

JOHNSON VILLAGE TRUSTEE BOARD  
ANNUAL VILLAGE MEETING MINUTES  
JOHNSON MUNICIPAL BUILDING  
TUESDAY, APRIL 7, 2026

**Present:**

Trustees: Will Jennison, Ellis O’Hear, BJ Putvain, Ken Tourangeau, Darrell Wescom

Others: Erik Bailey, Rosemary Audibert, Eric Osgood, Dan Copp, Nate Brigham, Gordy Smith, Peter Hammond, Mike Dunham, Arjay West, Steve Hatfield, Adrienne Parker, Diane Lehouiller, Cynthia Hennard, Dean Locke, Martha Leonard, Duncan Hastings, Jon Gregg, Louise von Weise, Scott Meyer, Kim Dunkley, Lydia Putvain, GiGi Beach, Susan Tinker, Carri Ferrari, Kyle Nuse, Mark Woodward, one other person

Eric Osgood called the meeting to order at 7:30.

The Pledge of Allegiance was recited.

Eric Osgood said this is a public meeting but only village residents or people approved by the voters can be recognized and participate. He asked the voters to give permission to speak to village officials Erik Bailey, Nate Brigham, Rosemary Audibert, Susan Tinker, Dan Copp, and Arjay West.

Gordy Smith moved to allow Erik Bailey, Nate Brigham, Rosemary Audibert, Susan Tinker, Dan Copp, and Arjay West to speak, Martha Leonard seconded and the motion was passed by a voice vote.

Eric Osgood read the warning for the meeting and announced the results of the Australian ballot votes. All offices were uncontested. Eric Osgood was elected president, BJ Putvain was elected to a 2-year trustee board seat and Will Jennison was elected to a 3-year trustee board seat. No one was elected to the other positions. Article 2 (*Shall the Village borrow a sum not to exceed four hundred and fifteen thousand dollars (\$415,000.00) by the issuance of notes for a term not to exceed ten years for to support cash flow for a pending rate case increase before the Public Service Board?*) failed with 12 votes in favor and 27 opposed.

**Article 3. To hear the reports of the Village Officers**

Will Jennison said the annual village report is dedicated to longstanding fire chief Arjay West. He read the dedication from the report. There was a round of applause. Arjay said it is the team that makes the fire department thrive. Johnson has a wonderful fire department.

**Article 4. Will the Village authorize its Trustees to appoint a Water and Light Commissioner? If not, to elect a Water & Light Commissioner for one year.**

Duncan Hastings moved to authorize the trustees to appoint a Water & Light Commissioner and the motion was seconded and passed by a voice vote.

**Article 5. Will the Village authorize its Trustees to set the rates of compensation of its Officers and Employees?**

Martha Leonard moved to authorize the trustees to set the rate of compensation of Village Officers and Employees. The motion was seconded and passed by a voice vote.

**Article 6. Will the Village vote a budget to meet the expenses and liabilities of the Village?**

Ken Tourangeau moved and Steve Hatfield seconded to vote a budget of \$1,377,365 to meet the expenses and liabilities of the village, with an estimated amount of \$118,362 to be raised by taxes.

Duncan Hastings said if you look at 2025 actuals it looks like there was a \$109,120 deficit. He is wondering if that was taken care of. Usually we would see the estimated tax rate, but he is not seeing that. Erik Bailey said there will be a 4.9% increase to the tax rate. Duncan asked what the estimated actual rate is. Rosemary Audibert said this year it was 19 cents.

Erik Bailey said the deficit has been rectified. It was largely due to not enough weight on general department labor compared to utilities labor. He shifted the lines to reflect actuals in the proposed budget for this year. Part of it was grant funds that came in after the budget was closed for the year.

Cindy Hennard asked, since Article 2 failed, what does that mean for the budget? Ken Tourangeau said the request for bond has nothing to do with the general department budget.

The motion was passed by a voice vote.

**Article 7. Shall the village provide notice of the availability of the annual report by postcard, mailed to all registered voters at least 30 days before the annual meeting instead of mailing or otherwise distributing the report to the voters of the town pursuant to 24 V.S.A. § 1682(a)?**

Ken Tourangeau moved the article as printed and the motion was seconded.

