

Town Meeting COVID-19 FAQs

In response to questions posed by our members about how COVID-19 affects the upcoming 2021 annual town meeting, the Municipal Assistance Center has assembled the following information related to the use of Australian ballot voting, conducting electronic meetings, voter backed petitions, and candidate signatures. For information on how to administer the Australian ballot voting system (e.g. developing, processing, or counting ballots, etc.) please contact the [VT Secretary of State's Elections Division](#) [1]. For additional information about other COVID-19 related resources, please visit our [Coronavirus Resources and Recommendations webpage](#), www.vlct.org/coronavirus [2].

*Note: the following are excerpts from the VLCT-generated FAQs which are relevant to the Selectboard agenda

Do candidates for local election still need to petition to get their names on the ballot?

No. Act 162 eliminates the requirement for candidates to collect voter signatures in order to get their name on the ballot for a local election held at a 2021 town meeting. However, Act 162 did not waive the consent form requirement. Therefore, any candidate wishing to add their name to a ballot must complete the consent form and submit it to the town clerk.

Do voter-backed petitions still require signatures?

Yes, but selectboards can choose to waive the petition requirement. A selectboard is required to honor (i.e. place the requested article on the town meeting warning) a voter-backed petition when: 1. the subject of the petition is a matter over which the voters have been given specific authority in statute; 2. the petition is received by the town clerk 47 days or more before the date of the annual meeting; and 3. the petition meets the other requirements of [17 V.S.A. § 2642\(a\)\(3\)](#) [20], including that it contains the signatures of at least five percent of the registered voters of the town. This law has not been changed but, because the selectboard controls the town meeting warning, it can decide to waive the petition requirements. In recognition of the public health hazard posed by people gathering signatures amid a global pandemic, selectboards may opt to lower the bar to entry on the town meeting warning by at least excusing the need for a petition with signatures. This is already commonly done with requests for social service appropriations. In recognition of this practice, our [Model Social Service Appropriation Policy](#) [21] excuses those social service agencies that have had an appropriation request approved at the most recent annual town meeting from submitting a petition for an article appropriating funding to their group if the amount requested is the same or less than the amount approved by the voters in the previous year. Selectboards seeking to lower this threshold should adopt a policy to ensure that its decision-making process is fair, impartial, and uniformly applied.

Can voters use electronic signatures on their petitions?

Only if the selectboard approves of the practice. The Legislature has yet to change any of the laws governing petitioned articles whether they be for the support of social service agencies or for placing articles on the town meeting warning. Therefore, the decision as to whether to honor electronic signatures or to even require any signatures at all at this time resides with the selectboard. Generally, whether electronic signatures can be used in the State of Vermont depends on the circumstances. Under the VT Uniform Electronic Transactions Act, if a law requires a signature, an electronic signature will suffice. An "electronic signature" is defined under the law as "an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record." [9 V.S.A. § 276\(d\)](#) [22]. The full law may be accessed here: <http://legislature.vermont.gov/statutes/chapter/09/020> [23]. This law, however, was written with the intention of applying to "transactions" as defined under the law, not local elections and a selectboard would not be compelled to accept such signatures if submitted. Nevertheless, we recognize the benefit of having petitioners avoid the public health hazards associated with obtaining signatures during a time of pandemic by honoring electronic signatures. One possible option would be for the selectboard to adopt a resolution stating that, in recognition of the dangers wrought by COVID-19, it will honor electronic signatures on voter-backed petitions for all purposes for the duration of the declared state of emergency under the circumstances it establishes (i.e. in compliance with the VT Uniform Electronic Transactions Act). The potential benefit of such an approach would be that even if the validity of a petition was challenged on the basis that the law does not recognize the use of electronic signatures for such a purpose, the placement of the article on the warning would still stand as it would have been initiated of the selectboard's own accord.

Subject: FW: FW: Elections Update - 2021 Annual Meeting procedures

From: Senning, Will [mailto:Will.Senning@vermont.gov]
Sent: Wednesday, December 09, 2020 2:07 PM
To: Senning, Will
Cc: Isabelle, JP; Bjornlund, Lori; Oatway, Lelonie; Harrington, Liz; Winters, Chris
Subject: Elections Update - 2021 Annual Meeting procedures
Importance: High

Good Afternoon Clerks,

We are reaching out today with some initial information about your upcoming annual meetings. We have been receiving a lot of questions from many of you already.

First though, I still have not had a chance to say thank you, personally, for the job you all did administering the Primary and General Elections this year. You all stepped up, dug your heels in, and lead Vermonters through a successful election under extremely difficult circumstances and immense stress. Your support of each other and of our office resulted in a team effort that everyone relied on. I and the whole Elections Division team were proud to be a part of it, and you all should be as well. I hope you all get some much deserved rest and relaxation over the holidays.

With that said, I want to cover some basic information about annual meeting. With the recent resurgence of the virus, and the likelihood that it will still be prevalent throughout the first part of next year, there are many questions about what alternative procedures are available to conduct annual meeting as safely as possible. For those of you that conduct some, or all, of your business “from the floor” in a traditional open town meeting, there are obvious concerns about that type of gathering if the virus is still prevalent.

For the time being, please be aware of the following:

- At the end of this calendar year, the Directives issued by Secretary Condos in 2020 expire and are no longer in effect. This means that all of the alternative procedures permitted by those Directives are no longer available. This includes the option to mail a ballot to all active registered voters, the ability to postpone annual meetings, and to conduct a drive-thru polling place, among others. You can review the Directives that will expire [here](#), [here](#), and [here](#).
- However, in a bill passed this Fall, the legislature has already allowed for the following:
 - The legislative body of a municipality may vote to put all articles for this year’s meeting on a ballot. Whereas the law typically requires a vote of the voters to adopt the Australian ballot system for annual meeting, the legislative body may vote to do so this year as a one-time safety measure. Meetings will revert back to

the current procedure after this year. For those of you who are not familiar with Australian ballot procedures, see below for some basic introductory information.

- No signatures are required to be collected by candidates for local office. Those candidates are only required to file a Consent of Candidate form no later than the sixth Monday before the election (Jan. 25 for annual meetings held on March 2).
 - Signatures are still required for petitions to place an article on the ballot, including social service appropriations. However, please remember that your legislative body may decide to place any article on the ballot without requiring a petition, if it so chooses.
- Also, the legislature has been meeting preliminarily already late this fall to discuss further action they may be able to take regarding annual meeting. They are aware that a bill would have to be passed very quickly and are putting the pieces in place to do so. The three items they have discussed and seem to be moving toward thus far, and please recognize there is no guarantee these will happen, are as follows:
 - Permitting a municipality to postpone the annual meeting until later in the year when it can be held under hopefully safer circumstances.
 - Permitting a municipality to mail ballots to all active registered voters.
 - Granting the Secretary of State the same authority that was granted last year to authorize alternative procedures for local elections in 2021. This would allow us to reauthorize procedures like drive-thru polling places.

Again, please remember these three provisions are not in place yet but are actively being discussed for inclusion in a bill that would pass as soon as possible in January. We will keep you informed as we know any more details or developments.

- Our federal funds for COVID-19 response expire at the end of this calendar year, and could only be spent on federal elections. For these reasons we are not able to pay for postage or other mailing costs for the annual meeting. We do, however, intend to provide absentee ballot envelopes for the annual meeting, as we have done in the past. We are putting a survey together that will include the ability to order certificate envelopes, as well as outgoing and return envelopes. The municipality will be responsible for any postage or mailing costs.
- For those of you who typically conduct all or part of your business “from the floor”, but your legislative body is considering moving those items onto a ballot this year, please review subchapter 3, of Chapter 55 of Title 17, for the law on Australian ballots. Some of the basics are as follows:
 - Candidates must submit their consent forms by the sixth Monday before the election in order to be included on the ballot.

- The ballots will contain the articles to be voted on as they are listed in the Warning.
- Ballots must be prepared no later than 20 days before the election. You may prepare the ballot in house if you choose.
- Voters may request a ballot be sent to them, they may pick it up at your office, or they may vote their ballot in person at the office (only if possible in accordance with your current policies).
- An informational meeting must be held by the legislative body within the 10 days prior to the meeting. This meeting may be conducted remotely under the emergency open meeting law provisions that have allowed public bodies to meet remotely.
- There must be a polling place on the day of the election. The polling place may open anytime between 5 a.m. and 10 a.m., and must close at 7 p.m.

You can find additional information and sample Warnings on the [Town Meeting Reminders](#) page of our website.

We hope this helps answer some initial questions for now. We will continue to keep in touch with more information and any updates as we receive them. Please keep your eye out for the survey regarding absentee ballot envelopes.

We also genuinely hope you get some time off to recover, recoup, and relax. We all deserve it.

