

JOHNSON VILLAGE TRUSTEE BOARD MEETING MINUTES
JOHNSON MUNICIPAL BUILDING
WEDNESDAY, FEBRUARY 18TH, 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. Rosemary stated she had a draft Village Annual Meeting Warning prepared.

The Board reviewed, approved and signed the Warning.

Gordy stated the purpose of the meeting was to work on Village budgets and asked Duncan to go over what he had sent out to the Board. Duncan asked the Board to look first at the salaries and salaries breakout by department spreadsheets. With the uncertainty over the Electric Dept, it was going to be quite difficult to prepare accurate budgets. He asked if the Board agreed with the proposed allocation of staff time by department. After discussion, it was agreed to leave the assigned percentages as drafted. Salary adjustments were discussed. It was agreed to include 2% in the proposed budgets except for the general Foreman position, as that was recently adjusted upward. The Board reviewed the overtime budget versus actual. The Board expressed concern over WWTF OT. Duncan noted that the WWTF budgeted OT had been increased a couple years ago and suggested that the Board could review this with the Chief Operator and perhaps staff could consider ways to reduce the OT hours. The Board agreed this was a good approach. Duncan stated that all of the budgets are affected by the changes to Electric Department wages, so these two spreadsheets are important.

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. Walter asked about misc. revenue line item as the note did not jive with the number. Duncan said he would check it for next meeting. Duncan stated the depreciation expense figure for 2015 was too high and would be reduced and he did not have a final figure for 2014. Walter stated that overall the budget expenses were lower by more than 6% even considering the inclusion of MW&L costs. Gordy stated his concern that the reduced costs might be at the expense of service. Budget to be reviewed and approved on the 25th.

The Board reviewed the General Department Budget. Duncan provided the year end cash on hand figures provided by Rosemary. He stated that the difference between actual revenue and actual expense for the Fire Department was \$1958.66 and for the past several years the Trustees had put some or all of that difference into the FD Small Capital Reserve Fund. Walter stated he would like to put 50% of that amount in the Small Capital Reserve Fund and made that a motion. The motion was not seconded. Ellis moved to put \$1958.66 from cash on hand into the FD Small Capital Reserve Fund. There was considerable discussion and Chris seconded the motion. Four in favor with Walter opposed.

With the FD transfer, the cash on hand balance was \$9618.34. Duncan's draft budget dedicated that amount to reduce the amount needed from taxes for the budget. The Board agreed to apply the remaining cash on hand to reduce taxes as proposed with the final budget to approved on the 25th.

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 did not have cash on hand or reserve fund balances for this meeting but Rosemary would have them for next meeting. Budget does not reflect transfer of funds from reserve fund line item of \$1500.0 for 2014. It does increase that line item in 2015 to \$5000.00. Budget to be reviewed and approved on the 25th.

The Board reviewed the WWTF Budget. This budget proposes a revenue shortfall. Duncan stated the Board should either consider a small rate increase, or they could wait a little while and see how the expense to revenue situation progressed. This budget also does not reflect transfer of reserve fund line item of \$15,000.00 for 2014. There was discussion about the adequacy of the reserve fund given the age of the plant. Ellis asked about the replacement of the River Rd W pump station. Duncan reminded the Board that they had discussed postponing the work until after one of the major bond loans had been paid off so as to reduce the impact on rates. The Budget to be reviewed and approved on the 25th.

Ellis moved to adjourn, seconded by Chris, all in favor. 7:25 p.m.

Minutes submitted by Duncan Hastings