

Nancy Kramer

From: Mary Layton <marydlayton@gmail.com>
Sent: Saturday, January 23, 2016 3:45 PM
To: Nancy Kramer
Cc: Linda Cook; Neil Fulton; Chris Ashley; Dan Goulet; Stephen Flanders
Subject: Supporting material for agenda item #10
Attachments: Compensation Analysis Norwich 2015.docx; Neil Fulton regarding Town Clerk payment.docx; MEMORANDUM salaries question.docx

Here is information about Town Clerk's compensation.

My questions for the meeting are:

Do we owe the Town Clerk retro pay?

Why are salaries not being paid in consistent and fixed amounts?

MEMORANDUM

TO: Norwich Select Board
FROM: Mary Layton
SUBJECT: Compensation Analysis
DATE: January 20, 2016
CC: Neil Fulton, Nancy Kramer

Compensation Analysis

January 9, 2016

Reference: Town of Norwich General Ledger Expenditures Report, 07/23/15

Employee	Budget	Expenditures	% Expended	Balance
Bynam, Jonathan	25,801	26,299.30	108.89	-228.93
	15,481	15,497.35	100.11	-16.35
Dechert, Philip	61,068	61,235.55	100.27	-167.55
Fulton, Neil	101,416	101,362.25	99.5	53.75
Hodgdon, Raymond	79,610	81,475.93	102.34	-1865.93
Leinoff, Stephen	58,979	60,174.54	102.3	-1195.54
Munday, Bonnie	57,392	56,465.52	98.39	926.48
Niles, Jill	62,150	62,312.18	100.26	-162.18
Robinson, Douglas	77,670	78,430.48	100.98	-760.48
Robinson, Roberta	61,633	61,797.80	100.27	-164.80

Total overage: \$4562.08

Total underpayment: \$980.23

Neil Fulton

Jan 19 (1 day ago)

C.Ashley.SB, dangoulet53, lcook2825, stephen.n.flan,

Mary,

The FY15 books are closed and we can make no more expenditures from that budget. The wage and salary line items in the budget are estimates made the preceding October for a budget that takes effect on the following July 1. As we moved non-bargaining unit employees to the grade and step system we were making calculations based on an estimated COLA and a step on their anniversary date. The actual amount an employee is paid is not based on the budget amount but on the Grade and Step plan.

The pay increases in the Step and Grade plan, pending a satisfactory review, occur on the anniversary date of hire so there is a COLA adjustment to the step and grade plan as of July 1 based on the 5 year COLA Average of the November CPI index. Then on the anniversary date of hire a review occurs and if the review is satisfactory or better, the employee gets a raise on that anniversary date, which will be different for every employee. For example, Roberta's anniversary date is December 2, so she gets the COLA adjustment on July 1st but not the step increase until December 2nd. All the wage line items are affected by this pattern of anniversary dates and year end accruals so it is impossible to have them match the budget completely. In addition the last payroll of a fiscal year often comes from two fiscal years and we make an adjustment for this.

- The five year average COLA used in the preparation of the 16-17 budget for wages was 1.7% the actual is 1.45%.
- The five year average COLA used in the preparation of the 15-16 budget for wages was 2.% the actual was 1.68%.
- The five year average COLA used in the preparation of the 14-15 budget for wages was 2.01% the actual was 1.89%.

Bonnie's Step and Grade for 14-15 was 18-G or \$56,249.16 her actual wages turned out to be \$56,465.52. Bonnie was given a COLA increase on July 1, 2015 and step increase on July 13, 2015 (her anniversary date of hire) from 18-G \$57,194.15 to 18-H \$58,338.03.

If the Selectboard determines that an elected official was underpaid the Selectboard can make an adjustment and it would be paid for from the FY16 budget. Other employees, with the exception of the Town Manager, are my responsibility.

The following is my October 19, 2015 response to Bonnie's email of October 16, 2015.

"Bonnie,

On Cott your budget had \$3,125 which is the amount in my budget.

You should have received a 2% step and COLA as of July 1, 2015 and I have the same in the FY17 budget.

Neil"

Neil

MEMORANDUM

TO: Neil Fulton
FROM: Mary Layton
SUBJECT: Salaried employees question
DATE: January 11, 2016
CC: Nancy Kramer

Hi Neil

I am noticing when comparing salaries and compensation for 2015-2016 that seven salaried employees received amounts that were over their budgeted amount, and two salaried employees received under their budgeted amount. In addition, Jonathan Bynam received 108.9% of the budgeted amount. The total of overpayments is \$4562.08. My reference is Town of Norwich General Ledger Expenditures Report-General/Previous Year Period 12 Jun(sic) dated 07/32/15.

