TOWN OF JOHNSON
ANNUAL TOWN MEETING MINUTES

March 3, 2025

Moderator David Williams called the meeting to order at 9:11 a.m.

Eben Patch led the Pledge of Allegiance.

David Williams asked the selectboard members, the town administrator, members of the Board of Civil Authority, and town clerk Rosemary Audibert to identify themselves and all were applauded.

Eben Patch presented Rosemary Audibert with a signed copy of the town report, which was dedicated to her. Rosemary said it has been a pleasure serving the town for 45 years.

David Williams asked for and received unanimous consent to grant permission to Dan Noyes, Richard Bailey and Richard Westman to speak if they arrived during the meeting.

David Williams explained how the meeting would be run. He read the warning.

Article 3. To hear and act upon the reports of the Town Officers and those presented.

David Williams said no motion is needed for this article. Eben Patch said the reports are all in the town report. There is no verbal report.

Article 4. To establish the rates of compensation for the Town Officers.

Eric Osgood moved to keep the rates of compensation the same as in the previous year: $2000 for the selectboard chair and $1500 for each of the other selectboard members, Lynda Hill seconded and the motion was passed by a voice vote.

Article 5. Shall the voters authorize total fund expenditures for operating expenses of $3,630,569.15, of which an estimated $2,400,171.73 shall be raised by taxes and an estimated $1,230,397.42 by non-tax revenues?

Eben Patch moved the article as printed and Adrienne Parker seconded.

Eben said in this budget cycle we removed the estimated final amounts for the current year. We used to have to estimate what we would spend this year to come up with estimated cash on hand to propose using for next year. We had enough cash on hand to move away from that. In the future we will use audited final amounts.

Eben reviewed the budget, starting with revenues. He noted that the Payment in Lieu of Taxes (PILOT) money the town gets from the state for the college continues to drop because our Common Level of Appraisal keeps dropping and under the state formula we are penalized for that.

Row 37 is a new revenue row. It is for revenue from a state grant program that will make the town whole for property taxes for FEMA buyout properties for a period of 10 years. The board was conservative and budgeted for 80% of what we should receive.

Row 45 shows revenue from the highway restricted fund. The amount in the town report is inaccurate, but the insert handed out at town meeting is accurate.

The budget includes $30K in revenue from the buildings and grounds reserve fund. The plan is to use about $20K for the Holcomb House and $10K for the Lowe Lecture Hall. The amount brought in from the reserve fund equals the amount spent. We may need more or less than the estimated amount, but it doesn’t affect the tax rate.

Eben noted that the oven committee merged with the food access task force to form Johnson EATS, so there is a line labeling change to reflect that.

Kim asked about the amount for recreation in line 67. Eben said that is $25K from the Vermont Community Foundation to be expended on the playground at Legion Field.

Duncan said it looks like money is being brought in from the paving reserve for the year’s paving. He asked if the board can explain the paving plan. Eben said we don’t have a long-term paving plan built out, but the proposed project for this year is some milling and some paving on Wilson Road. We budgeted based on getting a Class 2 highway grant and bringing some money in from the reserve. We are hoping to have the work completed before June 30, 2026. Duncan asked if that would wipe out the paving reserve. Eben said we would use $86K from the paving reserve and current year paving capital. We would not feed the paving reserve.

Eben reviewed expenses. He noted that $4500 is budgeted for town report expenses. Article 9 would change the amount needed by about $1000 if it passes. We would still need to mail out postcards and provide a printed copy of the report to anyone who requests one.

Eben noted that we overspent what was budgeted for auditing in the current year because some catch-up needed to be done.

We will be putting $10K this year and $10K next year into the reappraisal reserve fund. With the balance already in the fund, that will allow us to pay for a reappraisal without a spike in taxes.

Beth Foy asked about the accounting catch-up. Was there extra work due to findings? Rosemary said the auditors were catching up on their work. Beth asked if there is a plan in place so we will not see a jump in audit expense going forward. Eben and Rosemary said yes.

Eben noted that line 54, the 10% grand list payment, will continue to drop as FEMA buyouts happen.

Line 55 is accurate on the separate insert but not in the town report.

Duncan said it looks like no money is being carried for the EV charging station. Is it being abandoned? Eben said we offered to gift it, but it is most likely being abandoned.