Thank you,

Will

Will Senning

Director of Elections and Campaign Finance

Vermont Secretary of State's Office

128 State Street

Montpelier, VT 05633-1101

(802) 828 – 0175

will.senning@vermont.gov

PLEASE NOTE THAT MY EMAIL ADDRESS HAS CHANGED. My new address is will.senning@vermont.gov

FISCAL YEAR 2021 - 2022 (July 1 - June 30)

Employee	Dept / Position	Anniversary Date	FYE '21 Salary Schedule				1-Jul-21				Other Town Costs Attributable to Employees - FYE 2022	Total Compensation
			2-Nov-20 Current Grade & Step	30-Jun-21 End FYE '21 Grand & Step	Hourly Wage	Gross Wages	CPI = 1.62%	Gross Wages from July 1 Up to Step	Gross Wages from Step Thru Fiscal Year	Total Gross Wages FYE 2022		
Albee, Paul P/T (18 hrs/wk)	DPW - Lead TS Attendant	1/17/2018	10-C	10-D	\$ 18.59	\$ 17,400.24	\$ 18.90	\$ 9,195.12	\$ 8,671.50	\$ 17,866.62	\$ 1,366.80	\$ 19,233.42
Bergmeier, Miranda	TM - Assist to TM	9/12/2016	16-F	16-F	\$ 26.02	\$ 54,121.60	\$ 26.44	\$ 10,576.00	\$ 45,309.60	\$ 55,885.60	\$ 30,817.30	\$ 86,702.90
Campbell, Norman P/T (10	NPD - Crossing Guard	8/27/2014	10-K	10-K	\$ 21.36	\$ 8,330.40	\$ 21.71	-----	-----	\$ 8,466.90	\$ 647.72	\$ 9,114.62
Connor, Christopher	DPW - Equip. Operator	1/2/2019	12-B	12-C	\$ 20.12	\$ 41,849.60	\$ 20.45	\$ 21,268.00	\$ 21,694.40	\$ 42,962.40	\$ 17,042.85	\$ 60,005.25
Durfee, Herbert	TM - Town Manager	5/1/2017	24-C	24-D	-----	\$ 94,083.95	\$ 95,608.11	\$ 77,442.57	\$ 18,528.85	\$ 95,971.42	\$ 36,895.55	\$ 132,866.97
Durkee, Gary	DPW - Equip. Operator	12/24/2001	12-T	12-T + \$500	\$ 28.18	\$ 59,114.40	\$ 28.63	\$ 23,133.04	\$ 36,917.36	\$ 60,050.40	\$ 27,187.97	\$ 87,238.37
(Vacant)	Finance Director	-----	-----	21-K	-----	\$ 80,358.23	\$ 81,660.03	TBD	TBD	\$ 81,660.03	\$ 34,906.26	\$ 116,566.29
Francis, Roderic	P/Z - P/Z Dir (& ZA)	7/9/2018	21-E	21-E	-----	\$ 71,355.81	\$ 72,511.77	\$ 1,450.24	\$ 72,482.77	\$ 73,933.01	\$ 27,329.05	\$ 101,262.05
Frank, Jennifer	NPD - Police Chief	3/1/2018 (4/13/19)	23-C	23-D	-----	\$ 85,235.41	\$ 86,616.23	\$ 54,568.22	\$ 34,689.79	\$ 89,258.02	\$ 32,174.68	\$ 121,432.69
Fremont, Roger P/T (17 hr:	DPW - TS Attendant	7/21/2018	4-C	4-C	\$ 13.56	\$ 11,987.04	\$ 13.77	\$ 702.27	\$ 11,703.65	\$ 12,405.92	\$ 949.05	\$ 13,354.97
Grammer, Becky	Finance Assistant	9/28/2020	14-D	14-D	\$ 22.66	\$ 47,132.80	\$ 23.02	\$ 11,970.40	\$ 36,628.80	\$ 48,599.20	\$ 7,735.09	\$ 56,334.29
Ingraham, Anna	NPD - Police Officer	9/21/2015	14-H + 1%	14-H + 1%	\$ 24.77	\$ 51,511.62	\$ 25.17	\$ 12,081.22	\$ 41,078.72	\$ 53,159.94	\$ 27,873.49	\$ 81,033.43
Keeling, Simon	NPD - Sergeant	6/9/2019	17-H + 1%	17-I + 1%	\$ 29.30	\$ 60,944.21	\$ 29.77	\$ 58,358.61	\$ 3,644.48	\$ 62,003.09	\$ 29,257.44	\$ 91,260.54
Koloski, Michael	DPW - Equip. Operator	3/28/2011	12-M	12-N	\$ 25.02	\$ 52,041.60	\$ 25.43	\$ 38,653.60	\$ 14,520.80	\$ 53,174.40	\$ 18,912.20	\$ 72,086.60
(Vacant)	DPW - Laborer	-----	-----	11-A	\$ 18.41	\$ 38,292.80	\$ 18.71	TBD	TBD	\$ 38,958.40	\$ 30,041.92	\$ 69,000.32
Lewellyn, Albert	DPW - Equip. Operator	8/22/2005	12-T	12-T + \$500	\$ 28.18	\$ 59,114.40	\$ 28.63	\$ 8,016.40	\$ 52,034.00	\$ 60,050.40	\$ 33,030.17	\$ 93,080.57
(Vacant) P/T (17.5 hrs/wk)	Listers - Admin. Clerk	-----	12-C	12-D	\$ 19.34	\$ 17,599.40	\$ 19.65	TBD	TBD	\$ 17,881.50	\$ 1,367.93	\$ 19,249.43
Moore, Adam	DPW - Bldgs/Grounds Tech.	8/14/2017	11-H	11-H	\$ 21.15	\$ 43,992.00	\$ 21.49	\$ 5,157.60	\$ 40,332.80	\$ 45,490.40	\$ 25,050.37	\$ 70,540.77
Mullen, Pamela P/T (20 hr:	P/Z - Planning Assistant	7/25/2006	14-H	14-H	\$ 24.52	\$ 25,500.80	\$ 24.92	\$ 1,495.20	\$ 24,911.60	\$ 26,406.80	\$ 2,020.12	\$ 28,426.92
Munday, Bonnie	Town Clerk - Town Clerk	7/13/1992	18-N	18-N	-----	\$ 69,990.64	\$ 71,124.48	\$ 2,844.98	\$ 69,645.09	\$ 72,490.07	\$ 27,560.00	\$ 100,050.07
Northern, Alex (75%)	NFD - Fire Chief	5/29/2018	21-O	21-P	-----	\$ 66,541.49	\$ 67,619.45	\$ 59,505.12	\$ 8,276.62	\$ 67,781.74	\$ 26,859.82	\$ 94,641.56
Powell, Judith	NPD - Admin. Assistant	8/4/2008	12-K + 1%	12-K + 1%	\$ 23.82	\$ 49,536.86	\$ 24.20	\$ 4,840.00	\$ 46,406.67	\$ 51,246.67	\$ 25,135.49	\$ 76,382.16
Pregent, Joseph	NPD - Police Officer	2/2/2020	14-M	14-N + 1%	\$ 27.90	\$ 58,024.10	\$ 28.34	\$ 34,008.00	\$ 25,446.34	\$ 59,454.34	\$ 21,418.68	\$ 80,873.03
Rich, Neal	DPW - Equip. Operator	10/18/1982	12-T	12-T + \$500	\$ 28.18	\$ 59,114.40	\$ 31.61	\$ 20,230.40	\$ 46,018.40	\$ 66,248.80	\$ 27,355.94	\$ 93,604.74
Schuetz, Masaki P/T (20 h	DPW - Admin Assistant	3/20/2019	12-C	12-D	\$ 20.53	\$ 21,351.20	\$ 20.86	\$ 15,019.20	\$ 6,806.40	\$ 21,825.60	\$ 1,669.66	\$ 23,495.26
Smith, Jedediah P/T (17 hr:	DPW - TS Attendant	3/14/2018	4-C	4-D	\$ 13.83	\$ 12,225.72	\$ 14.05	\$ 8,359.75	\$ 4,141.37	\$ 12,501.12	\$ 956.34	\$ 13,457.46
Sofronas, Demo P/T (20 hr	NPD - Crossing Guard	1/7/2013	10-K	10-K	\$ 21.36	\$ 8,330.40	\$ 21.71	-----	-----	\$ 8,466.90	\$ 647.72	\$ 9,114.62
Swenson, Brie	Rec - Recreation Director	4/1/2019	21-B	21-C	-----	\$ 68,584.97	\$ 69,696.05	\$ 50,878.12	\$ 19,194.29	\$ 70,072.41	\$ 34,742.06	\$ 104,814.47
Trussell, Ben	DPW - Custodian	3/1/1995	9-N	9-O	\$ 22.01	\$ 45,780.80	\$ 22.36	\$ 30,409.60	\$ 16,423.20	\$ 46,832.80	\$ 25,236.96	\$ 72,069.76
Trussell, Judy	Town Clerk - Assist Town Clerk	1/1/2013	12-H	12-I	\$ 22.66	\$ 47,132.80	\$ 23.03	\$ 23,951.20	\$ 24,429.60	\$ 48,380.80	\$ 23,104.75	\$ 71,485.55
Wiggins, Larry	DPW - Director of PW	10/1/2018	23-C	23-C	-----	\$ 83,564.13	\$ 84,917.87	\$ 21,229.47	\$ 64,962.17	\$ 86,191.64	\$ 22,303.52	\$ 108,495.16
Union Member						\$ 1,510,143.81				\$ 1,555,677.33	\$ 621,596.89	\$ 2,177,274.22

NOT Comparable - FYE 21 is as of June 30, while FYE 22 is entire year. FYE 21 is most "expensive" date of year - the last day of the fiscal year. FYE 22 considers when actual Steps take effect.