The underpaid salaried employees include yourself, at \$53.75, and Town Clerk Bonnie Munday at \$926.48.

Do you understand these figures to be accurate, and if not, what reference are you using?

Does the Town owe Bonnie Munday \$926.48 and you \$53.75?
How can this be resolved?

In referencing the grade and step listings, the grade and step chart of 7/21/2015, the general ledger mentioned above, and the Town Report of Fiscal Year 2014, the salaried amounts for a given step do not agree. Why is that?

Would you please remind me of the COLA used for the development of the proposed budget (1.68%?) What COLA was used for the 2014 fiscal year, and is it listed somewhere in the Town Report?

I am thinking in terms of the proposed budget that this issue of over and under payment of salaries should be resolved.

I am also thinking that if the Town owes Bonnie Munday \$926.48 from this fiscal year that it should be paid promptly.

Thanks for your help.

Mary Layton

FY15 Budget v Actual

Employee	Salary or Hourly	FY15 Budget	FY15 Actual	Percent	Notes
Bynum, Jonathan	Hourly	41,282	41,527	100.59%	Both part-time positions combined
Finance	Hourly	25,801	26,030	100.89%	
Assessor	Hourly	15,481	15,497	100.11%	
Dechert, Phil	Salary	61,068	61,236	100.27%	
Fulton, Neil	Salary	101,416	101,362	99.95%	
Hodgdon, Andy	Salary	79,610	81,476	102.34%	
Kramer, Nancy	Hourly	45,714	44,840	98.09%	
Leinoff, Steve	Salary	58,979	59,477	100.84%	Not including Firefighter/EMT pay
Mullen, Pam	Hourly	20,908	20,574	98.40%	
Munday, Bonnie	Salary	57,392	56,466	98.39%	
Niles, Jill	Salary	62,150	62,312	100.26%	
Robinson, Doug	Salary	77,670	78,430	100.98%	
Robinson, Roberta	Salary	61,633	61,798	100.27%	

Neil Fulton

From: Mary Layton <marydlayton@gmail.com>
Sent: Monday, January 25, 2016 8:23 AM
To: Neil Fulton
Subject: Tax rate question

Hi Neil

Would you please tell me how you calculated the tax rate of .4835 fro the FY 17 budget.

Please be specific in your explanation.

Thanks

Mary Layton

Sent from my iPhone

**Town of Norwich
Property Tax Rates**

FY2017 DRAFT Tax Rate for Town Report 01/21/16

Grand List

4/1/2017 Town Grand List	\$	698,505,733	Comcast	\$1,264,600
1%	\$	6,985,057	Town Exemptions	
4/1/2017 Education Grand List	\$	698,566,933	Homestead	\$ 245,900
1%	\$	6,985,669	Non-Residential	\$ 2,175,100

School (Rates Set by State)	FY16	FY15	
Common Level of Appraisal	97.8200	99.3300	
District Spending Adjustment	1.82470	1.83040	
Homestead Tax Rate			
HGL Education Grand List	\$ 4,467,812	\$ 4,690,383	
Tax Rate	\$ 1.8468	\$ 1.8059	2.26%
State Education Taxes	\$ 8,251,156	\$ 8,100,281	
Non Residential Tax Rate			
NRGL Education Grand List	\$ 2,517,857	\$ 2,271,804	
Tax Rate	\$ 1.5692	\$ 1.5252	2.88%
State Education Taxes	\$ 3,951,021	\$ 3,789,444	
Total State Education Taxes	\$ 12,202,177	\$ 11,889,725	2.63%

