

JOHNSON VILLAGE TRUSTEE BOARD MEETING MINUTES  
ELECTRONIC MEETING VIA ZOOM AND PHONE CALL-IN  
MONDAY, MARCH 1, 2021

**Present:**

Trustees: Steve Hatfield, Will Jennison, Scott Meyer, Athena Parke, BJ Putvain

Others: Meredith Dolan, Rosemary Audibert, Mike Dunham, Kyle Nuse, Nat Kinney, Diane Lehouiller, Margo Warden, Kim Dunkley

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

**1. *Call to Order***

Scott called the meeting to order at 6:06.

**2. *Changes, Additions to Proposed Agenda***

Meredith added an update on potential moderators.

**3. *Review and Approve 2021 General Department Budget***

Meredith said she got word this morning that we did not receive the grant for the work at the village green or extra decorations. So she removed about \$15,000 of revenue and the corresponding expense from the budget.

Meredith reviewed the general department budget again. She budgeted to raise the same amount of tax revenues as in 2020. She budgeted for a slight decrease in PILOT payments from the state. Often the state does not fully fund PILOT and if our tax rate goes down then PILOT goes down. Revenue in the budget includes the grant for the Pearl Street sidewalk project and our contribution coming out of the sidewalk reserve fund. The town fire department appropriations for Johnson, Waterville and Belvidere are a 3% increase over 2020 appropriations. Total revenue for the general department and fire department equals \$521,336. The budget now has just \$500 for beautification and \$2,000 to support events. Total expenses are the same as revenue: \$521,336.

BJ asked if we checked into whether we can use a fuel company for vehicle fuel for a better rate. Meredith said she asked Troy about it. Our diesel fuel is delivered to the village and town garage area. She thinks we get a favorable rate because we buy it in bulk. Having it at that location is very convenient for us vs. having to travel to another site to fuel up. Will said there is also the advantage that employees can fuel up at any time of day.

Meredith asked Arjay for answers to Kyle's questions and he provided them. She read his answers. Historically our volunteer firefighters' wages have been 50 cents above minimum wage. Last year we decreased it to 25 cents above minimum wage. The current wage in the budget reflects that. Arjay did not increase the budget for the increase in firefighter pay. Even with the reduction in calls last year total time stayed the same. Additional time was needed for disinfecting and paperwork and the amount of time for each response increased. Structural fires were down. No firefighter participates for money. Their pay is just a small token. They make individual sacrifices that are not covered or compensated for. The pay arrangement is consistent with other fire departments in Lamoille County. There are currently no junior firefighters and when there are they are not compensated. There are 28 members but not all can respond to all calls so we need this amount of volunteers. In 2020

the average number of volunteers on calls was 11.6. Some of the 3% increase goes into capital reserve. The cost for overall day to day operations remains about the same. The fire department uses capital savings to avoid budget spikes. The direction Arjay got from the village for the past 5 years has been to level fund the village contribution to the fire department budget. Fire department officers meet month to month and no minutes are taken during their meetings.

Meredith said, regarding the increase for towns but not the village, the contribution for member towns is a fixed amount, not based on calls. If there are many calls and the fire department is over budget, all the risk lies with the village. There is no mechanism to charge the towns more. That played into the desire to keep village increases flat.

Kyle asked if it is common for a fire department not to have meeting minutes. She is trying to figure out how to have a better day to day understanding of how our fire department works and makes decisions. For her, reading minutes is a great way to do that. She is not clear on the structure of the fire department. It sounds like they report to the trustees and Meredith is not really their supervisor, but it sounds like information goes through her.

Meredith said she serves all the administrative functions for the board so she goes to department heads Troy, Dan and Arjay to gather information for the budget and to ask any administrative questions the board has. She is not aware of other fire departments that take minutes for their meetings but she is not an expert on that.

Kyle said she is interested in information on how her tax dollars are being spent. The fire department is such a large part of the village budget. She is interested in how decisions are made.

Meredith asked, what sort of decisions? When the fire department is going to make a big vehicle or equipment purchase they come to the board. For things that aren't day to day operations they come to the board for input and to brief us.

Kyle said she hasn't seen Arjay come to meetings recently. Has he? Meredith said last time there was a big item – an air pack purchase – he provided a written update and the board approved it based on the written memo.