Based on Calendar Year Enrollment for 2021
Includes FICA, Medi, on call pay, pager pay, clothing/boot stipend, VMERS, Health, Dental, & Life/Disability
Union Positions - haven't passed 1st year of employment. (Probation)
Union Positions and employees are members.
Police Chief promotion to 23-H on anniversary date of hire = 93,876.13 from 23-D
Neal Rich promotion to Working Foreman = 14-T (+ \$500 offgrid) (MAX COST)
Assumed budget (currently vacant positions)

.....
To: Norwich Selectboard, Town Manager Herb Durfee III

From: Claudette Brochu, Selectboard Chair

Re: FY2022 Budget

January 3, 2021
.....

This budget year continues to be a struggle. We are faced with the continuing economic effects of the pandemic, lean spending in previous years, and the need to update some services. If there was ever a year in which we needed to separate “needs” from “wants”, this is the year.

Norwich is a wealthy town and generally supports both the municipal and school budgets. The pandemic has had a disproportional negative impact on hourly wage earners, in particular, those employees in the hospitality sector. Salaried workers have not been as negatively impacted. We do know that state revenues are down for FY21 and are expected to be down in FY22. And we have no idea if further funding from the Federal government will be forthcoming.

So far, our town revenues are on track with spending. What we do not know is if our February tax payments will continue to be on track with spending or if our FY22 tax payments will be on track. The CARES2 act recently passed does not provide any payments to towns or cities and does not support the same level of unemployment payments or individual payments to those earning less than \$75,000. Renters unable to pay rent impact property owners unable to pay taxes. Business owners unable to pay rent also impact property owners who then become unable to pay taxes. We have no data available to us to assist in guiding our thinking or spending.

While school spending and Town spending are two separate animals, we already know that the school portion of the tax rate is projected to increase by approximately 12%, or an increase in the school portion of the tax rate of \$766 on

a \$350,000 property. That data were based on a 94% CLA. We now know the CLA is 90% which, all else staying the same, will increase that tax rate.

While some board members are asking for stabilization of the tax rate, the question remains "At what percent increase is the rate considered stabilized?" Looking at the graphs from the Town Manager, the past years have had a relatively stable tax rate. Yet we are being told that the increases were not sufficient to provide the "level of service for which Norwich has expected." What has not been explained is how the expected level of service was determined. Should we expect a fifteen percent (arbitrary number selected by me) this year with subsequent 15% increases year over year? Do we use the rate of inflation or the Consumer Price Index or some combination of both? I would argue that this year we should provide a budget for consideration by voters of no more than 2%-4%. (I confess to not being an Excel basic user or even to having the skill to update the bottom line calculation so I am not certain my adjustments even impact the bottom line).

To achieve that minimal increase I propose that we use \$73,000 in Undesignated Funds. Twenty-five thousand would be used to fund the Designated Fund (Equipment) for IT upgrades; \$3,000 for Tennis Courts; \$10,000 for Police cruisers; \$15,000 into the Fire Apparatus Fund; and \$20,000 into DPW equipment fund. This offsets the requested amounts. Using the rolling average detailed by John and Roger, I have also chipped away at some line items in each Department. In the attached budget matrix, my proposed budget line items are highlighted in red. The use of \$73,000 keeps us within the policy guidelines for the Undesignated Fund balance yet allows us to mitigate the overall tax impact. Otherwise, I am looking at what we "need" versus what we may "want". I "want" more but I "need" less.

Respectfully,

Claudette

Trends in Electricity

Department:	Budget - Fiscal Year Ending June 30						2022 TM Rev.
	2017	2018	2019	2020	2021	2022 - TM	
Public Safety Bldg (Fire & Police)	\$ 5,050.00	\$ 5,050.00	\$ 4,850.00	\$ 6,250.00	\$ 6,250.00	\$ 11,500.00	\$ 7,100.00
Communications Tower (Emer. Manag.)	\$ 600.00	\$ 600.00	\$ 629.00	\$ 600.00	\$ 600.00	\$ 500.00	\$ 500.00
Streetlights	\$ 10,000.00	\$ 11,000.00	\$ 11,500.00	\$ 11,500.00	\$ 12,000.00	\$ 13,000.00	\$ 13,000.00
Highway Garage (DPW)	\$ 3,120.00	\$ 3,120.00	\$ 2,500.00	\$ 3,000.00	\$ 3,600.00	\$ 4,800.00	\$ 3,600.00
DPW - Transfer Station (DPW)	\$ 1,500.00	\$ 1,200.00	\$ 1,200.00	\$ 1,000.00	\$ 2,000.00	\$ 3,500.00	\$ 2,000.00
Tracy Hall (Gen'l Gov't)	\$ 10,000.00	\$ 9,700.00	\$ 10,500.00	\$ 12,000.00	\$ 13,500.00	\$ 11,500.00	\$ 13,500.00
Bandstand/Welcome Sign/EV Charg. (Gen'l Gov't)	\$ 1,000.00	\$ 800.00	\$ 900.00	\$ 900.00	\$ 2,000.00	\$ 3,000.00	\$ 2,000.00
TOTAL	\$ 31,270.00	\$ 31,470.00	\$ 32,079.00	\$ 35,250.00	\$ 39,950.00	\$ 47,800.00	\$ 41,700.00

Suggested Revisions

Department:	Actual - Fiscal Year Ending June 30					Per. 5 '21
	2017	2018	2019	2020	2021	
Public Safety Bldg (Fire & Police)	\$ 4,614.00	\$ 5,981.00	\$ 6,253.00	\$ 11,431.11	\$ 2,124.00	\$ 2,124.00
Communications Tower (Emer. Manag.)	\$ 629.00	\$ 572.00	\$ 574.00	\$ 407.59	\$ 66.29	\$ 66.29
Streetlights	\$ 11,265.00	\$ 11,646.00	\$ 11,735.00	\$ 12,823.29	\$ 4,352.53	\$ 4,352.53
Highway Garage (DPW)	\$ 1,372.00	\$ 1,627.00	\$ 3,601.00	\$ 4,736.48	\$ 463.96	\$ 463.96
DPW - Transfer Station (DPW)	\$ 1,013.00	\$ 779.00	\$ 1,866.00	\$ 3,413.28	\$ 540.00	\$ 540.00
Tracy Hall (Gen'l Gov't)	\$ 10,415.00	\$ 11,888.00	\$ 13,365.00	\$ 14,271.71	\$ 3,121.12	\$ 3,121.12
Bandstand/Welcome Sign/EV Charg. (Gen'l Gov't)	\$ 846.00	\$ 606.00	\$ 1,720.00	\$ 3,159.68	\$ 726.66	\$ 726.66
TOTAL	\$ 30,154.00	\$ 33,099.00	\$ 39,114.00	\$ 50,243.14	\$ 11,394.56	\$ 11,394.56

Estimated 2021

Period 5 = 4 months of bills

\$ 7,100.00
\$ 500.00
\$ 13,000.00
\$ 3,600.00
\$ 2,300.00
\$ 13,500.00
\$ 2,400.00
\$ 42,400.00

Consideration for 2-Year Solarflect Reconciliation

- Includes \$4,302.38 two year Solarflect reconciliation
- Not connected with Solarflect
- Not connected with Solarflect
- Includes \$63.17 Solarflect reconciliation
- Includes \$1,093.78 Solarflect reconciliation
- Includes \$726.44 Solarflect reconciliation
- Includes \$729.23 Solarflect reconciliation

Department:	Difference - Fiscal Year Ending June 30			
	2017	2018	2019	2020
Public Safety Bldg (Fire & Police)	\$ 436.00	\$ (931.00)	\$ (1,403.00)	\$ (5,181.11)
Communications Tower (Emer. Manag.)	\$ (29.00)	\$ 28.00	\$ 55.00	\$ 192.41
Streetlights	\$ (1,265.00)	\$ (646.00)	\$ (235.00)	\$ (1,323.29)
Highway Garage (DPW)	\$ 1,748.00	\$ 1,493.00	\$ (1,101.00)	\$ (1,736.48)
DPW - Transfer Station (DPW)	\$ 487.00	\$ 421.00	\$ (666.00)	\$ (2,413.28)
Tracy Hall (Gen'l Gov't)	\$ (415.00)	\$ (2,188.00)	\$ (2,865.00)	\$ (2,271.71)
Bandstand/Welcome Sign/EV Charg. (Gen'l Gov't)	\$ 154.00	\$ 194.00	\$ (820.00)	\$ (2,259.68)
OVER/UNDER TOTAL	\$ 1,116.00	\$ (1,629.00)	\$ (7,035.00)	\$ (14,993.14)

Norwich, VT - Budgeting FYE 2022
Consideration for Use of Undesignated Fund Balance

FYE 2020 Undesignated Fund Balance (June 30, 2020)	\$ 651,069.00		
FYE 2021 Approved General Fund Budget w/Eng Coord	\$ 4,471,842.51		
Fund Balance Reserve Policy Required Reserve Equals 12-16% of General Fund Operating Expenditures:		Available UFB:	
12%	\$ 536,621.10	\$ 114,447.90	Assumes least reserve amount
13%	\$ 581,339.53	\$ 69,729.47	If you use UFB to help offset budget, you probably want to be in this range of use
14%	\$ 626,057.95	\$ 25,011.05	
15%	\$ 670,776.38	\$ (19,707.38)	
16%	\$ 715,494.80	\$ (64,425.80)	UFB not "available" for use with budget
FYI, 1 month of expense = \$372,653.54, or 8.33%			

Source info:

Section 10: Fund Balance Reserve Policy and 2019
Town Report.