Town Total Town Budget w/o Articles	\$	4,327,993	\$	FY17	\$	FY16	
Voted Monetary Articles				0.4835		0.4701	
Advance Transit		12,860	\$	0.0018			
Cemetery Commission		15,000	\$	0.0021			
The Family Place		6,000	\$	0.0009			
Good Beginnings		3,000	\$	0.0004			
Green Mountain RSVP		500	\$	0.0001			
Headrest		2,500	\$	0.0004			
Health Care Rehab Services		3,093	\$	0.0004			
Norwich American Legion		1,500	\$	0.0002			
Norwich Child Care Scholarship		4,348	\$	0.0006			
Norwich Historical Society		8,000	\$	0.0011			
Norwich Lion's Fireworks		3,000	\$	0.0004			
Norwich Public Library Operating		265,000	\$	0.0379			
SEVCA		3,750	\$	0.0005			
Upper Valley Trails Alliance		2,000	\$	0.0003			
VT/NH Visiting Nurse		15,600	\$	0.0022			
White River Council on Aging		5,300	\$	0.0008			
Windsor County Partners		1,000	\$	0.0001			
WISE		2,500	\$	0.0004			
Youth-in-Action		3,000	\$	0.0004			
Total Monetary Articles	\$	357,951	\$	0.0512	\$	0.0557	
Total Town Expenditures	\$	4,685,944					
Offsetting Revenues							
Property Tax Fees and Interest		(42,000)					
Current Use Payment		(184,407)					
Permit and License Fees		(12,485)					
Intergovernmental Revenues		(220,424)					
Service Fees		(337,394)					
Public Safety Revenues		(13,225)					
Other Town Revenues w/o Interest from Banks		(32,000)					
Interest Earned from Banks		(5,500)					
Miscellaneous Revenues		(8,000)					
Total Offsetting Revenues	\$	(855,435)					
Payment from Reduction in Undesignated Fund Balance	\$	(135,394)		16.0%			
Allowance for Tax Adjustments		40,000					
Amount to raise from Property Taxes	\$	3,735,115	\$	0.5347	\$	0.5202	
Town Tax Rate							
Local Agreement Taxes	\$	38,418	\$	0.0055	\$	0.0056	
Total Town Tax Rate			\$	0.5402	\$	0.5258	

Summary

	FY17	FY16	% Change
School Homestead Tax Rate	\$ 1.8468	\$ 1.8468	0.00%
School Non Residential Tax Rate	\$ 1.5692	\$ 1.5692	0.00%
Town Tax Rate (With Local Agreement Rate)	\$ 0.5402	\$ 0.5258	2.74%
Windsor County Rate	\$ 0.0081	\$ 0.0081	-0.50%
Total Homestead Tax Rate	\$ 2.3951	\$ 2.3807	0.60%
Total Non Residential Tax Rate	\$ 2.1175	\$ 2.1031	0.68%

Neil Fulton

From: Mary Layton <marydlayton@gmail.com>
Sent: Saturday, January 23, 2016 3:49 PM
To: Nancy Kramer
Cc: Neil Fulton; Chris Ashley; Dan Goulet; Stephen Flanders; Linda Cook
Subject: Alternate Projects # 11a questions

MEMORANDUM

TO: Norwich Select Board
FROM: Mary Layton
SUBJECT: Alternate Project, Articles 5&6 questions
DATE: January 23
CC: Neil Fulton, Nancy Kramer

I have some questions that I wish to discuss with the rest of the Select Board at the January 27th meeting in regard to the Alternate Projects, Budget, and Town Meeting Warning agenda items.

I am listing them here. I think it would be appropriate and productive to discuss them at the meeting, not in an email exchange before the meeting.

Alternate Projects:

The local share of the Culvert proposal is at 24%, in contrast to the DPW and Pool Cleanup percentages, both at 19%. **What is the reason for this?**

Under Engineering Costs: The TS Irene Fund figure of \$59,563 added to the Town Pool Fund figure of \$24,516 equals \$84,079. **This is \$547 more than the local match figure of \$82,532. Why is there a discrepancy?**

Under DPW Renovations: The Bid figure that went out with the FEMA application was changed from the original bid document to reflect a 5% contingency fee. This changed the figure for renovations from \$412,968 discussed on January 6th. The amount is about 2K above the features listed as alternates. The changed bid document was included in our January 13 packets. **Is it a good or fair practice to put a project out to bid, choose the low bidder, and then add features and cost at the last minute before an important deadline?**

Article 6

The amount \$18,534 in the Garage Reserve Fund plus \$27,000 in Article 6 equals \$45,534, the amount estimated for repair of the membrane roof. **Where is the amount requested in Article 6 listed in the proposed budget?**

Mary Layton

OFFICE OF THE TOWN MANAGER

TO: SELECTBOARD
 FROM: NEIL FULTON
 SUBJECT: ALTERNATE PROJECTS
 DATE: JANUARY 26, 2016

This memorandum is in response Mary Layton's memorandum of January 23, 2016 with the subject of "Alternate Project, Articles 5&6 questions."

The local share of the Culvert proposal is at 24%, in contrast to the DPW and Pool Cleanup percentages, both at 19%. What is the reason for this?

See the following. The Cost of the three projects exceeds the Project Worksheet amount by \$6,054 so additional monies are needed for the Route 132 culvert project.