Kyle said her interest is just to be able to see what is going on, whether a big or a little thing. She likes to hear from a department head more often. Maybe there would be less pressure on Meredith if there were fire department minutes.

Diane Lehouiller said she doesn't know what PILOT money is. Meredith said it is payment in lieu of taxes. The village and town receive it from the state based on state-owned property. The state-owned property in the village is NVU. We get a payment from the state every year in lieu of them paying taxes as a private property owner would. There is a formula determining the amount and part of it is based on the tax rate.

Diane asked, if we lost NVU, we would lose that \$50K? Meredith said if the state sold the property then we would lose the PILOT payment but we would be able to collect property taxes. If the village no longer existed then there would be potential to lose that payment because it is based off the village tax rate so it would go away or be reduced. The town tax rate might go up but not enough for the full \$50K.

Athena joined the meeting.

**Athena moved to approve the 2021 general department budget as presented with total expenses of \$521,336, Steve seconded and the motion was passed in a roll call vote with Steve, BJ, Athena and Scott voting yes and Will abstaining as the budget includes a raise for firefighters.**

Kyle said she thinks this is a good precedent to set, that people from the fire department should abstain from voting on the general department budget because the fire department makes up almost half of the general department budget.

Will said the rate of pay for firefighters is the only part that any firefighter has any direct benefit from. To insinuate that the village general budget or the operating budget of the fire department, other than that line item, benefits any firefighter is wrong. Scott suggested consulting with VLCT on this and if their answer is murky consulting the village's attorney. Meredith agreed to that.

**4. *Review and Approve 2021 Village Election Warning***

Meredith showed the board a draft warning for the vote on April 6 and the informational meeting on March 29.

Steve asked who the village president is. Meredith said it has been Eric Osgood for as long as she knows. Her understanding is that the president's primary function is to act as a moderator.

**Will moved and Steve seconded to approve the warning for the April 6 Australian ballot vote and March 29 informational meeting as written.**

Athena said she was very pleased to see that the wording of the merger question is essentially identical to the wording on the town ballot.

**The motion was passed.**

**5. *Update on 2021 Electric, Water and Sewer Budgets***

Meredith said she had mentioned last time that she was going to discuss power supply costs with VPPSA. They were able to lower power supply costs by about \$25K based on adjustments to projected load and retail sales. Meredith also made some adjustments based on discussion with Troy on labor costs to complete the 100C project that was started last year. We have \$17K of the deferred revenue left that we can draw on to pay for straight time labor costs for that project.

The electric department budget is \$171K in the red right now. Of that, \$125K is depreciation expense, which is not actual cash out of our hands. This budget is being relatively pessimistic about sales in 2021. She is assuming it won't be any better than 2020, but it may be if the NVU fall semester can be more normal. She will keep working on it and see if she can come up with better solutions but she thinks we will be passing an electric department budget that shows a deficit. She doesn't think this is the time for a quick knee-jerk reaction. We need to wait for things to get back to normal after the pandemic and then see if we need a change to the rate structure.

Scott asked if Meredith has heard if there will be any state or federal bailout money for electric departments. Meredith said she knows the house bill that passed had support for state and local governments. She hasn't heard if that extends to utilities. She will get information for the next meeting on what is in the current bill for utility assistance. The Northeast Public Power Association and the national association have been pushing for assistance for utilities. She knows that on the state level there has been talk about trying to create another arrearages assistance program. In January of 2020 we had 34 customers who were 60 days or more past due, with a total past due balance of \$2600. In January 2021 we had 85 customers 60 days or more past due, with a total owed of nearly \$16K. It is clear that people are falling behind on their bills. The moratorium is set to expire March 31.

Will asked if Scott has heard about whether the availability of vaccines will affect colleges opening up. Scott said he is hearing midsummer. Will said so by fall we could see better attendance at NVU and it is possible that our revenue will go up. Athena said she would assume as soon as people can go back to college they will. People are itching to go back.

Meredith said she is hoping our revenues come in higher than she budgeted. We may be able to get more in revenue than anticipated. She budgeted basically flat compared to 2020 actuals for residential revenue but it may come in higher than that because people were only home from the end of March through December last year. She was trying to be conservative with her budget numbers.