**Grade and Step Plan
Town of Norwich**

4

FYE22 Annual 1.62%																					
Grade	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	
1	23,746.82	24,221.76	24,706.19	25,200.32	25,704.32	26,218.41	26,742.78	27,277.63	27,823.19	28,379.65	28,947.24	29,526.19	30,116.71	30,719.04	31,333.43	31,960.09	32,599.30	33,251.28	33,916.31	34,594.63	
2	24,949.00	25,447.98	25,956.94	26,476.08	27,005.60	27,545.72	28,096.63	28,658.56	29,231.73	29,816.37	30,412.70	31,020.95	31,641.37	32,274.20	32,919.68	33,578.07	34,249.64	34,934.63	35,633.32	36,345.99	
3	26,212.05	26,736.29	27,271.01	27,816.43	28,372.76	28,940.22	29,519.02	30,109.40	30,711.59	31,325.82	31,952.34	32,591.39	33,243.21	33,908.08	34,586.24	35,277.96	35,983.52	36,703.19	37,437.26	38,186.00	
4	27,539.03	28,089.81	28,651.61	29,224.64	29,809.13	30,405.32	31,013.42	31,633.69	32,266.36	32,911.69	33,569.93	34,241.32	34,926.15	35,624.67	36,337.17	37,063.91	37,805.19	38,561.29	39,332.52	40,119.17	
5	28,933.20	29,511.86	30,102.10	30,704.14	31,318.22	31,944.59	32,583.48	33,235.15	33,899.85	34,577.85	35,269.40	35,974.79	36,694.29	37,428.17	38,176.74	38,940.27	39,719.08	40,513.46	41,323.73	42,150.20	
6	30,397.94	31,005.90	31,626.02	32,258.54	32,903.71	33,561.78	34,233.02	34,917.68	35,616.03	36,328.35	37,054.92	37,796.02	38,551.94	39,322.97	40,109.43	40,911.62	41,729.86	42,564.45	43,415.74	44,284.06	
7	31,936.83	32,575.57	33,227.08	33,891.62	34,569.46	35,260.85	35,966.06	36,685.38	37,419.09	38,167.47	38,930.82	39,709.44	40,503.63	41,313.70	42,139.97	42,982.77	43,842.43	44,719.28	45,613.66	46,525.94	
8	33,553.64	34,224.71	34,909.20	35,607.39	36,319.53	37,045.93	37,786.84	38,542.58	39,313.43	40,099.70	40,901.70	41,719.73	42,554.12	43,405.21	44,273.31	45,158.78	46,061.95	46,983.19	47,922.85	48,881.31	
9	35,252.29	35,957.33	36,676.48	37,410.01	38,158.21	38,921.38	39,699.80	40,493.80	41,303.68	42,129.75	42,972.34	43,831.79	44,708.43	45,602.59	46,514.65	47,444.94	48,393.84	49,361.72	50,348.95	51,355.93	
10	37,036.94	37,777.67	38,533.23	39,303.89	40,089.97	40,891.77	41,709.61	42,543.80	43,394.67	44,262.57	45,147.82	46,050.77	46,971.79	47,911.23	48,869.45	49,846.84	50,843.78	51,860.65	52,897.87	53,955.82	
11	38,911.93	39,690.17	40,483.97	41,293.65	42,119.53	42,961.92	43,821.15	44,697.58	45,591.53	46,503.36	47,433.43	48,382.10	49,349.74	50,336.73	51,343.47	52,370.34	53,417.74	54,486.10	55,575.82	56,687.34	
12	40,881.85	41,699.48	42,533.47	43,384.14	44,251.83	45,136.86	46,039.60	46,960.39	47,899.60	48,857.59	49,834.74	50,831.44	51,848.07	52,885.03	53,942.73	55,021.58	56,122.02	57,244.46	58,389.35	59,557.13	
13	42,951.49	43,810.52	44,686.73	45,580.47	46,492.08	47,421.92	48,370.36	49,337.76	50,324.52	51,331.01	52,357.63	53,404.78	54,472.88	55,562.33	56,673.58	57,807.05	58,963.19	60,142.46	61,345.31	62,572.21	
14	45,125.91	46,028.43	46,949.00	47,887.98	48,845.74	49,822.65	50,819.10	51,835.49	52,872.20	53,929.64	55,008.23	56,108.40	57,230.57	58,375.18	59,542.68	60,733.53	61,948.20	63,187.17	64,450.91	65,739.93	
15	47,410.41	48,358.62	49,325.79	50,312.31	51,318.55	52,344.92	53,391.82	54,459.66	55,548.85	56,659.83	57,793.02	58,948.89	60,127.86	61,330.42	62,557.03	63,808.17	65,084.33	66,386.02	67,713.74	69,068.01	
16	49,810.56	50,806.77	51,822.91	52,859.37	53,916.55	54,994.88	56,094.78	57,216.68	58,361.01	59,528.23	60,718.80	61,933.17	63,171.84	64,435.27	65,723.98	67,038.46	68,379.23	69,746.81	71,141.75	72,564.58	
17	52,332.22	53,378.87	54,446.44	55,535.37	56,646.08	57,779.00	58,934.58	60,113.27	61,315.54	62,541.85	63,792.69	65,068.54	66,369.91	67,697.31	69,051.25	70,432.28	71,840.93	73,277.74	74,743.30	76,238.16	
18	54,981.54	56,081.17	57,202.79	58,346.85	59,513.79	60,704.06	61,918.14	63,156.51	64,419.64	65,708.03	67,022.19	68,362.63	69,729.89	71,124.48	72,546.97	73,997.91	75,477.87	76,987.43	78,527.18	80,097.72	
19	57,764.98	58,920.28	60,098.69	61,300.66	62,526.67	63,777.21	65,052.75	66,353.80	67,680.88	69,034.50	70,415.19	71,823.49	73,259.96	74,725.16	76,219.66	77,744.06	79,298.94	80,884.92	82,502.62	84,152.67	
20	60,689.33	61,903.12	63,141.18	64,404.01	65,692.09	67,005.93	68,346.05	69,712.97	71,107.23	72,529.37	73,979.96	75,459.56	76,968.75	78,508.12	80,078.29	81,679.85	83,313.45	84,979.72	86,679.31	88,412.90	
21	66,989.67	68,329.46	69,696.05	71,089.97	72,511.77	73,962.01	75,441.25	76,950.07	78,489.07	80,058.85	81,660.03	83,293.23	84,959.10	86,658.28	88,391.44	90,159.27	91,962.46	93,801.71	95,677.74	97,591.30	
22	73,944.06	75,422.94	76,931.40	78,470.03	80,039.43	81,640.22	83,273.02	84,938.48	86,637.25	88,369.99	90,137.39	91,940.14	93,778.95	95,654.52	97,567.61	99,518.97	101,509.35	103,539.53	105,610.32	107,722.53	
23	81,620.40	83,252.81	84,917.87	86,616.23	88,348.55	90,115.52	91,917.83	93,756.19	95,631.31	97,543.94	99,494.82	101,484.71	103,514.41	105,584.70	107,696.39	109,850.32	112,047.32	114,288.27	116,574.04	118,905.52	
24	90,093.65	91,895.53	93,733.44	95,608.11	97,520.27	99,470.67	101,460.09	103,489.29	105,559.08	107,670.26	109,823.66	112,020.14	114,260.54	116,545.75	118,876.66	121,254.20	123,679.28	126,152.87	128,675.92	131,249.44	
25	99,446.54	101,435.47	103,464.18	105,533.46	107,644.13	109,797.01	111,992.95	114,232.81	116,517.47	118,847.82	121,224.77	123,649.27	126,122.26	128,644.70	131,217.59	133,841.95	136,518.79	139,249.16	142,034.14	144,874.83	