Eben explained that line 86, for small equipment purchases, is always completely spent because whatever is not spent on small equipment goes into the buildings and grounds reserve fund.

Election expense is doubling because there are 2 elections this year.

In FY27 we are budgeting $20K for the Holcomb House roof. There was a large increase in expense for Holcomb House repairs in FY26 because of work that was done with insurance money.

Duncan Hastings said he is concerned that the cemetery maintenance budget has gone down from $10K to $7500. He asked for an explanation. Eben said it was a spot where the board could trim a little expense to keep the tax burden palatable. Duncan said that line item is used for repairing and maintaining stones in the town cemeteries. He encourages the board to put the amount back up to $10K in another year if possible, because $10K doesn't cover much. He thinks cemeteries are important.

Eben noted that there are some new expense lines for the Lowe Lecture Hall (old town hall.) The capital expense line will be funded from the buildings and grounds reserve fund, so the amount will not increase taxes.

Beth Foy said law enforcement is a huge portion of our total expenditures. She asked if the board can explain the increase for FY27. Eben said the sheriff's department went through some staffing issues. Because they didn't fulfill their end of the contract in FY26, they sent the board a check for the difference between what was contracted and what they provided. That is why the final amount for FY26 was lower than what was budgeted.

Diana Osborn said the law enforcement line item is one of the largest. She feels it hasn't had appropriate public scrutiny. A committee was formed to investigate law enforcement options and it was disbanded. She requested an advisory vote and the selectboard didn't act on it. She is uncomfortable approving this line item without enough investigation and involvement from the community.

Charles Flaum asked if a sheriff's department representative could speak to any issues regarding what we are paying for. Detective Kevin Lehoe said he could answer questions about coverage, but budget questions could be better answered by Kara Gates or the sheriff.

Charles asked about response time and how many sheriff's department cars we normally have in the area. Kevin said generally there is one deputy for the day shift every day and one for the night shift every night. There is also one mid-shift person that can overlap if they are fully staffed. He is currently working as both a detective and a patrol sergeant. There are currently a lot of deputies doing double duty. Regarding response time, they haven't had complaints.

Diana asked why Johnson pays such a large proportion compared to other towns in the county. Kevin said Johnson represents at least 50-60% of the calls for service from the 3 towns that contract with the sheriff's department. Eben said we are not contracted based on number of calls. The amount we pay for patrol is based on census data and the amount for dispatch is based on a combination of census and grand list. We pay 40% of the patrol budget. Some years we may get more than 40% of the service and some years we may get less. The full amount budgeted for public safety, including animal control, health officers, ambulance, law enforcement and fire, has increased 3.41%. It is 26.34 % of the total budget.

Eben noted that amount budgeted for library maintenance, repairs and capital expense was cut because there will be a new library and because the board is trying to look at every dollar.

Jasmine Yuris asked if we still have Isabelle Sullivan as rec coordinator. Eben said yes. Her salary is currently part of town office salaries.

Eric Osgood asked if we know how much we need to raise for library capital building expense. Eben said there are several parts to the project. We have a deficit of about $550K for the full project. But the library board and the selectboard are committed to not using town funds. The granting agency is willing to offer a grant amendment so the project does not need to be completed to get all the grant funds. There have been preliminary conversations with the contractor about a contract amendment. So we have longer to do a capital funding campaign to get enough money. The library developed a capital funding campaign. No property tax money is going toward the library project in this budget.

Eben expense for highway department employees decreased because we did not budget for 5 full-time employees. We budgeted for 4 full-time employees and 1040 hours of part-time work.

Jon Gregg asked what the $6400 Tuesday Night Live expense to Jonathan Betts is. Charles Flaum said that is for sound management.

Eben noted that the amount budgeted for chloride for dust control is increasing because prices are going up.

Eric Osgood said we haven't budgeted or expended anything for mud abatement in recent years. When we started the mud abatement project we saw huge benefits. The highway foreman would identify the worst mud areas, then the crew would pull out material and rebuild the road with fabric and the following spring there would be no mud. Are we at a point where roads are not getting that muddy in spring that we can stop that program?

Eben said in FY26 we reduced mud abatement by $15K but added that amount to another line for gravel. Mud is not as bad as before because of state standards that have changed ditch sizes and expectations for how roads are built. He has a personal interest in seeing the mud abatement line increase in the future, but the budget was tight.

