

JOHNSON VILLAGE TRUSTEE BOARD MEETING MINUTES  
JOHNSON MUNICIPAL BUILDING  
MONDAY, MARCH 5, 2018

**Present:**

Trustees: Gordon Smith, Walter Pomroy, David Goddette, Scott Meyer, Bob Sweetser (by phone)

Others: Meredith Birkett, Rosemary Audibert, Troy Dolan

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

**1. Call to Order**

Gordy called the meeting to order at 6:00.

**2. Changes, Additions to Agenda**

Meredith suggested that if there is time between discussing the budget and the call with the attorney scheduled for 7:00 it might be helpful to have an executive session to discuss personnel matters in order to save time on the phone.

**3. Public Comment**

There was no public comment.

**4. 2018 Budget – Review and Approve**

Meredith said she had sent out another draft of the budget last week along with an email outlining major changes. Tonight she will run through those and the few changes she has made since then.

The general department budget is balanced. Johnson State College confirmed payment for 2017 and agreed to make a contribution for 2018. That helped greatly. Meredith adjusted the amount for the merger study down to \$1K and added a little back to beautification and events.

Meredith discussed a few changes that affected multiple departments. Chan was offered a full time position and accepted. But we won't need to budget for health insurance for him. Meredith added \$3K for a flood notification float, spread across all four departments. We had discussed adding a new float alarm by the water treatment facility for earlier notification of flooding. She spread the cost across all departments because it benefits all. She updated the audit expense based on the second year cost with the current auditor, because the first year with the new auditor was more expensive. She adjusted the apprentice lineworker pay. We previously set up steps that are tied to first class lineworker pay so as that changes we have to adjust the apprentice pay.

Walter said we need to make final decisions on cash on hand.

Meredith said Arjay has asked that 60% of the fire department surplus be allocated to the fire department truck capital plan. Fire department surpluses have historically been allocated to the small tools fund but that is in good shape and he would prefer to have the money fund the truck capital plan.

We have \$39K going into the sidewalk fund, which had \$42K as of last year. And we have about \$19K in the sidewalk construction account that we had discussed putting into the sidewalk fund.

Gordy said maybe we can do the sidewalk on one side of Pearl Street. Troy said he would have to get quotes to know if the amount we have is enough. Gordy suggested talking to Morrisville about what they have spent on sidewalks.

Meredith said she reached out to the bike and pedestrian coordinator for VTrans. He is going to come meet with her and Troy at the end of March. She wants to at least talk to him to get a sense of upcoming grants and whether any provide good funding with a low amount of bureaucracy. Walter suggested that she get his input on traffic calming for the whole Pearl Street intersection and on a sidewalk from Main Street to the library.

Walter said some might feel we should use some of the fire department surplus to keep fire department costs to the towns the same for another year or two. Meredith said she thinks allocating the remaining 40% to Cash on Hand Reserved for Other Needs gives us flexibility for that. Arjay said he would like to use about \$2K of the surplus to hold costs steady again next year. Walter suggested changing the title of the reserve to Fire Department Reserve Fund. Others agreed.

Meredith said she is not sure about the process to set up an official reserve fund. The town is having a vote to set up a conservation reserve fund. Is that required? Walter said a vote is required to formally protect it, but informally we can do what we want. And then a motion from the floor can take it away from us. Someone can move to reduce the budget by X amount of dollars and then we might have to use the money to offset the budget. We have never formally adopted any fire department reserve funds.

Gordy said we may need a fire department reserve. If there are a lot of calls with a lot of labor that could blow the fire department budget out of the water.

Meredith relabeled the reserve where she is putting 40% of the fire department surplus Cash on Hand Reserved for Other Fire Department Needs. Walter said if anyone asks we can say we wanted to keep the money in order to hopefully level fund the fire department again next year.

With the money the board plans to put into the sidewalk fund, the total sidewalk fund will be \$101K.

Troy said the sidewalk on the other side of Pearl Street also really needs to be replaced. Scott asked if he would recommend taking out the remains of the tree that was removed. Troy said he would want to get recommendations from an outside source. Brian Krause and he have talked about it. If they dug out the roots, there is a portion that is probably under the road and Brian is afraid removing it would undermine the road. Troy is not sure if we could grind off a lot and leave a portion under the road. Scott said he would hate to put money into the Pearl Street sidewalk and have it start deteriorating in a few years as the roots rot out.

Meredith said there is a slight decrease in what is collected from taxes for the general department budget. Expenses equal revenue. She adjusted a few things to make that happen. The amount budgeted for beautification is now \$4K and the amount budgeted for parades, events and celebrations is now \$2K.

Rosemary said three large properties are increasing in value so the grand list will go up. Scott said if there is extra money he would like to see it put into sidewalks. Rosemary said Maplefield's may ask for a tax stabilization agreement. Dave said if we have the money he thinks putting it into sidewalks is a great idea. Sidewalks make the community more walkable and tourist friendly. Scott suggested that warning lights for pedestrians in crosswalks would also be helpful. It is hard to see pedestrians about to cross Pearl Street at night. Winooski has blinking yellow lights that make drivers very aware that someone is in the road. Meredith said she can get the latest from VTrans on requirements for those warning lights. Board members mentioned that we will want to have money available for colored crosswalks when Main Street is repaved.

Meredith said the wastewater department budget is balanced. Tom initially thought submersible pumps might be \$10K but he got a quote and it was \$35K so she took the submersible pumps out of the budget. We will want to keep those in mind for the future but there are other things that are higher priority. She cut cupola removal expense down to \$18K, removed the part time staff position and added \$1K to revenue to account for higher Maplefields usage based on what we have seen so far. She added \$8750 towards a pickup truck to be purchased in the future. She will put half the cost in this budget and half in next year's, split between the water and sewer departments.

