

JOHNSON SELECTBOARD MEETING MINUTES
JOHNSON MUNICIPAL BUILDING
Emergency Meeting
MONDAY, January 25th, 2016

Present:

Selectboard Members: Nat Kinney, Doug Molde, Eric Osgood, Howard Romero, Kyle Nuse
Others: Duncan Hastings (Administrator)

Note: All votes taken are unanimous unless otherwise noted.

1. Call to Order

Eric called the meeting to order at 7:00.

2. Additions, Changes to Agenda:

There were no changes to the agenda

The purpose of the emergency work session was to review the draft budget for 2016-2017. Duncan had found two issues with the budget that the Board had adopted on January 20th, both of which had an impact on the amount to be raised by taxes. Eric felt the changes were significant enough to warrant another meeting to discuss. As the information had to be to the printers by the next day, an emergency meeting was required to address the situation.

Duncan explained the first issue, which involved the grand list figures used to calculate the impact on the amount to be raised by taxes. It at first appeared that the grand list had gone down between 2014 and 2015. This seemed counterintuitive. The source of data used for the comparison was the forms used by the Selectboard for setting the tax rates in 2014 and 2015. These sheets did show a reduction in grand list. Duncan went back to the actual grand lists for the two years and found the grand list had not gone down, but up. The difference in the tax setting forms was in how the value of the Pomerleau tax stabilization agreement was shown on the forms. In 2015 the tax stabilization value was deducted from the grand list figure before the adjustments were made. After adding that value back in to the grand list figure, there was an increase in the grand list between 2014 and 2015, which tied out to the actual grand list figures.

Duncan made that change in the budget, which should have reduced the tax rate to less than last year's rate, as the grand list went up and the budget was down. The budget spreadsheet did not reflect a lower tax rate, so Duncan continued to review it to see why. What he discovered was that the tax rate in the spreadsheet was the 14-15 tax rate and not the 15-16 tax rate. Once this change was made the estimated amount to be raised by taxes was 1.7% lower than the 15-16 budget. So, the budget approved on January 20th reflected a 2.85% increase in the amount to be raised by taxes, which was based on two incorrect pieces of data as opposed to the corrected spreadsheets with a 1.7% decrease in the amount to be raised by taxes.

The board reviewed a number of line items that had been reduced in order to get the budget to the 2.85% increase on January 20th and added the money back in that they had removed at that meeting. They also decided to apply \$13,000.00 of the estimated surplus to additional mud abatement work as the feeling is this investment will save money going forward.

After discussion Howard moved a revised and corrected budget of \$2,409,965.00, which is a decrease in expense of 3.56% and a decrease in the amount to be raised by taxes of .05%, seconded by Nat, unanimous in favor. There being no other business the meeting was adjourned.

3. *The meeting was adjourned at 7:45 p.m.*

Minutes submitted by Duncan Hastings

UNAPPROVED