Lydia Putvain asked what the cost savings will be if this article is passed. Rosemary Audibert said the cost will be similar but employee time will be saved.

Dean Locke asked what people will do if they want a copy of the annual report. Erik Bailey said the postcard will have a link and a QR code to go to the village website and read it there. Dean asked, people can send the postcard back to request a report? Erik said yes. Rosemary said people can request the village report at the same time they request the town report.

Duncan Hastings asked if the postcard could be included in a water or sewer bill or if it has to be mailed separately. Ken said not all village residents have water or sewer. Erik said if people rent, sometimes the bill goes to their landlord. Will said he thinks to eliminate errors everyone on the voter list will receive a postcard. That seems simpler to him. Maybe we can approach the town and see if the town and village could split the cost of one postcard.

Cindy Hennard asked if the report will be available online 30 days before the meeting. Erik said it will probably not be available 30 days before. When it does become available there will be a notice on Front Porch Forum. Rosemary said they are usually mailed out a week before the meeting.

Gordy Smith asked, if someone becomes a village resident after this process is put into place, will they get a postcard without falling through the cracks? Ken said they will if they become a registered voter. Gordy asked if someone could walk in two days before the meeting and get a report. Erik said yes; there will be a stack in the office.

Duncan asked if there will be some reports available at the annual meeting. Erik said yes.

Dean asked if someone can come to the office and request a report if they are not a registered voter. Erik said if someone wants a report, we will get them one. Ken said it will also be on the website.

Kim Dunkley said issues brought up in the village that concern people may motivate them to register.

The motion was passed by a voice vote.

**Article 8. Shall the village establish a reserve fund to be called the Fire Department Capital Building Maintenance Fund to be used for capital improvements and maintenance of the fire department buildings in accordance with 24 V.S.A. § 2804?**

Will Jennison moved the article as printed and Martha Leonard seconded.

Ken Tourangeau said maintenance on the fire station has been limited to what the fire department can do in their annual budget. The building is aging and will need some maintenance. To pay for maintenance without having substantial budget increases, we can establish a reserve fund. Contracted towns will also help pay for this, not just the Town and Village of Johnson. Will said having a reserve fund will make it easier to level fund, making maintenance more affordable.

Kim Dunkley asked what will change. What is the money from calls from contracted areas used for now? Ken said the reserve fund will not be funded by money from calls. Arjay West will approach the other towns. We don't have a number yet for how much we want to put into the fund each year. Last spring we allocated \$50K toward fire department building maintenance and it hasn't been used yet. He assumes we will put that into the reserve fund.

Kim asked, the money in the fund will roll over year to year? Ken said yes.

Duncan said he would rather see more definition about how the reserve fund will be funded. Ken said it will be funded through a line item in the budget that will be paid for by all contracts. Will Jennison said the fire department is owned by the village. It also covers the towns of Johnson, Belvidere and Waterville. Each of them has a contract each year. That is where the money will come from to fund the account.

Duncan Hastings moved and Scott Meyer seconded to amend the motion by adding "to be funded by a line item in the fire department budget."

Will said that would limit how the reserve can be funded. Grant funds could not be used. Duncan agreed. Articles in the past establishing reserve funds for the town have included a number of different funding sources such as yearend surplus or grants.

Kim Dunkley asked if a line item can be put into the budget that says “grants and contracted funds raised through the fire department.” Ken said his understanding is that there has to be a line item in the budget for the reserve fund but it is not really about what can go into it.

Duncan said once money goes into the reserve fund it cannot be used for any other purpose than what the fund was established for and generally he thinks an article is supposed to indicate what sources of money will be used to fund the reserve. He would encourage the board to look at that language and be as broad as possible about potential funding sources.

Will said he would be willing to amend his motion to list potential funding sources. Duncan withdrew his motion to amend.

Will Jennison moved and Scott Meyer seconded to amend the motion to add “to be a line item in the fire department budget to be funded by contracts, grants, surplus, donations and other means.”

The motion to amend was passed by a voice vote.

The amended motion was passed by a voice vote.