Project	Cost	Cumulative	PW \$		Notes
			567,284	Match - 19%	
Pool Cleanup	13,670	13,670	553,614	2,597	
PW Addition	432,968	446,638	120,646	82,264	
Route 132 Culvert	126,700	573,338	(6,054)	30,127	Match + \$6,054

Under Engineering Costs: The TS Irene Fund figure of \$59,563 added to the Town Pool Fund figure of \$24,516 equals \$84,079. This is \$547 more than the local match figure of \$82,532. Why is there a discrepancy?

See the following. It is estimated that there will be \$546 left after paying the engineering costs and the local share for the pool cleanup. The \$546 could remain in the Two Pool Reserve fund or in fund balance.

Item	Amount	Notes
Engineering Costs	83,532	
Source of Funds		
Special Appropriation for TS Irene	(59,563)	
Town Pool Fund	(24,516)	After deduction for Pool Cleanup
Remaining Funds	546	

Under DPW Renovations: The Bid figure that went out with the FEMA application was changed from the original bid document to reflect a 5% contingency fee. This changed the figure for renovations from \$412,968 discussed on January 6th. The amount is about

2K above the features listed as alternates. The changed bid document was included in our January 13 packets. Is it a good or fair practice to put a project out to bid, choose the low bidder, and then add features and cost at the last minute before an important deadline?

This is a Design/Build project without full architectural/engineering or site plans. Even with a Design/Bid/Build project it is prudent to carry a contingency amount to cover unknowns. Some AIA best practices suggest a 5% contingency for Design/Bid/Build projects and 5% to 10% for Design/Build projects. This is a small project without good soils information, an unpermitted mound septic system that was built in ~2001 that we have applied for a permit for that may need upgrades or a new pump, and structural elements in the rear wall of the existing building that we have not been able to inspect. In addition the Town is responsible for the cost of materials testing, a water pressure tank that was not included in the bids and there may be a need for a temporary office and some workspace for employees during the construction.

Article 6

The amount \$18,534 in the Garage Reserve Fund plus \$27,000 in Article 6 equals \$45,534, the amount estimated for repair of the membrane roof. Where is the amount requested in Article 6 listed in the proposed budget?

See the following. The estimated local match is \$82,264. The Garage Reserve Fund has a balance of \$18,534 and the draft FY17 budget adds \$36,460 to the Reserve fund for a total amount of \$54,994. This leaves \$27,270 needed.

Item	Amount
Local Match Needed	82,264
Source of Funds	
Garage Reserve Fund	18,534
Draft FY17 Budget Amount Added to Reserve Fund	36,460
Funds needed	27,270

Alternate Projects

The following are the funds that are available to pay the local share of the Alternate Projects.

Fund	Balance		Proposed		Total
	12/31/2015	FY16 Budget	FY17 Budget		
Special Appropriation for TS Irene	59,563	0	0	0	59,563
Bridge Reserve Fund*	124,012	17,500	35,000	176,512	
Highway Garage Reserve Fund	18,534	0	36,460	54,994	
Long Term Facility Study Reserve Fund	18,899	0	0	18,899	
Town Pool Reserve Fund	27,113	0	0	27,113	
Notes					
1/2 of FY16 Appropriation					

The following are the estimated local costs – not expected to be covered by the State of Vermont or FEMA.

Item	Project	Total Cost	Local Share	Notes
1	Engineering Costs	83,532	83,532	VEMHS made a progress payment of 28,165 towards the engineering costs which they may request be returned.
2	Pool Cleanup	13,670	2,597	
3	PW Addition	432,968	82,264	
4	Route 132 Culvert	126,700	30,127	

1 – Engineering Costs and Funding

Item	Amount	Notes
Engineering Costs	83,532	
Source of Funds		
Special Appropriation for TS Irene	(59,563)	
Town Pool Fund	(24,516)	After deduction for Pool Cleanup
Remaining Funds	546	

2 – Pool Cleanup Costs and Funding

Item	Amount
Pool Cleanup - Local Share	2,597
Source of Funds	
Town Pool Fund	(2,597)
Remaining Funds	0

3 – Public Works Addition Costs and Funding

Item	Amount
Local Match Needed	82,264
Source of Funds	
Garage Reserve Fund	18,534
Draft FY17 Budget Amount Added to Reserve Fund	36,460
Funds needed	27,270

4 – Route 132 Culvert Costs and Funding

Item	Amount
Route 132 Culvert - Local Share	30,127
Source of Funds	
Bridge Reserve Fund	(30,127)
Remaining Funds	0