

JOHNSON SELECTBOARD MEETING MINUTES  
JOHNSON MUNICIPAL BUILDING  
THURSDAY, JANUARY 13, 2022

**Present:**

Selectboard members: Mike Dunham, Beth Foy, Nat Kinney, Eric Osgood, Eben Patch

Others: Brian Story, Rosemary Audibert, Jason Whitehill, Charles Gallanter

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

**1. Call to Order**

Eric called the meeting to order at 4:00.

**2. Additions, Changes to Agenda**

Eric added discussion of town meeting.

**3. Review FY23 Proposed Budget**

Brian said the highway equipment reserve fund will be cheaper than his earlier estimate because a pickup truck was incorrectly assigned for purchase next year and because we are delaying purchasing the screener for the gravel pit by another year. The budget doesn't yet reflect the 6% increase in Holcomb House rent discussed last time. The community economic development coordinator position has been moved to its own line item. We had discussed taking that out and having it voted on as a separate article but for now it is still in the budget. Brian budgeted \$40K for the town's half of the salary and benefits for the position. The expense for Racial Justice Committee minutes has been added to the Racial Justice Committee expense line and Brian talked to Sophia about the change.

The draft budget includes the salary increase the board agreed to and a fifth employee. It includes a 3% salary increase next January. Eric said if we wanted to find a large amount of savings we could take out money budgeted for the fifth highway department employee. Brian reminded the board that we had decided not to fill the position until seeing its effect on the budget. Eric said this draft is a 5.6% budget increase and the amount to be raised by taxes increases by about 6.5% for this budget. This is a place we could come back to if we want to cut more.

Health insurance rates went down but our cost for health insurance went up due to having different employees making different selections. Beth noted that the increase will affect our current year budget too. Eric said because of that our estimated year end balance should be adjusted.

Nat asked if uniforms are in the union contract. Brian said he is not sure. Eric said our personnel policy says we will provide uniforms and the employees agreed to go by the personnel policy.

Brian increased the highway department buildings and grounds maintenance line item a bit to address things like the flooding issue in the town garage and improving the seal on the salt shed. He thinks the new furnace needed for the garage will be expensive enough that it will be paid for out of capital reserve.

He made a small increase to tree and brush removal to better reflect the rental price for the boom mower. Eric said we will probably be more aggressive about ash tree removal. Is there enough in the budget for that? Brian noted that there is a separate line item for invasive species management that has \$5K in it to deal with ash removal.

Nat asked what the money for tree and brush removal is used for. Brian said for equipment rental and anything we need to pay for disposal. Beth asked what we are renting. Jason said a tractor and boom mower. Beth asked if there are things we could buy for our tractor that would be worth the investment over time. Brian said there has been discussion about whether we would get enough use out of a boom mower to make buying one worthwhile. We don't use it much but we could potentially do more of our own mowing and then we would use it more. Our new tractor will support equipment like that. Jason said boom mowers cost \$100-150K and they are pretty high maintenance. Brian said we would have to start mowing a lot more of our property for it to become economical to buy one.

Brian increased the gravel and stone budget by a modest amount. There was discussion about whether it would be worth getting employees recertified to work in the gravel pit. Brian said his opinion is that we should get them recertified. It does not cost that much. They do lose a few days in classes when they can't do other work. Even if we bring in people to operate the pit for us, it would be helpful if our employees could work in and around the pit and explain things about it to the contractors.

Eric said we have not increased paving maintenance or paving capital for a few years. With the price of petroleum going up, should we add money to those line items? Brian said if we had more money budgeted we would get more paving done. Eric asked Jason's thoughts on paving. Jason said he talked to Brian in the fall about his ideas for paving. We were waiting to find out from the village what they are doing on Railroad Street before making decisions on allocating money to paving. Brian said the next paving project he would like to do is Railroad Street, which requires working with the village. They have stormwater maintenance they need to do in the same area and it would be good to coordinate to get all the work done at once. The paving would be eligible for a Class 2 paving grant from the state. He doesn't know what the village would need for the stormwater work. We didn't spend the paving money that was budgeted for the current fiscal year. We could pay for some of the work before June 30 out of this year's budget and combine that with the money in next year's budget.