**Article 9. To do such other business as may properly be brought before this meeting.**

Gordy Smith suggested a standing ovation for Rosemary Audibert, who has been village clerk and treasurer for many years. There was a standing ovation. Rosemary said when she started here she was the youngest employee of the town and village and she ended up being the oldest.

Gordy said with Article 2 being voted down, he urges the board and village manager to schedule another vote as soon as possible. He thinks we should keep this electric department.

Ken Tourangeau thanked Rosemary for all the advice she has given him over the last 5 years. He much appreciates all she has done.

Kim Dunkley said she wants to get a sense of what it would take for us to move forward with merging the village and town and to hear what people's feelings are about what the deterrent is to a merger. She sees a merger leading to wholeness, less bickering and a joint effort to serve taxpayers vs. each saying, “It's not us.” She would love to hear why it would not be a good idea.

Ken said the other village and town mergers that have happened in Vermont have not worked out well. We have a unique situation in this community; we are able to double dip with grants. A merger would eliminate that. For instance, the village got a grant for work on its garage. The town could not have gotten a USDA grant that same year if they were not separate. The town and village got separate ARPA funds. There are a lot of reasons not to merge and very few reasons to do it. It is pretty simple for community members to understand what the town owns and what the village owns. If there were a merger, the town would not run the electric department; it would be run by a

utility commission. As far as people outside the village saying that they do not have a say in the village vote, the only vote going on here is on the general department budget. There is not a public vote on the electric department budget. It is difficult to get the voters up to speed about why we need \$415K. We need that money because of the legislature and all their green acts. It costs us a lot of money to buy green power vs. other types of power. It is not just the Village of Johnson. And our situation is not like the Hyde Park situation. The Hyde Park utility was totally mismanaged. We were hit hard by a sunny summer. There have been huge increases in fees from companies that bring power to us. Erik said we lost about 7% of our utility customers in the flood. Ken said we asked for money last year to purchase a small bucket truck and we spent less than what we asked for. We are frugal with our money. The town has enough things to do already.

Cindy Hennard asked, the water, sewer and electric departments could not be town departments? Ken said no, they would be run by a private utility commission because the village residents are the ones that own it. The village has invested a lot into the utilities. Village residents pay extra taxes to live in the village. If we merge, people outside the village will be in favor of charging a surcharge to people in the village.

Kim Dunkley asked if there is a way to stop double taxing village residents. They pay for both the town and village portions of expenses. The town often asks the village to pay half the cost and village taxpayers pay for both. Will Jennison said he has never voted for a 50/50 split. He agrees that it is unfair for the village to pay 50%. The way to solve that is to get people on the board to agree that it is unfair.

Kim commented that Ken's kids will breathe cleaner air because of all the green regulations passed by the legislature.

Kim said she thinks more voters would have voted yes on Article 2 if it were clearer why the money was wanted and how it would be spent. Ken said he agrees. That is why voters should have shown up to budget meetings when the board was discussing it.

Cindy Hennard said that although she had mentioned on Front Porch Forum that she was not a village voter, she learned today that the village boundary line goes through the middle of her house and she is a village voter. Her issue is that she did not understand how such a large amount was not anticipated. It looks like when we do rate increase applications we are budgeting multiple years into the future. She was wondering how we missed that amount of expenses in our budget process.

Erik said transmission is part of the power supply. We have to pay the cost of getting power from where it is generated. There is a national problem right now. Transmission utilities found out that if they keep doing high dollar infrastructure upgrades their shareholders make money. They are doing expensive upgrades and distribution utilities can't affect that and just have to pay.

Duncan Hastings said that is not the case in Vermont. Vermont Transco is owned by every Vermont utility and they are all shareholders. The village gets a dividend. Erik agreed but he said the big distribution outfits are spending a lot of money and we can't do anything about it except pay. Power supply cost, including transmission, is by far the lion's share of the gap between expenses and revenue. The only local part of the gap is that the town selectboard moved, without asking anyone

else, to separate the office staff, so both town and village need to employ more people to do the same jobs. He has an ad out now for a village clerk.

