

JOHNSON SELECTBOARD MEETING MINUTES  
JOHNSON MUNICIPAL BUILDING  
MONDAY, DECEMBER 13, 2022

**Present:** Selectboard members: Beth Foy, Duncan Hastings, Eric Osgood, Eben Patch, Mark Woodward

Others: Brian Story, Rosemary Audibert, Lois Frey (remote)

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

**1. Call to Order**

Beth called the meeting to order at 6:00.

**2. Additions, Changes to Agenda**

No changes to the agenda were needed.

**3. Continue Review of FY24 Budget**

Beth suggested starting with follow-ups to questions that came up at the last meeting. Brian said he got more detail about the highway grants. We expect a \$20K Local Roads grant which has not yet been approved. A \$27K Grants-in-Aid grant has already been approved for the next fiscal year. If we get the Local Roads grant there is some work not eligible for reimbursement that it would make sense to include in the scope of the project, so the whole project will probably cost closer to \$45K or \$50K, including time and materials, but we will only be reimbursed \$20K. Beth suggested taking out the \$20K for the grant that has not yet been approved. She asked, the additional money only comes into play if we get the grant? Brian said yes. Beth asked where it is in the budget. Brian said it is in construction project capital. Eric said if we take that money out of the budget and then we get the grant, we won't have anything in the budget for the non-grant-funded work we want to do as part of that project. Mark asked if this grant is something we typically get. Brian said yes. Mark asked, so we are just being cautious? Brian said yes.

Brian said there was a question last time about whether we could change the rent at the Holcomb House. We had a lease that expired and we have just been carrying on with the tenant, so if we want to have a new lease and change the rent we can do it.

Duncan said the estimated year end amount for Holcomb House rent seems too low even at the current rent. Brian agreed it should be changed. Duncan suggested increasing the rent from \$490 to \$525 for the rest of the fiscal year, then increasing to \$550. Eric said he thinks that should be an agenda item. Beth suggested budgeting at \$525 for the upcoming fiscal year and said she would add it to the agenda list.

Duncan asked if it would be safe to double the revenue received so far this year for State Aid to Highways (2 out of 4 payments) for the year end and FY24 figures. Rosemary said she thinks that would be safe. Duncan suggested changing the year end estimate for Maintenance of the Grand List & EEGL to \$13K and that was agreed on. There was discussion about the amount to put for Misc. Revenue.

In answer to Duncan's question, Brian explained that the \$30K shown being taken out of the Buildings & Equipment Restricted Fund would be to pay for work at the town garage. It is in

dire need of at least an upgrade to the hot water system. Right now the building is heated by an oil boiler that is the only hot water boiler. In summer when employees need hot water a huge volume of water has to be heated up. We need to provide a water heater that is separate from the boiler for heat. He spoke to Efficiency Vermont about what they recommended. They say heat pump water heaters are pretty much replacing on demand heaters, which we had been thinking about. We have to have a larger discussion about what project we want to undertake. We have also been issued a caution that the recent town and village heating bill for the lower storage building was abnormally high. The hot water would be the first upgrade he would want to do. There is quite a bit we could do at the town garage. Beth said the bathroom is pretty high on the list too, because it floods. That should be right behind heat. Did they address the issue of water getting into the building? Brian said they have made some improvements but there is more they want to do before spring. It was agreed to leave in the \$30K contribution from the reserve fund. Brian said we have historically paid about 2/3 of the cost of projects like this from the reserve fund and 1/3 from the operating budget.

Duncan asked, the \$35K revenue from the bridge reserve fund was for engineering? Brian said yes. We should be receiving the final grant agreement soon for an engineering study for Scribner Bridge. Duncan asked if it will be done before July 1. Brian said he thinks we should at least be able to engage someone before then. He doesn't think we will spend the whole \$35K this year. Next year we will spend money on the next step. Beth asked, if we don't think we will spend \$35K, why not change the estimated revenue and expense for this year and increase the amounts for FY24 if we think the bulk of the expense will be there? Brian said \$35K was budgeted because we didn't know what the bridge engineering study would cost so we picked a relatively large number. Eric said the only important thing is that revenue and expense match. It was agreed to leave \$35K for the current year.

Brian said he doesn't have new information regarding the library and recreation questions from last time.

