

JOHNSON SELECTBOARD MEETING MINUTES  
JOHNSON MUNICIPAL BUILDING  
MONDAY, DECEMBER 23, 2024

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

Others: Tom Galinat, Charles Gallanter

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

**1. Call Meeting to Order**

Eben called the meeting to order at 5:09.

**2. Consider Additions or Adjustments and Approving Agenda**

It was agreed to add public comment.

**3. Public Comment**

No members of the public wished to comment.

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

Tom said today he and Rosemary were able to reduce the budget increase to 4.57% (a tax rate of .9484) just by making accounting corrections. The tax rate last year was .9026.

We have \$122K from this year going into the paving reserve fund. The budget shows money being expended for paving but doesn't show anything coming in from the reserve fund because we didn't have the reserve fund created. Rosemary suggested adding a line for it and Tom put \$78K in it based on conversation with Jason in November. Jason isn't comfortable with providing a cost estimate for paving projects yet. Adding the \$78K in revenue from the reserve fund reduces the amount to be raised by taxes by \$78K.

Tom said we can reduce the budget by \$9,650 by pulling money from the audit reserve to pay for the audit. There is \$10,708 reserved for other purposes. This was reserved from unexpended funds from the previous year and not allocated. Rosemary suggested we use it this year. Jason wanted to buy a boom mower for our tractor. He found one for sale for \$3,500. We have \$5K in our small equipment purchase fund. If he buys a boom mower we won't have to rent a tractor or boom mower next year, reducing the budget by \$11K. If the board approves those \$30K of reductions the budget increase will be 3.165%.

Tom noted that spending \$5K on a mower from this year's budget wouldn't put us over budget or increase next year's taxes. Eben said approval of this purchase was not on the agenda and was not added to the agenda at the start of the meeting.

**Mark moved and Peter seconded to authorize Jason to investigate the boom mower for sale and to make an offer up to \$3,500 on it.**

Eben said he trusts Jason's judgment but he will be voting against the motion due to the speed with which the decision is being made and the lack of information. Tom said there is \$5K budgeted for the current year for small equipment and none has been spent. Duncan said if Jason spends \$3,500 on a mower that reduces the amount available for the rest of the fiscal year to \$1,500. Eben said we spent \$6K on a compactor. He doesn't know what budget line that came out of. He would have assumed it would have come out of small equipment purchase. He would be supportive of the purchase if there were more lead time. We will probably need to pay Jason overtime to go get the

mower. Tom said it is 2 hours and 17 minutes away in Malone, NY. Eben said regular work hours for public works are 3:30 a.m. to noon. Mark said he would prefer that Jason not get overtime for going to see the mower. But he pointed out that public works has a limit on overtime and always reaches it. Duncan said he is not opposed to buying the mower. It might be a really good deal. But he is a little concerned about going over the procurement policy thresholds. There is a reason we have a \$3K limit. Mike offered to give Jason \$3K to buy the mower and then get reimbursed. Tom said our ditch bank mower is no longer serviceable and we have to do something. A new articulating mower is \$25K. Our new ditches are wider and the mower can't reach the other side so we have to contract out to have someone drive around and mow ditch banks. If we buy the mower we will only pay labor we have already budgeted and we can do all the mowing ourselves. He looked into contracting out all mowing but was unable to find anyone who would be available.

**The motion was passed with Duncan opposed and Eben not voting.**

Mike said he can give Jason \$3K for the purchase if the board wants. Duncan said he thinks that complicates things.

There was discussion about where money will be shown coming and out of the paving reserve and being spent for paving. Eben said he thinks because the money we think we will spend on paving isn't yet shown as an expenditure, at this point the increase is 7%, not 3%.

Tom discussed what he thinks would be an improved way to do the accounting for reserve funds. He thinks we would probably need to pay NEMRC to create a new set of software so we could make the changes without disrupting current accounting. Rosemary could work with her replacement on setting this up either right before or right after she leaves.

It was agreed to add a paving reserve line item for funds dedicated to paving reserve and to increase the total paving expenditure to \$200K. Tom said the version of the budget the board sees on January 6 will be much clearer, after changes discussed tonight have been made. There was further discussion about how to show the amounts coming into and out of the paving reserve fund and the paving expense.

Tom said he will ask Jason to get an estimate for paving expenses. The board agreed that the work can span fiscal years.

Duncan said we really need to know what the PILOT payment from the state will be. Tom said Rosemary thinks CLA should stay about the same as it has been.

Eben said his preliminary conclusion is that we probably need to increase our contribution to the capital equipment fund by \$8K a year, not \$7K, but we can discuss that at a future meeting.