Eric asked if Brian believes we could work with the village on Railroad Street before they even have a manager on board. Brian said he thinks it would be a challenge. Eric said he doesn't think they could do the stormwater work without a grant. We would have to coordinate our grant with their grant. They don't even have a manager for Brian to talk to. He doesn't see that project happening. Brian said he thinks it is likely that we will pave something other than Railroad Street next year.

Eric asked about priority paving needs. Jason said Ober Hill has been reclaimed and is ready for paving. Nat said he thought we weren't going to pave Ober Hill. Jason said sand and

gravel wash off the road. Hugh did not want to pave it but he would like to see it paved at least as far as it used to be. It would be nice to have the pavement go all the way to Dukes Road.

Mike said we have been talking about Railroad Street since he got on the board 6 years ago. He would like to see the new board make that a priority. He believes it will have to be a contracted job. He doesn't believe the village has the ability to do it. It will be expensive. There have been issues with puddles and splashing water on Railroad Street for years. Eric said if the voters approve hiring an economic development coordinator getting grants to move that forward could be a good focus for that person.

Brian said he can bring suggestions to the next meeting of what we would pave if we had more money budgeted for paving.

Beth said Collins Hill should be on our radar. We need to get the sand off the bottom of Collins Hill. It is dangerous.

Nat said we have been spending quite a bit more than what was budgeted for dust control but we have continued to budget the same amount. Brian said both Brian Krause and Hugh believed there were things that could be done to bring down the cost of dust control. If we are going to see savings, we will see them this year. Jason agreed that this year will be the year we will find out if there are savings from doing dust control the way the employees learned to do it in grading school. He thinks it would be beneficial to have a little more budget for dust control because the cost of chloride is going up. It was agreed to increase that line item to \$35K.

Construction projects planned for this year are on Fox Lot Road and Ben Ober. They will be paid for with grants. The Rocky Road project will be paid for out of the bridges and culverts line item. Eben asked about Lendway Lane. Brian said his impression was that funding would not be available for that.

It was agreed to lower the amount budgeted for mud abatement to \$13K to better match what has actually been spent in recent years.

It was agreed to lower the winter salt line item to \$38K to reflect savings we expect from using brine.

We have an application out for a grant for the engineering study for Scribner Bridge. We hope to be able to do that before the end of the current fiscal year. Our match for engineering and repairs is planned to be paid for out of our bridge and culvert reserve fund.

Brian budgeted for a \$7K increase in the donation to our capital equipment reserve fund. We have been increasing the donation by \$7K a year for a few years. The reserve fund is reasonably healthy but will hit a low point in a few years.

Brian reviewed the equipment we will be making payments on next year. A new cost being added is the grader, which is due for replacement. It is pretty expensive. We are getting an updated quote. Jason said another town is possibly interested in buying our old grader.

Eben asked if we should think about increasing our capital equipment reserve fund expense. Brian said he thinks that might be a good thing to do with some of our cash on hand. Eric said we could put some of our uncommitted cash on hand into the capital equipment fund to boost it up and then we wouldn't see that low balance in a couple of years.

None of the non-profit groups we allocate funds to have asked for increases. Mike said we could save \$33,267.48 if we got rid of all the donations to non-profits.

Charles Gallanter said the food Meals on Wheels currently provides is inedible. He has talked to many seniors who have stopped using it. Eric said the time to bring that up is at town meeting. All the non-profits have been approved by the voters. At town meeting someone can ask that a particular group be removed from our budget. It is up to the voters to decide whether to stop giving money. Nat said he is not sure that is exactly right. The voters approved each allocation for the first year and by convention once a group has been added we keep donating to it. Eric agreed that we could remove an allocation if we chose to.

Nat said he thinks instead of giving a set amount to each group each year we should set a percentage of the grand list to give to charitable causes and then someone should figure out each year where the money should be allocated. He would like to see more thought put into it.

Eric said years ago every allocation to a non-profit was a separate article and a lot of time was spent at town meeting discussing each one. So we came up with the concept of including each allocation in our budget after it was initially approved by the voters. We could remove all the allocations and have a single article covering all of them. Mike and Eben said they like that idea. Beth said she would like to have a separate article for each one. Eric said if all are included in a single article a voter who wants to remove the allocation for a single organization could move to reduce the total by the amount representing that organization's allocation. He thinks there will be more discussion on this article than on the whole town budget. Nat said he is not sure this accomplishes what he would like to accomplish. Eben asked if Nat is proposing that we set a certain percentage of the grand list to go to non-profits and then delegate it to Rosemary to allocate the money as she sees fit. Nat said it needs to be delegated to someone. He is not sure Rosemary wants that responsibility. Mike and Eric said when there used to be articles for each allocation there would be much more time-consuming discussion on a small allocation to a group than on the much larger school budget. The board agreed to have a separate article for all the allocations to non-profits.