It was agreed to leave out the anticipated grant revenue for the skate park.

It was agreed to zero out Tuesday Night Live Misc. Income year end and FY24 amounts because Howard had said the money collected by passing a bucket at TNL goes directly to the band and not to the town account. Duncan said even if they are taking money and handing it back to the band it should be run through the town. Rosemary said it is the band, not the town, asking for donations. It was agreed to zero out the year end and FY24 estimates for TNL Donations, as the amount is currently zero, and to raise the estimated year end amount for Sponsors to \$8000.

The board finished reviewing revenues and moved on to reviewing expenses.

Brian said he is working on a proposal for health officer and animal control compensation. He only has rough estimates for those amounts now. He is planning to propose making the pay structure for the health officers more closely aligned to what we do for animal control – paying by incident, with different amounts depending on what type of response is called for. Beth asked if that is in alignment with what VLCT recommends. Brian said they don't have a recommendation for how to compensate health officers. Eben said he thinks replicating the

animal control pay structure makes sense as the health officers and animal control officers are often the same people. It was agreed to budget \$4500 for year end and FY24 for health officers and animal control.

Rosemary suggested increasing Tax Maps & Related to \$4K for FY24.

Rosemary said the village trustees voted to budget \$787 for the Beautification Committee. Beth said the committee's proposed budget was \$2787, so we can change our budgeted amount to \$2K.

Brian said he wants to check with the Racial Justice and Social Equity Committee again about their budget for next year.

Brian said he increased our Solid Waste/Landfill expense. It is not getting cheaper. Rosemary said that line includes trash removal. The trash removal cost for the public works building is \$550/month. Mark said that is very high. They have a dumpster there. Eben said one of their benefits is that they are allowed to bring their personal trash. It was agreed to increase the year end estimate for Solid Waste/Landfill to \$12K, the same as the amount budgeted for FY24.

Brian said he and Rosemary haven't had an opportunity to sit down and talk about the town office expenses. Brian said we can also talk about using surplus for office items. Some things are needed. A couple of computers need to be upgraded. Rosemary said she would like to get a wide format scanner/printer. Eben said he thinks some network infrastructure upgrades are needed. Rosemary said it has been a while since we replaced our server and the copier is getting older.

There was discussion about the buildings and grounds reserve fund, which has about \$92K, and the Small Equipment Purchase – Current Year line that funds it. Eben suggested we might want to increase the Small Equipment Purchase – Current Year line to \$25K given the costs of some infrastructure items we need. Brian and Duncan explained that the buildings and grounds reserve fund doesn't apply to equipment at all but is funded by the difference between what is budgeted and what is spent in Small Equipment Purchase – Current Year. Beth asked if we can use that reserve fund for any town office expense. Brian said he believes the phrasing is that it is for capital improvements. Would network infrastructure be capital equipment? Rosemary said if we bought town office equipment we would pay for it in the current year out of the line item, not put it in the reserve fund. Duncan said he thinks the reserve fund is for buildings, equipment and grounds. Eric doesn't think we have ever used it that way. Brian will look into these items further.

Brian said the Computer Support line item doesn't account for any changes to our web services contract.

Brian said he would like to budget for partial payment of the costs for him to attend a professional conference. Beth noted that other employees also need professional development.

Duncan asked if it would be reasonable to bring in revenue from the records preservation reserve fund to equal the \$7500 in expense budgeted for records preservation. Rosemary said it would. Beth suggested offsetting only half the expense from the reserve fund. Mark asked how the reserve fund is funded. Rosemary said \$4 from the recording fee goes to the fund and \$11 goes to the town. It was agreed to bring in \$3500 from the reserve fund for records preservation for FY24.

There was discussion about what the year end figures and FY24 figures should be for Holcomb House electricity, heat and water/sewer. Eben said the Historical Society had suggested those expenses would be 60% of what they had been once the upstairs tenants were no longer there. Eric said what we have already spent year to date doesn't match with that. Brian will check on heat and propane costs.

Eben said there was discussion earlier this year about possibly increasing the amount budgeted for cemetery maintenance to pay for a fence around Grow Cemetery. Eric said we could use the remainder of the \$6K budgeted for this year to help pay for it. Beth suggested we could pay for half the cost this fiscal year and half next fiscal year. Duncan said spending the balance on a fence doesn't do anything for any of the stones. He asked, the stone work never got put out to bid, did it? Brian said it was posted and there were no responses.