Eben reviewed what was in the capital budget for FY25. It does not include a backhoe. Tom asked what the effect of a decision not to buy a backhoe will be on the capital budget. Duncan suggested we could take out the \$35K a year for 5 years we had planned to spend on the backhoe. Tom said that could affect how much the contribution needs to be. Eben agreed.

Duncan said there is a question of whether we should buy the village out of their share of the backhoe. If we do, he thinks we should take the expense out of the reserve fund and the capital budget sheet should reflect that, not purchase of a new backhoe.

Eben suggested that Tom ask Jason his comfort level with not purchasing a new backhoe at all. Duncan said at one point we discussed replacing the backhoe vs. getting an excavator. We decided we didn't want an excavator and we decided to push out the backhoe purchase a year.

Tom suggested the cost of buying out the village share of the backhoe might be \$10-15K. At the joint meeting with the village trustees, Will Jennison suggested that instead of exchanging cash, the town could allow the village to use the backhoe for emergency repairs. Duncan said he thinks the selectboard did not like that idea. Mike agreed. He thinks we should sell it outright.

Tom said he will have Jason get an appraisal of the value of the backhoe and check whether he is okay with not replacing it.

Tom suggested that if we had a brush hog our employees could brush hog the landfill and skatepark rather than contracting it out.

Eben asked if pay increases for new employees are accurate for years of service and step increases. Tom said he doesn't know what training is anticipated for the coming year. Eben suggested that Tom ask Jason what skill level employees are at. Mike asked if we are going to continue to maintain 5 public works employees. Eben said that may be a conversation for the board once we have the final budget.

Duncan questioned whether the year estimated expense for the audit should be higher than what is shown now. Tom said it should. A lot of bills were just entered. Duncan asked, so the year end will be closer to the \$9600 we budgeted? Tom said he will check with Rosemary.

Tom proposes dedicating \$9,650 from reserves for audit expenses. Duncan pointed out that it is not actually in a reserve fund. It would be taken from cash on hand. We should not show it as revenue; we should show it as a reduction in cash on hand.

Duncan said each of the reserve funds we proposed adding money to should be increased by the amount we proposed to add. Tom said he will ask Rosemary to update the figures.

Eben noted that whether we budget for 32 or 40 hours for the town administrator will affect the tax rate. If we increase to 40 hours that will be another percent. Duncan said he thinks we can have the discussion when we can know the impact on the final tax rate.

Tom said we are looking at about \$64K for estimated surplus from the current year right now. Duncan said he thinks that number is not being calculated correctly. He explained what he thinks needs to be included in the calculation.

Mark said he asked Rosemary today if there was any ARPA money that had not been designated and she said no. Duncan said it went into the grant match reserve fund and there is still some money in that reserve fund. Mark said Rosemary indicated there was nothing left. She thought it was all going to the light industrial park. Duncan said all of that is not necessarily dedicated to the

industrial park. Eben said we can't use that reserve fund to reduce taxes. Duncan said no, but if someone were proposing a plan that required a town match we could budget for it.

For now, Tom will put in \$110K from current year surplus to reduce taxes.

Mike said we need really need to have a tax sale. He understands that the rules have changed and we are having a difficult time finding an attorney to handle it, but we need to get on it. That can generate money. Tom said Rosemary just went to a tax sale meeting.

The board discussed budgeting for delinquent taxes we expect to collect.

**5. *Future Special Budget Meeting***

Tom said his goal is to have the next version of the budget, incorporating directives from tonight, ready by December 31. The board agreed to plan a budget meeting on January 9 at 6:00 p.m.

**6. *Articles for Town Meeting Warning***

The board reviewed the draft warning Tom had developed. Eben said he doesn't love the wording for the library reserve fund. Tom said he thinks it needs to be changed. Duncan asked what Tom learned about the reserve fund. Tom said the library board can't be in charge of a reserve fund. Money raised by taxes is controlled by the selectboard. He got language from VLCT about creating a reserve fund.

Duncan said the library property and building were deeded to the town, not the library trustees. But due to a change in statute he thinks the library trustees are in control of the building and grounds. We don't have a deed for the school property yet, do we? Tom said no. Duncan asked whether it should be deeded to the library or the selectboard. Tom said when we get to that point we will need a legal opinion on the intent of the law. Duncan said he thinks we should probably seek that opinion as soon as possible.

The board talked about trying to expedite getting the deed from the school district and suggested perhaps Tom should call Dylan Laflam from the school district. *(Peter left at 7:46.)*

Duncan said the draft included an article asking if the voters will authorize the selectboard to appoint rather than elect a town clerk. He agrees with appointing a treasurer but he is not sure about appointing a clerk. However, if Susan Tinker, who is not a town resident, is willing to be the clerk he would be more inclined to ask the voters to authorize us to appoint a clerk. If she is not willing, his gut feeling is that the clerk should be elected and the treasurer should be appointed.