Duncan said he thinks there is value in trying to address mud issues instead of every year dumping more gravel on the same spot. That is a waste of money. The idea was to try to address the worst mud spots. He understands that the Municipal Roads General Permit is increasing ditch depths and there may be less mud, but he has a hard time believing that all the muddy sections have gone away. He encourages the board to work with the foreman to identify the worst areas and fix them.

Eben said there is a rather steep increase in winter sand expense. With fewer employees, we will need to purchase sand locally, which is more expensive. We also plan to go out to bid to have clean material from Holmes Meadow crushed.

Lines 287 and 288 are accurate on the insert but not in the town report.

At last year's town meeting, voters said we should stop using cash on hand to bolster the equipment reserve fund and should budget appropriately instead. So the board decided to budget to add $10K a year to the fund instead of putting cash on hand into it.

Eric Nuse said he has been reading about environmental concerns about road salt runoff. He is wondering if the board is considering any changes in salting techniques. Eben said every year the board has pushed the highway department to use less salt for both environmental and cost reasons. Salt is very expensive. We have not looked into alternatives, which are very expensive. Maybe we could consider changing some applications on certain roads. We use brine as a diluted way of salting already.

Dean Locke noted that rec field mowing went over budget and now nothing is budgeted for it. Eben said last year all mowing was combined under selectboard expense. Dean asked if all the mowing is done by the same contractor. Eben said it is all one bid.

Diana Osborn asked if the board has considered hiring more employees or changing duties so employees can do more work in house. Eben asked if she is referring to mowing or contracted work in general. Diana said both. Eben said the board is always thinking about what can be done in house and if it makes sense. Sometimes we contract out work because grant money is available to pay for it. Sometimes we can get reimbursed for employee time under a grant. Sometimes contracting someone else means town employees aren't tied up. The board is always considering ways to save the taxpayers money. He added that we are very lucky to have all the town employees we have in the highway department and in the office.

Eben said Lamoille Housing Partners has merged. The board trimmed the amount given to them so the new entity can go through the process described in our policy of requesting an article on the warning regarding their funding.

Eben said p. 34 shows proposed reservations of cash on hand. These will be accepted by accepting this budget. The board proposes to use $180K of the cash on hand to reduce taxes and $5K for a boundary survey for the Gomo Town Forest and to put $40K into the grant match reserve fund, allocate $40K for industrial park expenses, and put $40K into the tax anticipation reserve fund. There will be $54K left over for next year.

Beth Foy asked about the FY25 cash on hand report on p. 33. Two lines (Tree Board and expense prepayment) are shown as negative numbers. That doesn't feel like cash on hand. Are the amounts actually negative? What is being done to address that?

Rosemary and Eben explained that the prepaid expenses were paid in FY25 but the actual expenditures were in FY26, so for accounting purposes the amount is shown as negative. Rosemary said the Tree Board got a grant but it did not come in until FY26. Beth asked if here are budget adjustments to address those. Eben and Rosemary said no. Beth asked, should there be? Eben said no. Beth said she thinks we shouldn't be spending money we haven't received yet. Eben said it was a reimbursement grant. Beth asked, we had been awarded the grant but had not gotten the reimbursement yet? It was just a timing issue? Rosemary said yes.

Eric Nuse said he saw a notice in the paper about the Gomo transfer of prime ag lands. He understands that has to do with the industrial park. He asked for an explanation. Eben said we are also giving development rights for winter deer habitat on the Prindle lot. We are offsetting the loss of deer wintering habitat and prime ag soil at the industrial park. The state says we have to offset with money or property. The town will maintain ownership of the Gomo and Prindle land. These actions protect the land more for the taxpayers and save us money in fees. The town's attorney recommended treating the transfer of rights as a sale. That is why the notices are in the paper. The town will maintain ownership and the land will continue to be available to the public.

Eric Osgood asked if we should eliminate the word "estimated" in the section showing the cash on hand balance, since we are now going to be using audited balances. Eben said this is the last year we will show an estimated amount. Next year it will be an audited amount.

Duncan said the audited fund balance will always be one year behind. This is a unique year when we are changing from estimated to audited balances.