Ken said if we knew the sun was going to shine as much as it did last year we could have estimated our costs better. The amount we had to pay for solar power was a huge factor. It was close to \$100K.

Dean Locke asked, is this sustainable? How many years do we have? Are we trying to keep afloat something that is sinking? The future seems dim based on the picture that has been shared.

Will said all the electric utilities are in the same boat. If we need a rate increase we have to ask for it and we don't always get it. Ken said last year we were looking for a rate increase and the PUC said we should have a decrease, not a rate increase. We don't understand why. Will said we have been able to maintain rates lower than our neighbors. They are being hit with the same increases and they are also asking for rate increases. He thinks in the long run we can maintain rates lower than our neighbors.

Erik Bailey said this is a statewide issue. Municipal utilities are having more difficulty than corporate ones due to previous leadership at the Public Utility Commission and their view on rate cases for public vs. corporate utilities. They let corporate utilities carry cash, etc. There is a new commissioner at the Department of Public Service who has worked with public power quite a bit and sees it completely differently. They want to do rate cases differently in a way that will be better for municipal utilities.

Dean said he would be willing to pay a higher rate for the great service he gets in the village. But Johnson is shrinking, not growing, so he is worried.

Kyle Nuse said in Erik's reply to Cindy Hennard on Front Porch Forum, he mentioned that the Village of Johnson is not in as bad a shape as other utilities, but she read that this is how the Hyde Park situation started, with borrowing to pay daily bills. She thinks the Hyde Park story is a cautionary tale. She knows we aren't where they are, but she thinks if we are borrowing half a million dollars every year we could quickly get there. At what point do we pull the plug to avoid getting to the dire point Hyde Park got to? Are there other ways to generate revenue besides borrowing money? She saw very little discussion about this in the village trustee board minutes.

Ken said he would like to leave Hyde Park out of the conversation. Kyle said her question is how we are going to avoid getting into that situation. Ken said this is the first time the village has ever asked to borrow \$415K for the electric department. We asked for it because we don't get to have a surplus to be able to buy trucks. When we need to buy a vehicle, we ask for a bond. We asked for a bond last year to replace a truck. She doesn't know where Kyle is getting the idea that the board is asking for a half million dollars every year.

Gordy Smith said the village has four departments: electric, water, sewer and general. They all complement each other with personnel. One week employees might spend 20 hours on the electric department, 10 hours on the water department and 10 hours on the sewer department. The next week the amounts might be different. If we take out one part of the pie, the other three cannot sustain the same personnel. He feels we need to keep all four parts. We can't afford linemen or

water and sewer employees separately. They all subsidize each other. The community will be better off if we can keep these four departments together.

Ken said we are overly burdened with regulations. We didn't switch to Advanced Metering Infrastructure (AMI) when there was a lot of money available to help pay for it and we are being forced to implement it this year. There are costs for that and we can't say no. The state legislators are a big part of the problem. They make regulations that we have to follow.

Diane Lehouiller said we knew about AMI when she was on the board and we didn't do anything about it. We should have been more forward thinking. We knew they were going to make us do it. We didn't raise rates.

Will said she makes it sound simple to raise rates but we can ask to raise rates and they may say no. Erik said he has put in a rate case every year since he has been here. Last year was the only time it was not approved. Ken said in the past there were large amounts of money available for switching to AMI and it didn't seem feasible to do it. Now there is no money and we are being forced to.

Will said there is no capital reserve. The electric rate that is being charged is regulated by the state. That is not the case for water and sewer rates. We can just raise those if necessary.

Cindy asked, if they deny the rate increase we can't appeal it and submit more budgetary information? Erik said we just have to start a new case. The wait for full approval of a rate case takes 4 1/2 to 6 months.

Ken said we put in a rate increase request for 12.5% and they gave us 10% and then as soon as it was approved our electric prices were raised by 5%.

Jon Gregg said everything that has been said by Erik and the board makes sense. He suggested getting together with the people who have questions and writing out a statement explaining the situation. If the village wrote something with those people that they understood, maybe the rest of us would understand too.

Ken suggested it would be helpful if people came in during budget meetings to ask questions. There was an information meeting and only one person showed up.