**Grade and Step Plan
Town of Norwich**

FYE22 Hourly - 1.62%																				
Grade	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
1	11.42	11.65	11.88	12.12	12.36	12.61	12.86	13.11	13.38	13.64	13.92	14.20	14.48	14.77	15.06	15.37	15.67	15.99	16.31	16.63
2	11.99	12.23	12.48	12.73	12.98	13.24	13.51	13.78	14.05	14.33	14.62	14.91	15.21	15.52	15.83	16.14	16.47	16.80	17.13	17.47
3	12.60	12.85	13.11	13.37	13.64	13.91	14.19	14.48	14.77	15.06	15.36	15.67	15.98	16.30	16.63	16.96	17.30	17.65	18.00	18.36
4	13.24	13.50	13.77	14.05	14.33	14.62	14.91	15.21	15.51	15.82	16.14	16.46	16.79	17.13	17.47	17.82	18.18	18.54	18.91	19.29
5	13.91	14.19	14.47	14.76	15.06	15.36	15.67	15.98	16.30	16.62	16.96	17.30	17.64	17.99	18.35	18.72	19.10	19.48	19.87	20.26
6	14.61	14.91	15.20	15.51	15.82	16.14	16.46	16.79	17.12	17.47	17.81	18.17	18.53	18.91	19.28	19.67	20.06	20.46	20.87	21.29
7	15.35	15.66	15.97	16.29	16.62	16.95	17.29	17.64	17.99	18.35	18.72	19.09	19.47	19.86	20.26	20.66	21.08	21.50	21.93	22.37
8	16.13	16.45	16.78	17.12	17.46	17.81	18.17	18.53	18.90	19.28	19.66	20.06	20.46	20.87	21.29	21.71	22.15	22.59	23.04	23.50
9	16.95	17.29	17.63	17.99	18.35	18.71	19.09	19.47	19.86	20.25	20.66	21.07	21.49	21.92	22.36	22.81	23.27	23.73	24.21	24.69
10	17.81	18.16	18.53	18.90	19.27	19.66	20.05	20.45	20.86	21.28	21.71	22.14	22.58	23.03	23.49	23.96	24.44	24.93	25.43	25.94
11	18.71	19.08	19.46	19.85	20.25	20.65	21.07	21.49	21.92	22.36	22.80	23.26	23.73	24.20	24.68	25.18	25.68	26.20	26.72	27.25
12	19.65	20.05	20.45	20.86	21.27	21.70	22.13	22.58	23.03	23.49	23.96	24.44	24.93	25.43	25.93	26.45	26.98	27.52	28.07	28.63
13	20.65	21.06	21.48	21.91	22.35	22.80	23.25	23.72	24.19	24.68	25.17	25.68	26.19	26.71	27.25	27.79	28.35	28.91	29.49	30.08
14	21.70	22.13	22.57	23.02	23.48	23.95	24.43	24.92	25.42	25.93	26.45	26.98	27.51	28.06	28.63	29.20	29.78	30.38	30.99	31.61
15	22.79	23.25	23.71	24.19	24.67	25.17	25.67	26.18	26.71	27.24	27.79	28.34	28.91	29.49	30.08	30.68	31.29	31.92	32.55	33.21
16	23.95	24.43	24.91	25.41	25.92	26.44	26.97	27.51	28.06	28.62	29.19	29.78	30.37	30.98	31.60	32.23	32.87	33.53	34.20	34.89
17	25.16	25.66	26.18	26.70	27.23	27.78	28.33	28.90	29.48	30.07	30.67	31.28	31.91	32.55	33.20	33.86	34.54	35.23	35.93	36.65
18	26.43	26.96	27.50	28.05	28.61	29.18	29.77	30.36	30.97	31.59	32.22	32.87	33.52	34.19	34.88	35.58	36.29	37.01	37.75	38.51
19	27.77	28.33	28.89	29.47	30.06	30.66	31.28	31.90	32.54	33.19	33.85	34.53	35.22	35.93	36.64	37.38	38.12	38.89	39.66	40.46
20	29.18	29.76	30.36	30.96	31.58	32.21	32.86	33.52	34.19	34.87	35.57	36.28	37.00	37.74	38.50	39.27	40.05	40.86	41.67	42.51
21	32.21	32.85	33.51	34.18	34.86	35.56	36.27	37.00	37.74	38.49	39.26	40.04	40.85	41.66	42.50	43.35	44.21	45.10	46.00	46.92
22	35.55	36.26	36.99	37.73	38.48	39.25	40.04	40.84	41.65	42.49	43.34	44.20	45.09	45.99	46.91	47.85	48.80	49.78	50.77	51.79
23	39.24	40.03	40.83	41.64	42.48	43.32	44.19	45.08	45.98	46.90	47.83	48.79	49.77	50.76	51.78	52.81	53.87	54.95	56.05	57.17
24	43.31	44.18	45.06	45.97	46.88	47.82	48.78	49.75	50.75	51.76	52.80	53.86	54.93	56.03	57.15	58.30	59.46	60.65	61.86	63.10
25	47.81	48.77	49.74	50.74	51.75	52.79	53.84	54.92	56.02	57.14	58.28	59.45	60.64	61.85	63.09	64.35	65.63	66.95	68.29	69.65
26	52.77	54.09	55.45	56.83	58.25	59.71	61.20	62.73	64.30	65.91	67.56	69.24	70.98	72.75	74.57	76.43	78.34	80.30		
27	58.25	59.71	61.20	62.73	64.30	65.91	67.56	69.24	70.98	72.75	74.57	76.43	78.34	80.30	82.31	84.37	86.48	88.64		
28	64.30	65.91	67.56	69.24	70.98	72.75	74.57	76.43	78.34	80.30	82.31	84.37	86.48	88.64	90.85	93.13	95.45	97.84		
29	70.98	72.75	74.57	76.43	78.34	80.30	82.31	84.37	86.48	88.64	90.85	93.13	95.45	97.84	100.29	102.79	105.36	108.00		
30	78.34	80.30	82.31	84.37	86.48	88.64	90.85	93.13	95.45	97.84	100.29	102.79	105.36	108.00	110.70	113.46	116.30	119.21		

Herb Durfee

From: Larry Wiggins
Sent: Tuesday, December 29, 2020 11:54 AM
To: Herb Durfee
Cc: Miranda Bergmeier; Masaki Schuette; Becky Grammer
Subject: Budget review questions

In the budget review meetings of December 3 and December 16, I did not hear of any discussions of some of the major capital purchases I had requested for the FY22 year.

Last year my Equipment and Projects requests were not reviewed independently by the BOS and my understanding was the BOS did not view those requests as current budget requests. Again this year, the budget review process did not review the Equipment and Projects by line item, so I am curious as to the BOS's knowledge of the transition of those requests into the FY 22 Proposed Expenditure Budget. For clarity, please find a summary of requests (with proposed funding line items) below:

1. Equipment

Truck #4

Based on our discussion/agreement of the funding request in the Highway Dept Designated Fund – “Equipment” (01-5-703601), the BOS should be aware the \$40,000 requested includes the first year’s lease payment of a five year plan of approximately \$33,500/yr to fund the replacement of Truck #4 – Budget Request cost (after assumed tradein) = \$167,461.

Tank Truck

With the 1981 Tank Truck out of service for transmission problems, it is imperative that the Town fund equipment to apply dust control. My request is for \$25,000 to hopefully buy a USED cab and chassis on which the department can place the existing tank, spray assembly and controls from the 1981 truck. While I have found an alternate system, it is not as efficient as a regular tank truck. (It takes twice as many trips as the tank truck for the same application.) Since dust control is a major summer maintenance item, the department has to purchase this equipment to allow routine and efficient dust control application for the benefit of the residents and the preservation of the gravel roads.

The Highway Dept Designated Fund – “Equipment” (01-5-703601), also includes the \$25,000 request.

B&G Riding Mower

Request to purchase a 72” riding mower with bagger – to replace two older stand up mowers
Buildings & Grounds Dept (01-5-704601)– Designated Fund – Equipment \$15,000

2. Additionally to confirm/clarify my Project requests and to list the projects specifically which need to be recognized as FY22 requests (and that are translated into the FY 22 Proposed Expenditure Budget) are:

Beaver Meadow Road Reclamation and Paving	\$243,000
(in Designated Fund – Paving 01-5-703605)	
Bridge Inventory Study	\$ 57,000
(in Designated Fund – Bridges 01-5-703607)	
Tigertown Box Culverts (two) Total Project Cost =	
\$487,643	\$ 21,929
)	(in Highway – Grants – Tigertown box culverts
= \$97,529)) (\$21,929 is additional amount required for Town grant match (Account 01-5-703???)

Rt 132 box culvert	\$300,000
(Total \$300,000 from Designated Fund – Bridges - amount in current funds)	
Tracy Hall Generator replacement	\$ 49,095
(in Emergency Management Designated Fund Generators – amount in current funds?)	
Public Works Generator replacement	\$ 7671
(in Emergency Management Designated Fund Generators – amount in current funds?)	
Transfer Station building	\$ 13,000
(Solid Waste Division – Designated Fund – Equipment 01-5-705601)	

Larry A. Wiggins
Public Works Department
Norwich, VT
802-649-2209

Memorandum

To: **Norwich Selectboard:** Claudette Brochu (Chair); Roger Arnold (Vice-Chair); John Langhus; Mary Layton; Robert Gere.

From: **Norwich Finance Committee:** Emmanuel Tesone (Chair); Pam Smith (Vice-Chair); Libby Chamberlin (Secretary); Linda Cook; Cheryl Lindberg, Town Treasurer; Omer Trajman.

CC: Herb A. Durfee, III (Town Manager)
Miranda Bergmeier (Assistant to the Town Manager)

Date: December 29, 2020

Subject: Fiscal Year 2022 Proposed Town Budget – Recommendations

This memorandum outlines the Norwich Finance Committee’s preliminary recommendations regarding the proposed budget for fiscal year ended June 30, 2022. We have based these recommendations on the information provided by the Town Manager (TM) to the Selectboard and the presentations by the town department heads before the Selectboard, on 12/2/20 and 12/3/2020.

We also provide a summary of how Norwich finances work, in the interest of informing those Norwich voters who may benefit from understanding how their town administration and school are funded.

THE NORWICH FINANCE COMMITTEE (NFC)

The NFC is currently composed of six volunteer Norwich residents, including the Norwich town treasurer. The NFC operates under a charge approved by the Selectboard, which requires the NFC to research annual budgets, policies, contracts, capital decisions and business practices that affect Norwich town and school finances. The NFC is also asked to render non-binding advisory recommendations to the Selectboard about costs, benefits, and financial options, based on economic factors and the overriding principles of accountability, frugality, and prioritization.

