the amount of \$567,284.28 as the cost to repair or replace the dam. FEMA and the State will reimburse Norwich up to 95% of this cost for the replacement dam.

In May 2012, the engineering firm DuBois and King was retained to evaluate the present structure, develop alternative designs and costs for a new dam, and assist with obtaining a permit from the Vermont Agency of Natural Resources (ANR) for the replacement dam and pool.

After extensive discussions with ANR staff and a meeting with the Commissioners of the Department of Environmental Conservation and the Department of Fish and Wildlife on March 6, 2013, a letter was sent to the Secretary of ANR which demonstrated that the Norwich proposal for a replacement dam met all statutory requirements and requested assistance in working through the permit process.

When it became clear during the process that the Department of Fish and Wildlife would prefer not to issue any permits for dams in Vermont - even replacement dams² - the Town Manager

¹ FTE is a way of comparing the number of employees of an organization both full-time and part time.

initiated biweekly telephone conferences with the General Counsel to the Secretary of ANR. The Town received a written response dated June 3, 2014 to its March 6, 2013 letter. DuBois and King is in the process of preparing a response to the letter from ANR after which a meeting with the Agency is expected.

10. What is the status or the Facilities Studies?

The current study is the third facilities study since 2000. A first committee appointed by the Selectboard submitted its report to the Selectboard in 2000. The report made a number of recommendations for facilities improvements, some of which have been implemented. The report's recommendation for expansion of the public works facility and a new fire/police facility has not been implemented.

A second committee appointed by the Selectboard submitted its report to the Selectboard in 2006. This report had a broader scope than the 2000 report and many of the recommendations have been implemented. Again, the recommendations for the public works, fire and police facilities have not been implemented.

The current study was broken into four parts as follows:

- Parts 1 and 2 looked at code, regulatory and functional deficiencies of the current fire, police and public works facilities.
- Part 3 developed a space needs program for the three facilities.
- Part 4, the current activity, is looking at building and location options and the costs to meet the space needs program and possible phasing of the improvements.

Copies of documents related to all of these studies are on the Town's website.

11. Are the current facilities being maintained or improved?

Normal routine maintenance is being done on all facilities and some improvements have also been made. For example:

Tracy Hall

From 2000 to 2014, the following were implemented:

- A surplus backup generator was installed.
- A 2011 energy audit was done of the building and all of the cost effective recommendations have been implemented. In addition, other energy savings items such as changing to energy efficient light ballasts and LED lights in some areas are being implemented or evaluated.
- A failing steel roof truss in the attic was reinforced.
- A maintenance plan was developed and is being implemented. This includes:
 - Fixing and painting walls.
 - Installing wall protection materials in the bathrooms.
 - Refinishing wood floors.

² The base condition for replacing a dam that has failed, even one that has been in place since 1944, is the pre-dam stream condition (see 172 Vt. 578, Groton v. Agency of Natural Resources).

Fire Station

From 2000 to 2014 the following maintenance and improvements were performed:

- A backup generator was installed to power the Fire and Police Stations.
- Because the roof leaked, an energy efficient roof was installed.
- Safety electrical outlets (GFIs) were installed.
- A vehicle exhaust extraction system was installed. This is transferable to a new building.
- Energy efficient fluorescent lamps were installed when the existing lights required new ballasts.
- Heating pipes were insulated.
- Dry wall damaged by the leaking roof was removed. The wall was insulated and new drywall installed.
- Damaged carpet and floor tiles in training room were removed. The floor will be painted this summer.
- Dilapidated front door was replaced with an energy efficient door.

Police Station

The following maintenance and improvements were implemented during the period from 2000 to 2014:

- A new roof was installed.
- Insulation was added to the attic.
- Set back thermostats were installed.
- Partitions were installed for an office for the chief to provide a locker room for the officers and a hallway from the side door.
- An exterminator treats the building quarterly to control rodents and pests.

Public Works

From 2000 to 2014, the following maintenance and improvements were performed:

- A new salt shed was built as recommended in the 2000 report.
- An underground gasoline/diesel fuel tank was installed with keyed pumps to keep records of use by vehicle and department.
- A surplus backup generator was installed that provides power to the building and fuel pumps.
- The lot was paved.
- Because the water well produces less than one gallon per minute, a 1,000-gallon storage tank was installed with solar panels to heat the water for washing the vehicles to extend their life.
- Heating of the building was changed to propane radiant heat to reduce costs.

12. Who sets the standards for road signs and traffic control devices?

The Federal Highway Administration (FHWA) and the Vermont Agency of Transportation set the road signs and traffic control standards for Federal, State and local roads.

The Federal Highway Administration (FHWA) publishes the Manual of Uniform Traffic Control Devices (MUTCD). The purpose of the MUTCD is to have uniform national standards for signs

and traffic control devices so they do not vary from state to state or town to town. The MUTCD³ applies to any street, highway, or bicycle trail open to public travel.

