

JOHNSON VILLAGE TRUSTEE BOARD MEETING MINUTES
JOHNSON MUNICIPAL BUILDING
WEDNESDAY, FEBRUARY 25TH, 2015

Present:

Trustees: Gordon Smith, Ellis O'Hear, Walter Pomroy, Chris Parker, David Goddette

Others: Duncan Hastings (Manager), Rosemary Audibert

Call to Order

Gordy called the meeting to order at 4:35 and asked if there were any changes or additions to the agenda. Duncan stated he would give a brief report on a frozen sewer and water line.

Gordy stated the purpose of the meeting was to try and finalize budgets and asked if any of the trustees had additional thoughts on the budgets. The Board started with the General Department budget. Several line items were discussed and considered for reductions with a goal of further reducing the overall budget. Duncan asked again if the board was comfortable with the allocation of staff time by department. After considerable discussion, Walter moved to adopt the General Department Budget as submitted of \$413,845.00, with an estimated amount to be raised by taxes of \$115,599.00 and an estimated tax rate of \$0.1944, a reduction of 1.8% over last year. Second by Walter unanimous in favor.

The Board reviewed the Electric Department budget. Duncan noted that he had included 9 months contract with MW&L at \$10,000.00/ mo. As well as leaving the village employees in at 65% time. In essence the budget includes both the village employees doing the work as well as MW&L doing the work. This will not be the case, but it is hard to budget otherwise not having a contract with MW&L in hand. Duncan reported to the board that the figure on line 11 misc. income, was correct, but the budget note was not. This has been fixed. Duncan provided an updated depreciation expense figure for 2015. Duncan stated that the VPPSA revenue projections were not entirely accurate as they spread the revenue reductions attributable to the JSC solar project across all classes of revenue. He stated that VPPSA was preparing a revised projection that would place the reductions directly to the JSC revenue line item and once he got that he would plug those numbers in. There was further discussion on the status of MW&L contract proposal. Duncan stated no news. Chris to adopt the Electric Dept. budget as submitted of 2,344,746.02.

The Board reviewed the Wastewater Treatment budget. David was concerned that this budget showed an operating loss and felt expenses should be cut to make it balance. As an alternative there was discussion about raising the rate to make up the shortfall. Walter suggested that the budget be left as is and monitor it carefully over the next months to see if a rate hike was needed. This is what was done last year and it worked out. The issue of OT as discussed again. Rosemary was able to provide a printout of the OT for the board to review. Several ideas were discussed about how to reduce the OT including use of a timeclock. Walter stated that the issue needs to be discussed with Tom to see if he can staff offer ideas on how to get the OT to the budgeted amount and if that is not successful, other ideas can be explored. The Board agreed this was a good approach. Duncan stated that the cash on hand figure was \$9,987.37 and the reserve fund balance was \$59,188.00. After considerable discussion, Chris moved to approve the budget as presented of \$494,944.69 (which includes loan costs) and to retain the cash on hand in the checkbook. Walter seconded the motion,

Walter, Gordy, Ellis and Chris in favor, David opposed, who stated he could not vote for a budget that showed a deficit.

The Board reviewed the Water Department Budget. Duncan stated he had some concerns that the major increases in revenue were from JSC and a worry that they might have a water leak after the meter. If true and they found and fixed it, could lead to reduced revenues for both water and sewer. Budget as proposed has a small surplus at year end. Duncan stated the cash on hand figure is 30,385.71 and the reserve fund balance is \$10,035.00. After discussion, Walter moved to place \$5,000.00 of the cash on hand into the reserve fund and to approve the budget as presented of \$246,450.00 (which includes loan costs). Chris seconded, unanimous in favor.

Duncan advised the Board that there had been a frozen water line belonging to Travis Hill and the crew had assisted as much as they could. He also advised that the Geoffrey property off RR St had a frozen sewer line, which the Village had hired Hartigan to thaw. He would be asking the Board to review that section of line and make a determination about who owned what. This issue had come up last year but the question of ownership had not been resolved. It was his belief that the entire line from the Geoffrey residence to our sewer manhole was a building sewer line and was the responsibility of the property owner. He would bring to the Board for their next meeting

Ellis moved to adjourn, seconded by Chris, all in favor. 6:10 p.m.

Minutes submitted by Duncan Hastings