Eben said we are consistently overbudgeting for janitorial services. Brian said he thinks we can bring that amount down to \$3K.

Brian increased Holcomb House Building Maintenance a lot because of the roof and porch repairs that are needed there. Eben said the agreement with the Historical Society is that they will maintain the building. Duncan said the agreement is that they will maintain the inside. Eben said he doesn't think inside only is written into the agreement. Eric said he thinks there is something in the contract about the town being responsible for the integrity of the building. He asked, we put the work out to bid and got no bids, right? Brian said we called people but couldn't find anyone willing to come do the work. Gilles Lehouillier gave an estimate of about \$15K but was not willing to do the work. Eben said we have talked several times about how there will be ARPA money for buildings. Maybe that would be a better fit. Eric said we could bring money in from our reserve fund for this. If Gilles gave an estimate of \$15K pre-COVID we could probably double that now. Eben said he doesn't see how we can afford this with the repairs needed for our other buildings. Eric said we should prioritize all our buildings. Beth said we should have a maintenance plan. Mark said we should have a maintenance person. Beth suggested budgeting \$7K for Holcomb House Building Maintenance and coming back to it after we see where we land with everything else.

Brian said we have not found a qualified individual to do the town clock repairs. Eben said someone had mentioned maybe putting in an electric clock. Duncan said he had suggested putting the old clock in the municipal building foyer and putting an electric clock in the tower. Mark said the clock will run if the building is fixed. The issue is that the building has shifted so much that the box of rocks attached to the clock drags against the walls of the tower and loses time. The Masons said they are going to do the work this year. He suggested cutting the year end and FY24 Town Clock Expense/Maintenance figures from \$2K to \$1K.

Brian said we have final numbers for EMS and fire. There is a 3% increase for fire department services. The village is also increasing its share of the cost by 3%.

Beth said she has been talking about the sheriff's patrol budget with Wolcott and has had a small amount of conversation with Hyde Park (with no detail.) Wolcott passed a 5% increase for the upcoming year only because they want to reassess each year. Today Brian and Beth heard from the sheriff's department that Roger Marcoux is proposing 6% for 2 years, locked. She thinks we could still say we want 5%. She would be inclined to match Wolcott. Mark agreed with budgeting for a 5% increase. Beth suggested also budgeting for a 5% increase in dispatch.

Brian said the library has a couple of open questions he should be able to help them with over the next couple of days. It was agreed to come back to library expenses on Monday.

There was discussion about whether the rec coordinator salary should be separate from other salaries. Beth asked what Rosemary thinks. Rosemary asked, don't you think all salaries should be in one category? Duncan said he is fine with social security and all benefits being in one place but he doesn't think it is that hard to break out the rec coordinator salary. If we do not break it out we ought to be able to tell people what the salary is. Beth asked, when we talk about salary increases or benefits, are we going to talk about all people who work for the town the same way? If we are going to talk about them all at once and we have oversight over them all then maybe they should all be in one combined salary and benefits line item. If we need the voters to approve something or we have an article that is about one specific position, then it makes sense for that position to be separate. She thinks the rec coordinator is separate because at one point there was an article about that position. Duncan said there was a separate line item in the budget for the community economic development coordinator. He thought for transparency it was better to have it separate. To him, office staff is one thing and the rec coordinator is more of a separate function. Mark asked if we blend all salaries together in one line item so each person's individual salary is not so public. Do we care about that? Should everyone's salary and benefits be public? Beth said she thinks they should be because they are public employees. It was agreed not to separate out the rec coordinator salary.

Duncan said the Historical Society used to ask the selectboard to roll over into their reserve fund any difference between revenue and expenses but he thinks they will try to spend everything budgeted this year. Eben said he thinks it is wrong to bring money from Historical Society pie sales into our general fund. He feels the money should go to the Historical Society reserve fund. He understands it has to go into the general fund initially, but it should then go into their reserve fund.