Mike said the board had previously discussed appointing a town clerk because of instances in Vermont where people were elected town clerk and did not show up for work and there was no way to terminate them because they were elected. We had talked about appointing someone so if they were not fulfilling their obligations we would not have to wait until the next town meeting to vote them out. Mark said for him there are other concerns, such as competency.

Eben said if we move to an appointed clerk and/or treasurer we need to work with Rosemary in February to make sure we have a contract ready for after town meeting.

Duncan said he thinks it would be a good idea to ask Rosemary what she thinks about appointing a clerk vs. appointing a treasurer.

Eben said the Planning Commission has asked for a Class 4 road reserve fund to be started so we would have some way to pay for repairs to Class 4 roads. He doesn't know how the board feels about that or how we would fund it. Duncan said we have a line item for Class 4 roads. We could have a reserve fund and if that line item was not fully spent we could roll over any surplus into the reserve fund. The board agreed to include an article on creating a Class 4 road reserve fund.

The board discussed whether the Beautification Committee is planning to submit a petition for an article on establishing a beautification reserve fund. People were uncertain. Mark said petitions make him nervous that the wording on the petition may be illegal.

Tom suggested having one reserve fund for multiple groups rather than creating a separate account for each group. Duncan said if there is a good way to track the funds he is not opposed to amalgamating them.

Charlie Gallanter asked why the Beautification Committee is a town committee and not a village committee, since all their work is in the village. Duncan said that is a good question. Another is why the town community and economic development specialist is doing so much work related to the village. Mike said he was told the Beautification Committee is doing more on town property. Charlie said he hasn't seen any beautification work outside the village. Eben said some of their work is on town property in the village, like the trailhead building.

Eben asked if the board wants an advisory article on splitting joint town/village property and selling town property on Railroad Street. Duncan said he thinks if there is an actual proposal to sell property, that requires public notification and a certain number of voters can petition for a public meeting and a public vote on whether to sell. Mark, Duncan and Mike indicated they think it would be a good idea to get a sense of whether the voters even want us to consider selling property.

Mike said several years ago there was an advisory vote for the town to look into amending the ATV ordinance but as time went on the selectboard did not have much stomach for amending it. He proposes an article asking whether the voters shall direct the selectboard to amend the town ATV ordinance to state that the use of ATVs/UTVs is authorized on all town roads. He doesn't want it to be an advisory article. Eben said he doesn't think there can be a binding article on an existing ordinance. Duncan agreed.

Duncan said he wouldn't support the language Mike proposes. He could conceivably look at amending the ordinance but he doesn't see it as a choice between keeping the existing ordinance or opening up all roads. He doesn't think most of the ATV club even necessarily wants all roads open. He would be much more in favor of a targeted approach. He would like to see the ATV club develop some trails on private property so they don't have to use town roads.

Mark said one of the issues is that there is no enforcement. That has been one of the stumbling blocks all along. They already ride on Clay Hill Road where the ordinance does not allow them. Maybe Mike is right and we should open up all the roads. Is Mike hearing from the ATV club that they want them all open? Mike said his suggested wording is just something he put together himself. Mark said he thinks if we open up all roads we probably will get a petition to allow no ATVs in Johnson. If the ATV club is smart he thinks they would ask for a selected number of roads to be open. A few towns in Vermont have opened up all their roads. Duncan said he knows of

towns where ATV groups have proposed putting in trails and just using certain town roads to connect the trails.

Tom said he personally thinks it should be up to the DMV to decide whether ATVs are going to be regulated as vehicles. If they are not, they should move to a trail system and if they are they should be allowed on roads statewide. Every community is torn apart over this topic.

Eben said he is open to the concept of an article advising the selectboard to do something with the ATV ordinance. He is fine with Mike's suggested language but also open to other ideas.

Mark said he thinks we should ask the ATV club what they want. They may find that opening all roads to ATVs is shooting themselves in the foot. It was agreed that Mike should ask them.

Board members agreed that are open to the concept of an article on amending the ATV ordinance.

Charlie Gallanter said at town meeting last year the voters approved adding an allocation for River Arts but that is not in the budget. Eben said he noticed that too. The amount approved was \$1500.

Charlie said he has the impression that the board can adjust the amounts appropriated to the various groups from year to year. Eben said maybe that is a spot we can reduce. Charlie will send him where to find discussion on this in previous board minutes. Duncan said there is a relevant written policy.

**7. Adjourn**

The meeting was adjourned at 8:19.