The budget as it stands now is an increase of 5.6%. Eric said we will take out \$33K for the non-profits and \$40K for the economic development coordinator, which will reduce the increase. Brian said that changes the increase to 3.2% which gives us a 1 cent increase in taxes. But if the separate articles are all approved they will add to the tax rate.

For the reserve funds, Brian is increasing the amount he anticipates we will spend on interest. Eben noted that there are some equipment loans that are shown as 6-year loans that need to be corrected to be for 5 years. It was agreed to push out purchase of a pickup truck by a year.

Eben said when he and Beth toured the town garage they were told that an all-wheel drive grader would serve the town a lot better. He doesn't know how that would change the cost. Brian said we have an estimate for a grader but we are planning to make some changes to the features we want. Eric said the current grader is the first one we purchased with a blade on the front. How well does it work? Jason said it works pretty well but the front blade hasn't been used heavily. He is going to get several grader quotes for the board.

Jason suggested we might be able to save money by just getting a new motor for the screener for the gravel pit instead of buying a whole new one.

Brian said the cash balance from FY21 is \$175,145.35. Last year we estimated we would have \$161K left in cash and we reserved \$100K of that to reduce taxes and committed the rest to the tax anticipation reserve fund. We ended FY21 with \$13,708 uncommitted. When we add that uncommitted cash, the delinquent taxes due to us and the estimated balance at the end of the current fiscal year (\$68,980), the total is \$237,284. We need to decide what to do with the estimated cash on hand. Everything except highway funds gets returned to the voters. We can propose to increase some line items over what they would otherwise be. The issue with applying the whole amount to reducing taxes is that if we ran a deficit we would not have the money we said we were going to use to lower taxes. We want to be careful about what we use as a straight tax reduction. Eric said if we apply this to reduce taxes the voters are voting on a set budget with an amount to be raised by taxes and once we set the tax rate we can't adjust it if we later find out that we have less available at the end of the year than were expecting. If we only committed \$100K and proposed putting the rest into a reserve fund, we don't have to do that if we don't have the money.

Eric said we are allowed to have up to a certain percentage of our budget in a tax anticipation reserve fund, which is helpful in allowing us to pay bills early in the fiscal year before we have much tax revenue. Brian said right now the tax anticipation reserve fund is at \$290K. This is a good place for us to allocate some of the available money. The capital reserve funds for buildings and grounds and for highway equipment are other places he would recommend putting some of the money. Eric asked that Brian bring the priority list to the next meeting, when the board will discuss where to allocate cash on hand. Eben suggested we might think about putting some in the reappraisal reserve fund. Others agreed that would be a good idea. Beth said the website is another area that is on her mind. Brian said he increased the computer support line item to reflect the increased cost for web hosting and budgeted for a contribution to a new website.

#### **4. *Town Meeting Discussion***

Eric said we anticipate the governor will sign a bill that will allow us to have all town meeting voting by Australian ballot again. He heard from Dave Williams that his preference is to have a regular town meeting. He sees value in the dialog. Rosemary said we would also have the option of moving town meeting to a different date. Eben thinks it is better to have it in March in case there is pushback on the budget and we need to have a revote. Eric agreed.

We wouldn't want to wait too long to have an approved budget because we need to be able to set the tax rate and send tax bills out for July 1. There was agreement that planning for a regular town meeting on March 1 would be preferable.

Beth asked if we want to set it up so people can join remotely. Rosemary said they can't vote remotely. Eric said they could voice their opinions. Beth said she would be willing to oversee remote participation.

Nat said we should consider safety precautions and whether food should be served. Beth asked if the school will allow us to use the facility. Brian will try to get an answer on that before the next meeting.

**5. Adjourn**

The meeting was adjourned at 5:58.

*Minutes submitted by Donna Griffiths*

UNAPPROVED