Eben said he thinks we should probably zero out the Historical Society Contribution in Lieu of Rent. It is us paying ourselves. Beth said it goes to a different budget area. It is an expense against the Historical Society budget but they are not getting the revenue into their budget. It was agreed to increase that line to \$3500.

Rosemary asked if Tuesday Night Live's income equals their expense. Brian said it does for their proposed FY24 budget but not for their estimated year end. They could pull from their

reserve fund to make it equal. It should be equal and currently it is not. Mark said it seems like we should ask them to redo it. There is about a \$5K difference between revenue and expenses. Rosemary said they bought quite a bit of equipment at the end of the year that they did not budget for. Brian said he will follow up with them.

Duncan said the portable toilet is still on Legion Field. Is it going to be left there? Brian said no. We haven't kept one there over winter in the past. We have kept a winterized one at Old Mill Park for the last few years at the request of VAST and local snowmobile users. Duncan said he assumes we are paying for the one at Legion Field and he doesn't think we should be. Brian said we will send it back.

Duncan said we are at the point where we will need to know how much is available to put into the budget for our proposed reservations. Hopefully Rosemary and Brian can get together and give us that information. We need to know how much potential year end balance we can apply to taxes. Beth agreed that we will need that information. Eric said some of it won't be known until we go through the budget and set all the year end balances. Duncan said that is why it is important for us to concentrate on estimated year end figures.

The board began review of the highway budget. Brian said he needs to make some changes to the way salaries are estimated for union employees so none of the salary figures are accurate.

Eben said he thinks we should budget something in the Class IV Road Labor line (currently empty), even if it is just for time spent inspecting roads. Brian said we are already paying for their labor. Beth said this line item doesn't make sense. We have another line item for equipment and materials for Class IV roads. Can we remove it? Duncan said he would not be in favor of removing the line. He would take a little out of general salaries and put it in that line item. The reason for that is that if we have to do work on Class IV roads to meet Municipal Roads General Permit requirements it would be nice to know the associated labor expenses. Beth said if that information is on time sheets and we can get reports from time sheet data that will give us information on how time is spent in a variety of areas, not just Class IV roads. Eric said the only benefit of breaking out salaries for Class IV roads would be that we would be able to show the state the cost of complying with state stormwater runoff requirements. Right now there is no reimbursement from the state for work on Class IV roads. Duncan said another possible benefit would be to tell residents on Class IV roads that we are spending some money on those roads. We are always hearing that they pay taxes and we are not giving them anything. Brian said we could track it as Beth suggests without it being a budget item. Eric said he would feel it was more important to track it if he thought we could ever be reimbursed by the state for Class IV roads but we probably can't ever be. It was agreed to remove the Class IV Road Labor line.

Duncan brought up the \$163K set aside for paving. It was agreed that that needs to be shown as both revenue and expense.

Mark asked what mud abatement is. Brian said it is repairing roads during mud season and also covers work we do to reduce damage like putting down road fabric and adding more gravel. Eric said Mud Abatement is not where the cost of mud season is reflected. Duncan

said mud abatement is taking a specific road section and making improvements to avoid bad mud season conditions. Eric said the highway department identifies the places that are worst in mud season and they extract all the road material and put in fabric and new material so those spots are no longer an issue. Rosemary said some of the expense recorded under Mud Abatement for FY22 should have been under Capital Projects. That can be corrected. Brian said this past spring he doesn't think we did any planned mud abatement project but we did that same type of work on damaged roads. Eric said Steve Smith and Brian Krause used to plan mud abatement projects but he doesn't remember hearing about that from Hugh Albright or Jason. Beth said Jason should be part of this conversation.

Eric said we need to think about the fact that what we are budgeting for paving is not keeping up with inflation. Duncan said at one point we had a capital paving plan. Eric said some towns are spending about two times what we are for paving. Mark asked if we budget to maximize state aid. Eric we do, but we only get state aid so often. Brian said we get it about every 3 years. Eric said we only get reimbursed for Class II roads. Brian said he and Jason and have been targeting Railroad Street for the next Class II paving grant. Eric said that is a concrete road so it will be expensive to redo it. Duncan said the problem with removing the concrete is that there is no good material under it.

The board stopped budget review with the intention of resuming it at a future meeting.

**4. Adjourn**

The meeting was adjourned at 8:57.

*Minutes submitted by Donna Griffiths*