OVERVIEW OF NORWICH FINANCES

What Are Property Taxes Used For? As a *general* rule of thumb, approximately 80% of Norwich property taxes are directed to the Norwich and Dresden school districts, and 20% to supporting the town government. Of the 80% that accrues to the school districts, 40% goes to the Norwich School District; the rest to the Dresden School District to pay for Norwich’s share of students who attend the Richmond and Hanover High schools. The town government is funded by property taxes, and fees from licensing, recording and permitting. The TM oversees six departments: Finance, Planning, Fire, Police, Public Works, and Recreation. Separately, other agencies and organizations with ties to the town request funding from Norwich taxpayers via the approval of “monetary articles.”

The Budgeting Process: The town and school budgets are voted on early in the calendar year for the following fiscal year (which runs July through June). These budgets are voted on and become effective on July 1st of that same year. The main components of a budget include operating expenses, reserve funds (to be used for future capital expenditures) and debt funding/bonds.

Operating Expenses: Most operating costs (in both the town and school budgets) are fixed and cannot be materially changed from year to year. Of these, personnel expenses comprise the largest category and are subject to union contracts. Public works maintenance (roads, signs, etc.) and public safety are also large expense categories.

Reserve Funds / Designated Funds: Each year, budgets include contributions to “designated funds,” which are accumulated each year to fund future expected capital expenditures (e.g. fire trucks, etc.)

Bonds: At times, the Selectboard may recommend part of the budget(s) be funded via the issuance of bonds to allow the town to spread the cost of a project over a period of time (instead of setting aside *designated funds*). Bonds are voted on separately in an article and not included as a budget item.

SUMMARY OF THE TOWN’S FINANCIAL POSITION

Revenues & Expenses: For the fiscal year ended June 30, 2020, Norwich generated \$5.38 million in revenues, of which 75% were from property taxes. Total expenditures were \$5.35 million (37% public works, 28% general administration, 19% public safety, and 13% recreation). Interest expense was 1% of revenues. The town’s position improved by \$30,977 over the previous year.

Balance Sheet: The town’s infrastructure sustained severe storm damage in 2017. Funding from FEMA was finally received in the 2020 fiscal year, restoring the town’s cash reserves to \$2.9 million, after a \$1.4 million short-term bank line of credit was paid in full. Liabilities totaled \$2.7 million (61% bonds, 27% pensions).

Liquidity: The town’s liquid assets (cash, receivables, etc.) totaled \$3.5 million, leaving the town with a net position of \$700k after liabilities, or about 17% of annual tax collections.

THE 2022 FISCAL YEAR BUDGET – RECOMMENDATIONS

A. The Operating Budget: While the town ended the prior fiscal year in a decent financial position, the NFC is acutely aware of the financial difficulties many of Norwich’s residents are experiencing during the current pandemic. In order to analyze the proposed budget, the NFC discussed a 3-tiered framework of analysis. First, we identified *Required* expenses, those expenditures that the town cannot do without (e.g. payroll, utilities, basic critical maintenance, etc.). Then, we considered other expenses deemed *Necessary*, those that can be met once the critical expenditures are taken care of. Any remaining expenditure requests were deemed *Desired* (e.g. contributions to designated funds, grants, etc.).

Recommendations:

1. The FC does not feel it has had adequate time to review the proposed budget. We strongly recommend that the budget process begin earlier, using internal pre-audit financial reports, and that it only include operating line items. Capital planning should be a separate process altogether, given its long-term nature, and should be moved to the Spring (see “Capital Budget” section below).

Suggested Timeline:

- *August:* The first step in gathering budget data should be a fairly mechanical process that should not require a lot of time from the Finance Department staff. The department heads should be provided historical financial information to create their budget projections more quickly.

$$\text{Draft Budget} = [\text{Pre-Audit Numbers}] +/- [\text{Step Changes}] + [\text{Inflation}]$$

- *September:* Taking into account recent trends and other relevant information (e.g. staffing changes, etc.), the department heads should then provide their budget requests to the TM by the end of September.

- *October*: The TM should submit a budget request to the Selectboard by the end of October.
 - *November*: The Selectboard should schedule presentations from the department heads, who should discuss in detail why they are requesting the funds. The NFC would then review the proposed budget and provide preliminary recommendations to the SB by the end of November.
 - *December*: The Selectboard should hold budget review meetings.
 - *January*: The Selectboard recommends the final budget to the town voters.
2. The NFC believes the FY22 budget should remain flat vs. FY21 in *real* terms. Accounting for inflationary pressures, a reasonable nominal target increase would be in the order of 3%. To achieve this goal, we believe required expenses should be supported as requested, while less critical expenses should be reduced or deferred.
 3. The NFC believes the town should focus on decreasing its reliance on gas-powered vehicles whenever possible. As electric vehicle technology continues to improve at a very fast pace, we believe the town should be looking at short-term solutions, such as leasing or purchasing used vehicles.

B. Designated Funds: Norwich voters have approved, over the last few years, 35 designated funds, 26 of which are still active. The total balance as of the end of November 2020 was \$2 million. 32% of those funds are allocated to the Fire department; 40% to the Public Works department. The total requested for designated funds in the FY '22 budget is approximately \$740K (63% for public works, most of which is intended to replenish the “paving” fund after a similar amount is appropriated to paving expenses). The history of how these designated funds were originally established has, unfortunately, been lost. Many of these funds have balances that are too small to be used efficiently.

Recommendations:

1. Each designated fund should be reviewed and a report be presented to the Selectboard / NFC as to the need to retain the fund.
2. Depending on the findings of the designated funds report, the Selectboard should consider asking the town voters to approve a consolidation of obsolete designated funds into the Undesignated Fund.
3. The Undesignated Fund is currently funded at about \$650K, which exceeds the Selectboard target. We recommend the SB use the surplus in this fund to (a) help stabilize the tax rate and/or (b) reduce the town’s reliance on fossil fuels. We are aware of the recent approval by the Selectboard to prevent the use of undesignated funds to stabilize the tax rate. A monetary article could be presented to the voters as a one-off approval.

C. Capital Budget: The town’s capital budget is supposed to drive the need for designated funds to be established and maintained. For this connection to be maintained in a meaningful way, the capital budget information needs to be kept current on an ongoing basis.

Recommendations:

1. The Selectboard should create a Capital Planning Committee to regularly review the designated fund balances, and requested additions, on an ongoing basis.
2. The capital budget should be reviewed *prior* to the regular operating budget, to avoid the crunch of budget season and give the capital budget the attention it needs.

D. Grants: the budget includes a total grant funding request of \$235k for Norwich's share of various grants the town expects to receive from VT state and other sources.

Recommendations:

1. Voters should have the option to have some money set aside to fund the town's share of matching grants, as grants become available. Funding for these grants should be made contingent on the approval of the grants. The NFC recommends that grant funding be separated from the budget and presented to the town voters as a separate monetary article.
2. The Selectboard can then vote to use those funds as grants are confirmed, instead of putting those funds into the operating budget.

E. Revenues: The NFC recommends that the Selectboard review the revenue side of the operating budget to assure voters that the current fee schedules are being properly projected.

F. Debt Financing vs. Taxation: Currently, the NFC members are not in a position to issue a recommendation to the Selectboard regarding how the town should consider funding its operations, whether via debt financing and/or taxation. More discussion is needed before we can reach internal agreement on this matter. The NFC is aware of the need to make investments in general infrastructure to avoid more costly repairs in the future. We will provide an update on this subject in our next communication.

TO Norwich Selectboard
FROM Norwich Energy Committee
Recommendation for Town Meeting 2021 vote on FY 21-22 funding of Regional Energy Coordinator

RECOMMENDATION

That the Selectboard include an article on the Town Meeting 2021 warrant asking voters to approve for use in FY 21-22 funds for Norwich’s share of a Regional Energy Coordinator that were approved originally for use in FY 20-21.

BACKGROUND

Article 9 from the 2020 Town Meeting warrant:

Shall the voters of the Town of Norwich appropriate \$30,669.51 for Norwich’s share of a Regional Energy Coordinator position serving 7 municipalities and based at the Two Rivers Ottauquechee Regional Commission (TRORC) for a period of one year beginning July 1, 2020?

Article 9 was approved by 60% of voters, Yes 954/No 623.

Due to concerns about how governance of the position would be managed with TRORC, Norwich did not end up sharing in the Regional Energy Coordinator position. The position was established with the support of six towns (Barnard, Fairlee, Sharon, Strafford, Thetford, and Woodstock); Geoff Martin, the former energy coordinator for the Town of Hartford, was hired.

The funds approved by Norwich voters have been raised in the FY 20-21 tax rate, but have not been spent. They are restricted by the language of the authorizing article, and cannot be spent without further voter approval.

WHY CHOOSE TO SUPPORT THE REGIONAL ENERGY COORDINATOR IN FY 21-22?

This is the simplest near-term way to use the funds effectively:

- Simple: it is easy to explain to voters that this is essentially the same article as the one they approved last year but for spending in the next FY.
- Near-term: no alternative use for the funds has been proposed and vetted; the specifics of supporting the Intermunicipal Regional Energy Coordinator position are straightforward.
- Effective: representatives from participating towns confirm their satisfaction both with the work provided by Geoff Martin and with town direction as to his projects and priorities.