The State of Vermont has adopted the MUTCD⁴. As signs and traffic control devices are placed, replaced or upgraded, Norwich complies with the MUTCD while still trying to recognize the rural character of Norwich.

13. Why are roads sometimes raised and how is the depth of roadside ditches determined?

Roadside ditches are an important part of our open storm water drainage system. They convey water from the road, from culverts, and from adjacent land to other drainage structures. In addition, they help the subsurface portion of gravel roads to drain. This last item helps reduce the severity of “Mud Season.”

In determining the size and depth of ditches, all of these items are considered. As the Town has been replacing culverts, in many cases, their hydraulic capacity has been increased. This will reduce damage from what appears to be more frequent and more severe storms. In general, during storms water levels in ditches should be at least one foot below the road.

In addition, after Tropical Storm Irene, the Agency of Transportation in cooperation with the Agency of Natural Resources issued new Town Road and Bridge Standards. The following is an excerpt from the transmittal letter from AOT.

The State of Vermont encourages municipalities to follow the state approved standards for several reasons:

³ 48 CFR §655.603 (a) National MUTCD. The MUTCD approved by the Federal Highway Administrator is the national standard for all traffic control devices installed on any street, highway, or bicycle trail open to public travel in accordance with 23 U.S.C. 109(d) and 402(a).

48 CFR §655.603 (d) Compliance—(1) Existing highways. Each State, in cooperation with its political subdivisions, and Federal agency shall have a program as required by 23 U.S.C. 402(a), which shall include provisions for the systematic upgrading of substandard traffic control devices and for the installation of needed devices to achieve conformity with the MUTCD. The FHWA may establish target dates of achieving compliance with changes to specific devices in the MUTCD.

⁴ 23 V.S.A. § 1025. Standards.

(a) The United States Department of Transportation Federal Highway Administration's Manual on Uniform Traffic Control Devices (MUTCD) for streets and highways as amended shall be the standards for all traffic control signs, signals, and markings within the State. The latest revision of the MUTCD shall be adopted upon its effective date except in the case of projects beyond a preliminary state of design that are anticipated to be constructed within two years of the otherwise applicable effective date; such projects may be constructed according to the MUTCD standards applicable at the design stage. Existing signs, signals, and markings shall be valid until such time as they are replaced or reconstructed. When new traffic control devices are erected or placed or existing traffic control devices are replaced or repaired the equipment, design, method of installation, placement, or repair shall conform with the MUTCD.

(b) The standards of the MUTCD shall apply for both State and local authorities as to traffic control devices under their respective jurisdiction.

- Adherence to these standards increases the likelihood that Town roads and bridges will hold up during flooding or heavy rain events, thus saving money for municipalities and the long-term and avoiding future repairs associated with poor drainage systems and erosion.
- When a federally declared disaster occurs, the Federal Emergency Management Agency (FEMA) will use a municipality's duly adopted "codes and standards" when determining eligible repair work under the FEMA Public Assistance Program.
- Municipalities who certify adoption of these standards benefit from a 10% (instead of 20%) local match requirement for the total cost of a project funded under the Town Highway Structures and Class 2 Roadway grant programs.
- Beginning in October 2014, municipalities who certify adoption of the State-approved Standards, as part of a basic set of flood damage mitigation measures, will be eligible to receive a 12.5% instead of a 7.5% state share of the FEMA-approved total project cost of the FEMA Public Assistance program.

These standards have been adopted by Norwich, and they required increasing the sizes of culverts and ditches which, in some cases, will reduce the width of the traveled road surface. Norwich had already been implementing some portions of the new standards before Tropical Storm Irene.

14. Why is stone sometimes used for stabilizing gravel roads?

During mud season when gravel is used to stabilize a muddy portion of some roads, it just makes the situation worse. Gravel consists of small stones, sand, fines and clay, and when frost is coming out of the road and the road surface and subsurface is wet, spreading gravel can make the ruts deeper.

The Town started using 1½" rough stone a few years ago in the worst mud areas and found that it provided a much firmer driving surface. The stones bind against each other, and there is space for water to flow between the stones as the road drains. This helps stabilize the road and the Town has found it also reduces the severity of the impact of the spring thaw on roads in subsequent years. The Town tries to cover the stone with gravel as soon as possible, but it may take some time if the Town is trying to work in other areas that are also experiencing muddy roads.

15. What is the status of the Church Street sidewalk project?

The Church Street sidewalk project involves building a new sidewalk on Church Street from the Congregational Church to Carpenter Street. The project is a Safe Routes to Schools project that is fully funded through the Vermont Agency of Transportation (AOT) and the engineering firm designing the project works for AOT. The current status of the project is that preliminary design is complete and easements needed for construction have been identified. In order for the project to proceed agreement is needed from AOT to reduce the travel lane widths to 11 feet, the same as Main Street next to the Green, and to consider the road an urban section and not a rural section so that the shoulders can be reduced.

Neil Fulton
Town Manager
July 18, 2014