Jon said obviously the way the village has been communicating is not getting through to people because people don't show up to meetings. The case that was made tonight for why the village needs to borrow money is extremely clear. He suggests putting that in a one-page statement and getting the local newspaper to publish it in order to have a revote.

Jon asked, if the \$415,000 is voted down again, what will the village do? Ken said there are options.

Scott Meyer asked if the reason for the denial of the rate increase is available for ratepayers to see. Erik said all the municipal utilities except for Hyde Park and Stowe are members of VPPSA, which has trained personnel to help them with rate cases. The rate specialist at VPPSA told him that if we put forward our rate case we would not get it. The PUC did not officially deny it. The specialist at

VPPSA recommended not applying for it. Erik asked him to initiate a rate case and he looked at our numbers and said they did not support it. Erik believes he made an error. Scott asked where that response is. Erik said he did not see the whole spreadsheet. He got emails from the specialist. Scott said it would be nice as ratepayers to know, if a rate case does go to the PUC and is not approved, why that is.

Duncan said one of his hesitations on the article about borrowing \$415K was the length of the term. He would have expected a 1-year letter of credit. Borrowing \$415K for up to 10 years concerns him. To him, that doesn't speak of short-term needs. That speaks of structural problems. He would like a better explanation of what the \$415K will be used for and why it is needed for that term.

Steve Hatfield said he voted for the article on the basis of trust, because he doesn't completely understand how the numbers work. The village now has a responsibility to explain the alternatives and consequences to people who voted against it.

Darrell Wescom said ever since he has had village power, the service has been exceptional. He likes being a customer of a small utility because there is great service if the power goes out. The village asked for a bond because they felt it was needed. More explanation should have been done. When the trustee board had the meeting where they talked about putting this on the warning, it would have been great to see more people. No one ever emailed him about this.

Erik said this is the most reliable electric utility in the state, with the lowest amount of outages. And our rates are middle of the road or just below. He estimates that we probably need about a 14% rate increase and even with that we will still be below many big utilities.

Will said if we were bought out by a big utility, when there is a power outage, the state wants the largest number of people to have their power turned on as quickly as possible. Even if the entire Town of Johnson lost power, that would not compare with bigger areas. We will be last on the list to get power restored. The Village of Johnson usually has power back on in an hour if there is an outage. Eric said 2 years ago when there was a storm on Christmas Eve, VOJ was the only utility with zero outages.

Jon said even if a few people come to village trustee board meetings, that won't inform the whole village. Everything said tonight was very positive. If the village explains the same things to people in a way that allows them to receive the information without coming to meetings, in the News & Citizen, then if there is a special meeting to re-examine the bond people will come with a more positive attitude about supporting it.

Cindy said she can easily see from looking at the numbers why we need a rate increase. She is supportive of that. The big concern for her is that we had a couple of unanticipated expenses of over \$100,000. For her, that is a big flag. She couldn't understand why we weren't more effective in our budget process. It sounds like from what Erik is saying that was due to costs that are hard to predict. She would like to know more about those larger amounts, maybe at the next meeting.

Erik said one of the amounts she had asked about was "Miscellaneous distribution, etc." That went up significantly. He used that line item as a labor placeholder. When he builds the budget he takes projected labor costs and splits them up by percentages to electric, water, sewer and general. All the

different types of electric department labor are accounted for separately. Erik needs to compare those with the total forecast for electric to see if it matches. This past year, it didn't, but he didn't want to not have the full forecasted amount and end up short. So he put the extra labor from his worksheet into that line to be able to figure out later where it would go.

Ken said board members pay utilities also. They don't want rate increases but they are inevitable.

GiGi said she knows there are a number of people who are on village utilities but can't vote because they are not village residents. Is there any way we can include those people in votes like the one on the bond? Ken said no, because the bond is backed by the village tax base. They can come to the village budget meeting, though.

Ken thanked Nate Brigham and his crew and Dan Copp and his crew for outstanding service. There was a round of applause.

Ken said hopefully there will be an update soon on the sewer plant.

Ken moved to adjourn and the motion was seconded and passed by a voice vote at 9:04.

*Minutes submitted by Donna Griffiths*