A Steering Committee with a representative from each participating town meets monthly with Geoff Martin. Contacts with representatives from three towns (Barnard, Sharon, and Thetford) elicited consistently positive comments:

- a substantive benefit in cross-town coordination from the monthly Steering Committee meetings
- helpful presentations by Geoff Martin to individual town Selectboards
- Geoff Martin’s extensive knowledge of useful state resources
- his ongoing communication with and support for individual Town energy committees and staff
- his role in collecting Town energy/fuel usage data, suitable for reporting, analysing, and maintaining

Norwich-specific tasks for Intermunicipal Regional Energy Coordinator could include some of the following:

- write grants and oversee purchasing
- serve as the point of contact to Town departments on achieving energy efficiencies and conservation for Town facilities, equipment and product purchasing, vehicle use, and daily operations
- coordinate and document reducing fossil fuel use for the Town
- coordinate and document budget impact of Town solar PPA
- analyze budget and use of EV charging stations

Peter Gregory at TRORC has confirmed that Norwich would be welcome as a participating town if voters approve spending the funds in FY 21-22.

Note: authorization to spend these funds in FY 21-22 has no additional tax impact for FY 21-22, since the money has already been raised by the FY 20-21 tax rate.

TO Norwich Selectboard
FROM Norwich Energy Committee
Recommendation for Town Meeting 2021 vote on municipal taxation of solar

RECOMMENDATION

That the Selectboard begin consultation with town attorneys to draft language for an article on the Town Meeting 2021 warrant asking voters to provide general authority to the Selectboard to enter into contracts with developers of solar projects in Norwich, to set their municipal taxes as close to \$0 as possible.

BACKGROUND

This year, town Listers interpreted a tax exemption for solar installations, passed by a vote of the town in 2007, as applying only to on-site residential solar equipment. The Listers imposed taxes on the solar equipment of two solar arrays built in 2019 (150-kW and 500-kW).

This puts a tax burden on existing and potentially new community solar installations, which provide residents a practical and affordable off-site option for home solar, as well as providing local solar power for our commercial and municipal users.

It also undermines the objectives of the Town Plan’s energy section, to shift the town’s energy use to renewable sources, and to increase the amount of renewable energy produced in the town.

Preliminary communications with attorney Robert Fletcher confirm that a mechanism for the Town to implement a no-tax policy for local solar equipment is for the town to enter into a contract to stabilize any solar installation’s taxes pursuant to 24 V.S.A. § 2741.

We recommend a prudent and transparent process to carefully draft a warrant article removing tax disincentives for these medium-sized and efficient solar projects that benefit many Norwich residences and also supply clean, local electricity to the public and private sectors.

TOWN OPTIONS ON TAXING SOLAR EQUIPMENT

The Vermont Department of Taxes outlines three situations in which solar equipment is not subject to municipal taxes:

<https://tax.vermont.gov/municipal-officials/solar-valuation>

Municipal property tax is imposed on a solar plant unless one of the following applies:

- The solar plant has a plant capacity less than 50 kW and is either (a) operated on a net-metered system or (b) not connected to the electric grid and only provides power on the property on which it is located; or
- The municipality has voted to exempt the plant pursuant to 32 V.S.A. § 3845; or
- The municipality has entered into a contract to stabilize the property’s taxes pursuant to 24 V.S.A. § 2741.

The first is based on the specifics of size and utility interconnection; the other two are mechanisms through which a Town can choose to NOT tax solar equipment.

Norwich acted on option #2 and voted an exemption under 32 VSA 3845 in 2007. The Listers are now interpreting this exemption as applying only to residential solar installations, and have imposed taxes on the solar equipment of two solar arrays built in 2019 (150-kW and 500-kW).

To implement a policy of not taxing ALL solar equipment, both residential and commercial/community, it appears that the Town needs to also pursue option #3: a vote to provide authority for tax-stabilization contracts for solar projects, under 24 VSA 2741. [The text of the statute is at the end of this memo.]

WHY CHOOSE TO NOT TAX RESIDENTIAL AND BUSINESS COMMUNITY SOLAR ARRAYS?

1) Support solar in Norwich

The central reason to pursue a no-tax policy for solar in Norwich is to be as supportive as possible to solar development. Town authority to enter into tax contracts for solar projects will ensure that the no-tax policy that the Town approved in 2007 is implemented comprehensively.

Among the clean-electricity technologies of wind, hydro, and solar, solar is the most suitable for development in town. One of the five Objectives in the Energy Chapter of the Town Plan is to “shift energy use in Norwich from non-renewable to renewable sources.” Another explicitly supports in-town projects: “Increase the amount of renewable energy being produced in Norwich in a manner that is consistent with the goals, objectives and policies of this plan.”

2) Cost to the Town is Minimal

The cost to the Town of a no-tax for solar policy would be small, because the potential yearly solar tax amounts are a very small percentage of the Town’s total. The tax calculation follows a formula set by the state, at about 5% of the assessed value of the equipment. For the 150-kW array, it’s \$766/year; for the 500-kW array, \$2600/year. Over the life of the projects, the impact is $\$766 \times 20 \text{ yrs} = \$15,000$, or $\$2600 \times 20 \text{ years} = \$52,000$.

The solar tax revenue (for these two projects) in one year totals to about \$3,366, or less than .1% (point-1 %) of the Town’s annual property tax revenue of about \$3.5 million.

The long-term impact of a no-tax policy for solar is similarly minimal to the Town. Each additional 500-kW solar project like this would add less than 0.1% additional tax revenue. The contribution from solar taxes – which the Town would forgo under a no-tax policy – from ten additional systems would be <1% of total Town revenue. *

3) This is policy the Town can control

A municipal tax on solar equipment plays a bigger role in the budget of a solar project than it does in the Town budget. While federal and state policies on solar and net-metering incentives have a much greater impact on the budget of a solar project, the Town can’t control those policy levers and should take action where it can.

4) Parity with other solar arrays in Town

There is a significant parity issue for community solar. Both the Town’s exemption vote in 2007 and later state law provide for no municipal property tax on small, residential-size solar arrays. But solar arrays that cluster together multiple households that can’t install solar on their own property (ex.: a

shaded site, a rental house) will be treated differently by the Listers unless a no-tax policy is also applied to larger solar projects.

Half of the 150-kW array is owned by 16 local households as “community solar,” and half provides clean electricity through a power purchase agreement to the Norwich Fire District and the Town of Fairlee. <http://www.greenenergytimes.org/2019/09/24/the-norwich-union-village-solar/>
The 500-kW array also provides clean electricity through a power purchase agreement, to Norwich-based King Arthur Flour. More such projects should be encouraged, for both residents and businesses.

* 20-year Tax impact Calculation:

Ten 500-kW projects taxed at about \$2600/year for 20 years yields total tax revenue of \$520,000.
A static calculation of total Town tax revenue over 20 years (ie, using FY21 revenue without allowing for growth) is \$3.5 million x 20 years = \$70 million.
 $\$520,000 / \$70,000,000 = .007 = .7\%$

§ 2741. Municipal corporations; property values fixed by contract

(a) A municipal corporation, as hereinafter provided, may enter into a contract with owners, lessees, bailees, or operators of agricultural, forestland, open space land, industrial or commercial real and personal property, and alternate-energy generating plants for the purpose of:

- (1) fixing and maintaining the valuation of such property in the grand list;
 - (2) fixing and maintaining the rate or rates of tax applicable to such property;
 - (3) fixing the amount in money which shall be paid as an annual tax upon such property;
- or
- (4) fixing the tax applicable to such property at a percentage of the annual tax.

(b) A municipal corporation, by vote of a majority of those present and voting at an annual or special meeting warned for that purpose for a contract relating to agricultural or forest property, open space land, or to alternate-energy generating plants, or by a vote of two-thirds of those present and voting at annual or special meeting warned for that purpose for a contract relating to commercial or industrial property, may either:

- (1) provide general authority to its legislative branch to enter into such contracts as application is made; or
- (2) provide limited authority to its legislative branch to negotiate contracts, which shall be effective upon ratification by a majority of those present and voting at an annual or special meeting warned for that purpose.

(c) Any contract entered into pursuant to this section:

- (1) shall not be for a period in excess of ten years except for a contract to stabilize taxes for an alternate-energy generating plant, in which case the term shall not exceed the term of any license, permit, or other approval required to operate such a plant;
- (2) shall be filed with the clerk of the municipal corporation and shall be available for public inspection;
- (3) may be with existing or new owners, lessees, bailees, or operators of such property, or with persons who intend to become owners, lessees, bailees, or operators of such property; and
- (4) may be applicable to existing agricultural or forest property or open space land; renovations of or additions to existing agricultural, commercial, or industrial property, or open space land; or to new agricultural, forest, commercial, or industrial property, or open space land.

(d) For purposes of this section:

- (1) "Renewable energy source" means any inexhaustible, continuous, or readily replaceable supply of energy, including solar, wind, hydroelectric, and geothermal. "Renewable energy source" does not mean any biomass, fossil, or mineral supply of energy, including wood, organic waste, oil, coal, or uranium.
- (2) "Alternate-energy generating plant" means real and personal property that is built at an existing or new site after July 1, 1980, including any equipment, structure, or facility,

used for or directly related to the generation or production of electricity from renewable energy sources with a nameplate capacity of not more than 25 million watts.

(3) "Farmland" means real estate, exclusive of any housesite, which is actively and exclusively devoted to farming and is operated or leased as a farm enterprise by the owner.