Michael Patch asked about the $316,204 in delinquent taxes. Eben said that was the amount as of June 30, 2025. The current amount is different. The state has changed the process for tax sales. We have been working on trying to have one to recoup any delinquent amounts over $1000.

Jesse Whitworth asked about Randall Szott's position. Are there any staffing changes related to that or is the plan still to hire someone to do grant writing? Eben said there is 24 hours a week for that position in the budget. When the board talked about the position last night, it was discussed that it is a community and economic development position, not a grant writer position.

Eben said p. 35 shows the estimated grand list value and the estimated impact on taxes of this budget for houses of different values. The estimated increase per $100K property value is $37.18.

Charles Flaum asked if that is market or assessed value. Eben said town assessed value.

Eric Osgood commended the whole board for a great looking budget and for the town report dedication. There is no one more deserving. He asked to have the difference explained between what was printed in the town report and what was on the insert handed out with regard to the capital equipment fund. He is struggling to see the difference.

Eben said the difference is in which pieces of equipment we are making payments on and what we are purchasing. Total interest and principal and total payments are different.

Eric Osgood asked if the projected amount in the capital equipment fund needs to be corrected based on the corrected info shown in the handout. Eben said it could be inaccurate. We can look at it.

Eric Osgood said interest expense and purchase of large equipment for FY26 add up to $132,839. That is about $10K less than what was brought in from the highway restricted fund. Did we actually bring in $10K more than needed or was there an addition mistake? Eben said he would have to look into it. He would have a hard time believing we would bring in $10K that was not expended. Eric said it is possible that an additional $10K could still be in the reserve fund.

Diana said she has so much respect and gratitude for the work the selectboard and employees do. She doesn't want her question to reflect anything but that. But if someone has a problem with a particular line item, what is the most respectful way to address that at this stage? If someone wants to change a line item, what is the best procedure? Eben said if someone just wanted to have the line looked at next year, they could say that. If someone wants to propose changing an expense, he believes there would need to be a motion to make a change to the overall budget with a recommendation that the board change a specific line item. But the vote is on the overall budget, not specific line items.

Eric Nuse said over the years we have appointed committees to look into different alternatives for public safety. He has served on a couple. It became very clear that all the alternatives were more expensive and probably would provide less service. He has a feeling that a quick look and a possible report next year would be helpful to put that in perspective.

Eric Osgood said as he understands it, the voters can only amend the article for a lesser amount to be voted on. We as voters cannot direct where that reduction would have to be taken. We can advise, but ultimately the selectboard decides where to make the reduction. Is that correct? David Williams said that is correct.

It was moved and seconded to call the question and the motion was passed by a voice vote.

The motion on the budget was passed by a voice vote.

Article 6. Shall the voters authorize the Treasurer, pursuant to 32 V.S.A. § 4791, to collect current taxes?

Eric Osgood moved the article as printed and the motion was seconded.

Duncan Hastings asked if this article changes in any way because the town voted to authorize the town to appoint rather than elect a treasurer. Rosemary said no.

The motion was passed by a voice vote

Article 7. Shall the voters authorize the Selectboard to appoint a collector of delinquent taxes pursuant to 17 V.S.A. § 2651d(a)?

Eric Osgood moved the article as printed and the motion was seconded.

Eric Osgood said we have appointed the delinquent tax collector for a number of years. Rosemary said no, the delinquent tax collector has been elected. This will make it an appointment.

The motion was passed by a voice vote

Article 8. Shall the Town vote to collect property taxes to the Town Treasurer in four equal installments (32 V.S.A. § 4792), as listed below; with delinquent taxes and assessments have charged against them an eight percent (8%) commission after the fourth installment (32 V.S.A. § 1674) and interest charges of one percent (1%) per month or fraction thereof, for the first three months; and thereafter one and one half percent (1 ½%) per month or fraction thereof from the due date of such tax? Such interest shall be imposed on a fraction of a month as if it were an entire month (32 V.S.A. § 5136). Payments are due in the hands of the Treasurer by 4:00 p.m. on the below due dates.

First installment to be paid on or before Monday, August 10, 2026.
Second installment to be paid on or before Tuesday, November 10, 2026.
Third installment to be paid on or before Wednesday, February 10, 2027.
Fourth installment to be paid on or before Monday, May 10, 2027.

Eric Osgood moved the article as printed and the motion was seconded.