Walter asked if there are grants available for helping us with flood proofing. Meredith said she thinks there could be funds available for flood mitigation. Walter said he would be in favor of being aggressive in spending to be better prepared for the next flood, even if that means short term borrowing. Dave agreed. Walter said he would rather not let the \$35K cost for pumps keep us from moving forward. Meredith asked, should she budget for the pumps and say in her report that that puts us in the red but we will be actively searching for grant funds? Walter said he is in favor of that. We can say we are looking for funding sources but we feel we need to be aggressive.

Gordy said we can tell people rates aren't going up however. Dave asked, do we need to consider rates going up because of this, maybe not this year, but in the future? Walter said he doesn't think we need to raise rates. In his opinion we need to look at rates for the college. He feels we honored our commitment and kept their rate low for 20 years. Now as part of looking at all rates we should consider what their rate should be. Gordy said we should also look how we compare to other munis. Walter said the problem with that comparison is that there are two groups – those who have upgraded and those who haven't. Those who haven't have lower rates but can expect big increases in the future.

Gordy asked if we could take money out of capital reserve for the \$35K. Meredith said there is \$65K in the capital reserve fund. Walter said we can dip into that. Rosemary said the \$65K figure is without having put anything in from this year yet. Meredith said we finished this year \$22K to the good.

**Walter moved to put \$22,711 into the capital reserve fund for the wastewater facility, Dave seconded and the motion was passed.**

Gordy said that money could be used for what we are talking about.

The board discussed what the wastewater capital reserve amount is now – \$65K plus \$22,711 minus \$35,000 plus \$8750.

Gordy asked, we are kind of stagnant on solar power for the wastewater plant, right? Meredith said yes; with the new tariff rooftop solar panels are just not that cost effective.

The amount in capital reserve after the additions and subtractions is about \$61K. Walter suggested removing the \$8750 from the budget if we are going to have a negative.

Meredith said the situation is similar on the water department side. There is a deficit but a lot of that is because of the \$6K normally budgeted for the reserve fund plus the \$8750. We may want to change that over there as well.

Walter said on second thought he thinks we should keep the \$8750 in after all because it's for a separate piece of equipment we are budgeting for.

It was agreed to show a \$35K deficit for the wastewater department and explain that we are being proactive with flood proofing and we will try to be proactive in searching for outside funds but we won't stop moving forward with flood proofing if we feel it is necessary.

Meredith said she added merger study expense of \$2K to the electric department budget.

She said she had reduced overtime hours for Tom and Steve in the water and wastewater budgets when the budget included a part-time staff person and she initially forgot to increase that when she removed the part-time person but she adjusted it back today.

In the electric department budget Meredith broke out renewable energy standard compliance cost from other purchased power costs, showing it as a separate line item.

The two main drivers of the \$91K electric department deficit are the \$50K budgeted for a system study and the \$65K budgeted for a small bucket truck. The 2017 surplus more than covers the projected deficit. We finished 2017 about \$200K to the good.

In answer to Gordy's question about what is budgeted for tree trimming, Meredith said we budgeted \$23K last year for tree trimming and only spent \$8400. Troy said we didn't have time to do it. Meredith said solar projects took a lot of our staff time. The amount budgeted for tree trimming was increased in this budget.

Walter asked how Meredith changed the presentation of net metering in the budget. Meredith said that will go in her report. She doesn't think there is a great way to show it in the budget. Walter asked, she will mention the amount net metering is costing us? Meredith said yes.

Meredith said she added about \$750 to the water budget for Maplefields revenue. There is a projected deficit of \$18,113 for the water department. Of that \$8750 is for the pickup. We have \$6K budgeted as a contribution to the capital reserve fund and we have \$5K budgeted for painting the building.

The water department bottom line for 2017 is \$28,712.

Meredith said the budget includes \$10K for hiring contractors, which is higher than what we normally budget. That is for dealing with broken curb stops.

Dave suggested we should take the \$28,712 and add it to the \$6K, then take out \$18,113 to zero the 2018 budget. That leaves us \$16,599 in capital reserve. Walter asked what we started the year with. Rosemary said \$21,066.87.

**Walter moved to put \$34,712 in the water department capital reserve fund for 2017, Dave seconded and the motion was passed.**

The board directed Meredith to put \$18,113 in income from the reserve fund into the 2018 budget to cover capital expenses. Meredith asked if she should do same thing on the wastewater side to show a balanced budget. The board agreed she should.

Dave said we have \$37,655.87 cash on hand left.

5. *Executive Session – Personnel Matter*

**Walter made a motion to enter executive session for a personnel matter at 6:43, Dave seconded and the motion passed.** The board came out of executive session at 7:01.

6. *Executive Session – Confidential Attorney-Client Communications*

**At 7:02 Walter made a motion to find that premature general public knowledge regarding advice from the Village attorney would clearly place the Village at a substantial disadvantage because the Trustees risk disclosing confidential legal advice. Dave seconded and the motion passed.**

**Walter made a motion to enter executive session to discuss confidential attorney-client communications under the provisions of Title 1, Section 313(1)(F). Dave seconded and the motion passed. The board entered executive session at 7:03.** Scott Meyer recused himself from the discussion and left the executive session at 7:05. The board came out of executive session at 7:56.

7. *Adjourn*

**The meeting was adjourned at 7:56.**

*Minutes submitted by Donna Griffiths*