(4) "Forestland" means any land, exclusive of any housesite, which is under active forest management for the purpose of growing and harvesting repeated forest crops.

(5) "Housesite" means the two acres of land surrounding any house, mobile home, or dwelling.

(6) "Open space land" means any land, exclusive of any housesite, that does not fall under the definition of "farmland" and "forestland," is not used for commercial or industrial purposes, and does not have structures thereon. (Amended 1961, No. 16; 1967, No. 359 (Adj. Sess.), eff. March 26, 1968; 1969, No. 16, § 6, eff. March 11, 1969; 1973, No. 183 (Adj. Sess.), § 1, eff. March 30, 1974; 1977, No. 105, § 26; 1979, No. 170 (Adj. Sess.), § 1; 1993, No. 104, §§ 1-4, eff. June 21, 1993.)



4

State of Vermont
Department of Taxes
133 State Street
Montpelier, VT 05633-1401

Agency of Administration

Phone: (802) 828-5860
Fax: (802) 828-2239

December 23, 2020

Town Clerk
Town of Norwich
PO Box 376
Norwich, VT 05055

2020 Equalization Study Results

This letter serves as notification of the results of Property Valuation and Review (PVR)'s 2020 equalization study. Every year we are required to certify the equalized education property value (EEPV or EEGL) and coefficient of dispersion (COD) for each Vermont town (32 V.S.A § 5406). This letter also communicates the Common Level of Appraisal (CLA) for your town and explains how it will impact your homestead and nonhomestead education tax rates.

Education Grand List (from 411):	\$755,434,845
Equalized Education Grand List (EEGL):	\$836,742,145
Common Level of Appraisal (CLA):	90.28 % or 0.9028
Coefficient of Dispersion (COD):	11.84%

For a copy of your town final computation sheet and certified sales report, please see:

tax.vermont.gov/municipalities/reports/equalization-study

The **education grand list** listed here is what was reported by your town to the state on the 411 form with your town's cable (if applicable) and tax increment financing (TIF) amounts (if any) included. This number represents the town's total property value that is subject to the education property tax (from the most recent grand list available) and serves as the numerator in the computation of the CLA. Please note: tax revenue from any TIF property value is subject to allocation (32 V.S.A. § 5404a).

The **equalized education grand list (EEGL)** represents PVR's statutorily-mandated estimate of total fair market value of the education grand list in your town and serves as the denominator in the computation of the CLA. To find out more about how the equalization study is conducted, how to read the certified sales report, and additional instructions on how to appeal your results, please see the "Introduction to Vermont's Equalization Study" document at:

tax.vermont.gov/municipalities/reports/equalization-study

The **common level of appraisal (CLA)** is determined by dividing the education grand list by the equalized education grand list (32 V.S.A. § 5401). A number over 100% indicates that property in your town is generally listed for more than its fair market value. A number less than 100% indicates that



property is generally listed for less than its fair market value. A CLA below 85% or over 115% necessitates a reappraisal (32 V.S.A § 4041a). The homestead and nonhomestead tax rates in your town will be adjusted by your town's CLA (32 V.S.A § 5402). The nonhomestead rate in your town will be the statewide nonhomestead rate divided by your CLA. The homestead rate will be the town homestead rate (which is determined by the per-pupil spending of any school district(s) to which your town belongs) divided by the CLA. A CLA greater than 100% will result in a downward adjustment of tax rates, and a CLA less than 100% will result in upward adjustment.

To get answers to many common questions about tax rates and how they are determined and to see how the current year property tax rates for your town were calculated, please see the department's education tax resources at:

tax.vermont.gov/education-tax-rates

The **coefficient of dispersion (COD)** is a measure of how fairly distributed the property tax is within your town. It is calculated as the average of the (absolute) difference of each sales ratio (list price divided by sales price) in the study from the median ratio. That result is then divided by the median ratio to get the COD, which is expressed as a percent (32 V.S.A. § 5401). A high COD means that within your town many taxpayers are paying more than their fair share and many are paying less than their fair share. A COD over 20% necessitates a reappraisal (32 V.S.A. § 4041a).

Appeals: A municipality may petition the director of Property Valuation and Review for a redetermination of its EEPV and/or COD (32 V.S.A § 5408). All petitions must be in writing and signed by the chair of the municipality's legislative body. Petitions should contain a plain statement of matters being appealed and a statement of the remedy being sought. **Petitions must be received by PVR by the close of business on the 35th day after mailing of this letter.** Additional instructions on appeals can be found in the "Introduction to Vermont's Equalization Study" document at:

tax.vermont.gov/municipalities/reports/equalization-study

If you have any questions, please contact your **district advisor** or call 802-828-5860.

Sincerely,



Jill Remick, Director
Property Valuation and Review

cc: Chair, Board of Listers
Chair, School Board
Chair, Select Board
Superintendent of Schools

Herb Durfee

From: Becky Grammer
Sent: Friday, December 18, 2020 11:58 AM
To: Herb Durfee
Subject: part time police wage
Attachments: PT police wages FY 20-21.pdf

FYI

Herb,

Police part time wage. The \$5000.00 is spot on for requesting in regards to the budget for FY 21-22.

For FY 19-20 there were three officers who worked part time for NPD.
Out those three one officer was already in the system as a part time from years back.

The other two came on board as part time officers during FY 19-20; however, I did not set them up under the part time wage account number. Honestly thought that the wages of a part time officer went under the police officer wage account.

With that said, for the part time officers wages in FY 19-20 they totaled \$4174.18, but are under the regular officer wage. When this was brought to my attention the audit was in process & you had said not to move this amount from officer wage to part time wages. So it didn't get moved. It was just going to be made clear to the board during budget discussion as to what happened. An honest mistake and the \$4174.18 is within the part time officer wage & the \$5000.00 being put down for FY 20-21 is correct and not being over estimated by the chief.

The report attached if for FY 20-21 with the correct balance of \$996.02 for the PT officer wage.

The wage for a part time officer is \$20.00/hour with no benefits.

Hope this helps with this one marked red on the budget.

12/18/20
11:51 am

Town of Norwich General Ledger
Detail Transactions Report
Period 1 Jul to Period 6 Dec

Account: 01-5-500115.00		Last Year Unused Budget	Budget	Encumbrance	YTD Posting	Unexpended Balance		
Description: PARTTIME OFFICER WAGE		0.00	5,000.00	0.00	996.02	4,003.98		
Date	From Description	Reference	Budget Debit	Budget Credit	Encumbrance Debit	Encumbrance Credit	Actual Debit	Actual Credit
07/11/20	GL01 Move from Officer wage to GJ# 20210213						336.02	
10/07/20	PR01 Cumulative Payroll	Batch 377					500.00	
11/04/20	PR01 Cumulative Payroll	Batch 379					160.00	
Transaction Totals			0.00	0.00	0.00	0.00	996.02	0.00
Account Totals			0.00		0.00		996.02	

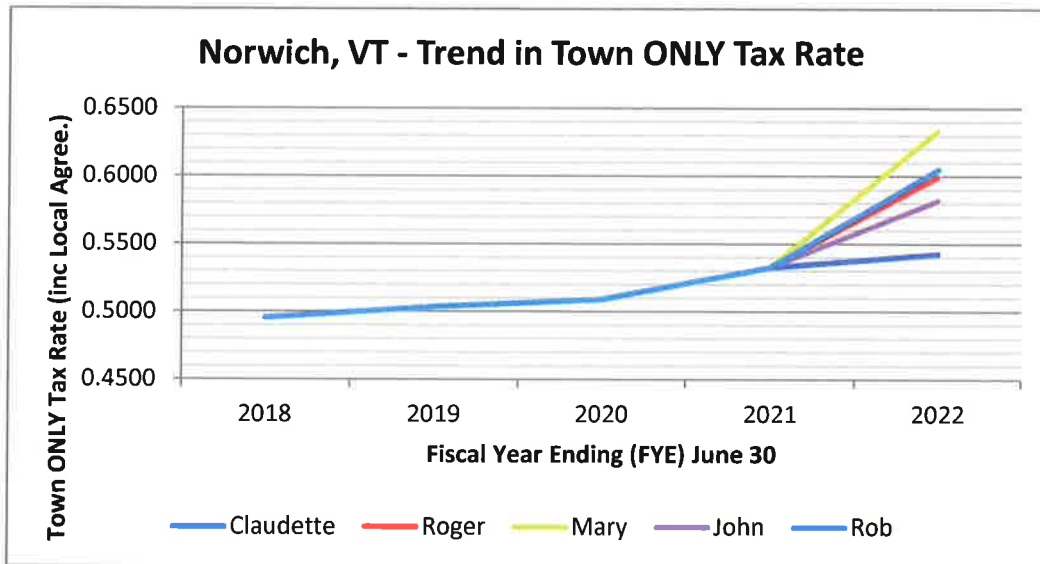
Norwich, VT

Trend in Town ONLY Tax Rate (Including Local Agreement)

As of 1/4/2021

FYE	Claudette	Roger	Mary	John	Rob
2018	0.4953	0.4953	0.4953	0.4953	0.4953
2019	0.5035	0.5035	0.5035	0.5035	0.5035
2020	0.5090	0.5090	0.5090	0.5090	0.5090
2021	0.5328	0.5328	0.5328	0.5328	0.5328
2022	0.5427	0.5995	0.6331	0.5818	0.6049

FYI
DRAFT



DRAFT
FYI