

JOHNSON SELECTBOARD MEETING MINUTES
JOHNSON MUNICIPAL BUILDING
MONDAY, JANUARY 13, 2025

Present: Selectboard members: Mike Dunham, Peter Hammond, Duncan Hastings, Eben Patch, Mark Woodward

Others: Tom Galinat

Note: All votes taken are unanimous unless otherwise noted.

1. *Call Meeting to Order*

Eben called the meeting to order at 6:00.

2. *Consider Additions or Adjustments and Approving Agenda*

Duncan added an executive session for personnel.

3. *Public Comment*

No members of the public were present.

4. *Budget Update, Review by Board, Questions for Board, Directives for Administrator*

Tom said he updated the amortization schedule. He said the welder Jason wants to buy costs \$5K. Where should the money to buy it come from? Eben said the thought process was that we should budget for pretty much anything over than \$1000 rather than paying for it out of the small equipment line. If the board approves the highway capital funding sheet he thinks the small equipment line could be removed. In his mind there is no issue with pulling money from reserves for these purchases if we have a healthy balance. With no plans to replace the backhoe we have a healthy fund balance. The current capital reserve fund balance is \$229,662.

Eben questioned whether we need to budget \$5K in expense for small equipment if everything over \$1000 is in the capital highway reserve fund sheet. Tom said it feels redundant to budget for it in both places. The board agreed to leave \$2500 in the small equipment line.

There was discussion about how much to budget for fuel. Mike said he thinks the price of fuel will go down. Eben suggested the work done under the MERP grant will likely increase fuel efficiency. It was agreed to reduce the \$50K in the draft budget to \$46K.

The board agreed to keep \$12K budgeted for road maintenance.

Eben asked, expenses and revenues for rec programs now match? Tom said yes, except for field maintenance, passes and rentals for volunteers in the ski program, and mileage.

Duncan pointed out that for Tuesday Night Live there is \$17,300 in revenue and \$17,950 in expenses. It was agreed that the revenue figure should be increased to match expenses. Tom added \$650 to the sponsors line.

Eben asked if Tom got the county tax adjusted. Tom said he called today to try to get a more accurate number and left a message.

Tom said he updated the amount for sheriff's department dispatch. The village trustee board will be discussing tonight three different options for fire department costs, so he doesn't have that number yet.

The board discussed cash on hand reservations. The draft showed \$185K being applied to reduce taxes, \$15K added to the reappraisal reserve fund, \$10K to the capital equipment reserve fund, \$5K to the grant match reserve fund, and \$20K to the tax anticipation reserve fund. Eben suggested that we do not need to add \$10K to the capital equipment fund but asked if we need to allocate anything to industrial park expenses. He suggested only \$10K to the reappraisal reserve fund since we don't need to start paying for the reappraisal until 2027. He is fine with \$10K to the capital equipment fund. He suggested putting \$10K in the grant match reserve fund. He would add \$10K for industrial park expense. He would keep the tax anticipation reserve fund contribution at \$20K. The board agreed to those suggestions.

The draft budget currently shows a 4.384% increase. The tax rate would be .9475. The percent increase in the tax rate shown in the spreadsheet was not the same as the percent increase in the budget. Duncan said he thinks that is because of the difference between what we actually raised in taxes and the actual tax rate vs. what was budgeted last year.

Board members agreed that this budget draft seems good to approve. It should be reviewed with Susan or other staff to try to find any mistakes.

5. *Articles for Town Meeting Warning*

Mike said he recently talked to a member of the Cambridge Finance Committee. They do not do the selectboard's budget. They do all the committees and the equipment rotations. He doesn't think the committees are a real problem. Mark said they do not spend much money. Mike said he is beginning to wonder if we really need a finance advisory committee. Duncan said his biggest concern would be finding people to serve on it. Mike suggested removing Articles 13 and 14 from the draft warning. The board agreed.

Duncan noted that there is a petition circulating about a reserve fund for the Beautification Committee.

The board reviewed the language suggested for the library reserve fund article. Eben said he would prefer that the reserve be funded by a line item rather than by any unexpended funds. What if the library had a part-time librarian who gave notice and they couldn't fill the position for 6 months? He feels they should not keep the taxpayer money that was meant to pay that person. Tom agreed that the selectboard should have the option of using the unspent funds to reduce taxes. Duncan suggested saying the reserve fund can be funded by unexpended funds exclusive of salaries. Mark suggested it might incentivize the library board not to spend every penny if they were able to keep unspent funds. Mike agreed. Eben suggested that the article should say the reserve fund can be funded with unexpended funds in the equipment capital, building maintenance and building capital budget lines. Peter asked why we would limit it to those three and not any unexpended funds other than salary. Eben said he thinks overbudgeted operational expenses should not go into the reserve fund; they should go back to taxpayers. Peter asked what is different about the 3 lines he suggested. Eben said those are capital expenditures. Duncan said he thinks we should also add the ability to fund the reserve from a line item. Anything in the line item would go into the reserve fund whether it was unexpended balance or not. A future board could decide to designate money from surplus to go into the library's reserve fund. It adds flexibility. The board agreed to suggest that along with the language discussed about funding from the capital budget lines. Tom said he will talk to the library board about the selectboard's suggestions.

The board discussed the wording of Article 3 and suggested a change.

6. *Future Special Budget Meeting*

The board did not see a need to schedule a future special budget meeting.

7. *Executive Session for Personnel Matter*

Duncan moved to enter executive session with the board only under 1 V.S.A. § 313(a)(3) for a personnel matter, Mike seconded and the motion was passed at 7:42. The board consented out of executive session at 8:30

8. *Adjourn*

The meeting was adjourned at 8:30.

Minutes submitted by Donna Griffiths

UNAPPROVED