Diana Osborn said it seems like kicking people when they are down to charge an 8% penalty when they already couldn't pay their taxes. At a recent selectboard meeting it was discussed that some people pay in full at the start of the year and that is helpful to the town.

<u>Diana Osborn moved to amend Article 8 to include a discount for those who pay taxes in full by the first installment due date, with the percentage discount to be decided by the selectboard. The motion was seconded.</u>

Eben said the board would need to budget for the discount. We would have to raise the tax rate (affecting those who can't afford to pay up front) in order to give a discount to those who can afford to.

Lois Frey said if there is any reduction she thinks perhaps it should be in the interest that is charged. Maybe a sliding scale would be helpful to people having trouble.

Duncan Hastings said he likes the idea of giving a discount. He would prefer to see it done as part of the budget process. He asked if Rosemary thinks going to a 1.5% penalty after the first 3 months is an incentive for people to catch up on their taxes. Rosemary said yes. Duncan asked if she would suggest leaving that 1.5% penalty rather than making it 1% across the board. Rosemary said she would be more in favor of reducing the 8% penalty. That is the maximum penalty the town can charge according to statute.

Beth Foy asked, there is no fee for a payment plan and anyone can have a payment plan to help with the burden, paying monthly or bi-weekly, correct? Rosemary said that is correct.

Eric Osgood said he is inclined to vote against the amendment but he thinks it is a good thought. He thinks there may be a statute that prevents us from giving discounts on property taxes. He will vote against the amendment but he thinks maybe the selectboard should look into it and get legal advice.

Glo Webel said she pays in full at the beginning of the year because she knows the town needs it and it helps her not forget. Having a discount that would ultimately hurt people who don't have the ability to pay doesn't make sense to her. She feels people should pay all at once if they can and otherwise they should not.

Michael Patch said Eric is right. The selectboard previously researched it. He does not support the amendment. The article as proposed will make people pay their taxes. It is your responsibility as part of a community to pay your part.

<u>The motion to amend failed by a voice vote.</u>

<u>The original motion passed by a voice vote.</u>

Article 9. Shall the town 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)?

<u>Eric Osgood moved the article as printed and the motion was seconded.</u>

<u>Beth Foy moved to amend the article to insert "or mail report by request" after "otherwise distributing the report to the voters of the town." The motion was seconded.</u>

Jon Gregg asked if the intent to save printing costs and not print as many town reports. Eben said yes.

Jon asked if there is a way to rewrite the article so people can get the town report by email and then the town would not have the cost of a postcard. Eben said he believes the town is required by statute to mail out the postcards. The town report would most likely be put on the town website and people who did not want a physical copy could go there.

Morna Flaum said far fewer reports could be printed if people were able to view a PDF of the report.

<u>The motion to amend was passed by a voice vote.</u>

Duncan said if this were passed, a mailer would go out. Would that ask, do you want to receive a copy? Eben said yes. Duncan asked if the board envisions having a certain number of printed copies available at town meeting. Eben said yes. We will still print some. People can pick one up or request that it be mailed. Duncan noted there will be a cost for mailing the postcards.

Eben said Johnson is the last larger Lamoille County town that mails the town report to every registered voter.

<u>The motion was passed by a voice vote</u>

Article 10. Shall the Town raise and appropriate the sum of $2,000.00 to Lamoille Area Recovery Network (LeARN) to provide support to community members who are impacted by natural disasters in accordance with 24 V.S.A. § 2691?

<u>The article was moved and seconded as printed.</u>

Beth Foy said LeARN provides critical help. They have helped many households in Johnson through the 2023 flood and subsequent events. They help people navigate the financials, logistics and bureaucracy. She is a huge advocate. She is on their board. Their work has been huge for Johnson. She hopes the voters not only appropriate some money to support them but also speak about LeARN in a positive way and tell neighbors about them to make sure people know about their support services.

<u>The motion was passed by a voice vote</u>

Article 11. To transact such other business as may be properly brought before this Town Meeting.

David Williams said he would like to take a poll out of curiosity. He asked those under 50 to raise their hands. A small number of people raised their hands.

<u>Eric Osgood moved to adjourn and the motion was seconded and passed by a voice vote at 11:13 a.m.</u>

Minutes submitted by Donna Griffiths