Meredith said the electric department has to comply with the renewable energy standard. There are different tiers in the law. Tier 3 is energy transformation, trying to convert customers from fossil fuel to electric. One local business is looking at of rooftop heat pump rather than using fossil fuel heat and we could get Tier 3 credits if we contribute toward it. VPPSA has recommended giving a \$1K incentive to that customer. There is \$26K in the budget for the meeting the renewable energy standard. She probably will come back to the board with more information about this on Monday. That project would probably cover about 25% of our 2021 Tier 3 requirement and it is cheaper than some other options. And a heat pump should increase our electric sales.

Scott asked where Efficiency Vermont is on this. We give them a lot of money. Meredith said they have been working with this customer to try to figure out what equipment to put in. They have been giving incentives for heat pumps and utilities can also provide incentives. We are trying to work together. They have been helpful. Mike Dunham said he is glad Scott

brought that up about Efficiency Vermont. We do contribute a tremendous amount and sometimes he wonders if we are getting much in return.

Meredith said the water and sewer budgets still have deficits in the \$10-15K range. She doesn't see us being able to decrease that and complete the projects we need to do. Both water and sewer finished 2020 with surpluses due to being able to defer loan payments. She thinks we will need to pull from the reserve fund to cover the deficit.

Meredith will bring all three remaining budgets back on Monday when they will have to be approved to go into the annual report. They are not approved by voters.

**6. *Discuss Holding Village Trustee Candidates Forum & Dates for Forum***

Meredith said the town held a form for those running for selectboard. Scott had suggested we might want to do the same thing for the trustees. We do not have any contested seats. She thinks someone is running for all the positions except for Scott's 2-year position. But someone could do a write-in campaign.

BJ said he feels if there are no contested seats there is no reason to have a candidates forum. Will agreed. Scott said there is always the option for someone to do a write-in campaign. A forum would be helpful for people to make informed decisions even if the positions are not contested. Athena said she is not running but from a voter perspective she thinks it is helpful for the public to hear who the candidates are in their own words. She will attend as a voter if the board chooses to have it. Steve said he is willing to participate in a forum if people want that.

Nat Kinney asked who is running. Rosemary said Will is running for a 3-year spot. Diane Lehouiller is running for Athena's spot and BJ and Steve are running for their current spots. No one submitted for Scott's open seat which is a 2-year spot.

Will said a candidates forum has never been done in the past. He doesn't see a need for it now. If people want to campaign, Front Porch Forum, Facebook and the paper are options. One less meeting would be appealing to him. Steve said he is willing to write a short piece for Front Porch Forum about why he is running again. BJ said he can do that too. He said he got hammered a little on his second interview and he is not eager to go through that again.

**7. *Update on Potential Moderators***

Meredith said she has been investigating moderators. It looked like there were two potential options. One told Meredith today that for the meeting to be conducted in the way she thinks would be helpful it would take 15 to 20 hours and she charges by the hour. Meredith doesn't think that would work budgetwise. The cost would be close to \$1K.

Will suggested that we go back to the other possible candidate and say that if they are willing to do 2 hours for \$150 we will go with them. Meredith agreed and said if that doesn't work she will most likely reach out to Eric Osgood as village president to serve a moderator. She should have an answer and possible dates by Monday.

Scott thanked Meredith and Kim for their research, phone calls and emails on this. Meredith thanked Kim for her helpful work. The board thanked Kim and Meredith.

Kim said if anybody has an interest in possibly getting a grant to have the kind of in-depth conversation the first candidate had in mind, that is something to keep in mind for the future. It sounded like she would talk to each entity and had technological expertise to separate groups and pull them together again.

Kyle said she didn't catch the name of the person who might be willing to do it for \$150. Meredith said he has not agreed to that yet. His name is Brian miller. Kyle asked what organization he is from. Meredith said he runs his own mediation / moderator company. His name was given to us through people Kim was working with to make recommendations.

Kyle said we had talked about Dave Williams. Did anyone ask him? Meredith said we haven't yet. In her discussions with Scott they both felt that it was sort of Eric's role as village president and both felt he would be a good fit. That is what they're leaning towards.

7. *Adjourn*

**Will moved to adjourn at 7:20, Steve seconded and the motion was passed.**

*Minutes submitted by Donna Griffiths*