

# November 15, 2004

**Present:** Board Members: Michael Jackson, Jack Field, Mark Lyon, Craig Schoon, Rex Swain  
Alternates: John Allen, Liddy Adams  
Selectmen: Richard Sears, Nicholas Solley  
Guests: Valerie Friedman

Liddy Adams was seated in the absence of Jack Boyer.

**Minutes:** Jack Field made a motion to approve the minutes of the October 18, 2004 meeting as submitted. Craig Schoon seconded the motion. Motion unanimously passed.

**Treasurer's Report:** Accepted as submitted. Michael is reviewing the STIF account investments. Approximately \$3.5 million of the Town's funds are currently in these accounts. Rates on these accounts have been the highest and it is assumed this remains the same.

**Tax Collector's Report:** Accepted as submitted. Income consistent with prior years.

**Financials:** Financials were reviewed and accepted as submitted. Kathy reported she and the Treasurer had attended a GASB seminar upon the recommendation of the auditors. Once complete, this report should make information available to the Boards of Selectmen and Finance for long-range planning. Whether Region 12 or the Town will carry the Washington Primary School and Superintendent's buildings as Fixed Assets remains to be determined and may depend on the length of the lease. This will be reviewed.

## **Old Business:**

**Old Police Vehicle:** Nick reported there were sixteen responses to a survey on the use of town vehicles by the First Selectmen. Responses resulted in a variety of answers: Five used town vehicles, the remaining eleven did not. Some were allotted a specific annual stipend, some were reimbursed for mileage, and some did not request any remuneration. He suggested the current vehicle most likely has a limited life span remaining (2 years). Nick and Liddy will establish a policy for the Board's consideration at the next meeting. Rex requested a cost analysis on the worth of the benefit of use of this vehicle vs. a new vehicle vs. mileage reimbursement from the past two administrators.

## **Selectman's Report:**

**Town Website:** Dick expressed his appreciation to Rex for his continuing efforts on the Town website. This has been a great asset to the Town.

**Planning Process:** Dick reported information collected from the recent forums on Open Space, Education, Municipal Buildings and Housing Diversity will be presented at the final forum scheduled for November 17. He requested the Board's attendance as he felt their input and ability to listen to the public's comments would be invaluable. He especially thanked Jack Field and Michael Jackson, who have been very active during this whole process. Now that the issues have been introduced, a straw poll will be taken at the final forum. The information will also be available on the website and a mailer will be sent to all residents for their opinions. Once a definitive response is received, this information will be used for long-range planning and budgeting purposes.

**Titus Road Property - D.E.P. Abatement Order:** Testing will be done by Lenard Engineering at the old town garage site as a continuation of the DEP order regarding salt contamination. Funds remain in the

capital account for this project.

**Energy Purchase:** The Town will contract with Select Energy for electricity. Electric rates for the next three years have been guaranteed at 6.463/kwh. This decision was made after a thorough review by consultants through the Connecticut Conference of Municipalities on behalf of member towns. Electric rates are scheduled for deregulation in January of 2005.

**2005-2006 Budget:** It was agreed that agencies receiving town funding will be asked to make a presentation following review of their budget requests by the Boards of Selectmen and Finance. This would include the Fire Company, the Library, VNA's, etc.

**Future Planning:** Jack Field presented two **DRAFT** charts, a Base Case chart and a New Initiatives chart, to be used in conjunction with the results of the "Issue Forums", in future planning for the Town. An attempt has been made to obtain ideas from each of the forums to get a sense of the proportions of future projects and how related costs would affect future funding needs. He noted two major areas of concern: That the Town not compromise its credit capacity, and that the Town develop some sense of the answer to the question "Where is the line between enough and too much in taxes?" Preliminary numbers obtained from people working on the various committees were used in the assumption document. This will be used to make a presentation for the public's consideration at the final forum on Nov. 17.

The Base Case considered the town's budget and what it would look like over five years with no new initiatives and continued growth at recent and current rates. Assumptions were made using a 3%/yr growth in Town operating expense, no new debt, a 5%/yr increase in Town share of Education expense and Town Capital Expenses maintained at the current rate of approximately \$700,000. Non-tax revenues were assumed at 3% increase and a 98% tax collection rate was used. A 3%/yr growth rate, including revaluations, in the Grand List was assumed. These primary assumptions would increase the mil rate from the current 11.0 to 12.6 over five years. The B of F recommended reducing the projected growth rate of the Grand List from 3 to 2%/yr.

In the New Initiatives Case, spikes in the mil rate would be smoothed out by use of debt service and staggering the timing of the proposed school reconstruction. Open Space costs were assumed at \$300,000/year - \$150,000 for acquisition of land and \$150,000 for tax abatement for conservation easements to permanently protect land from development. Housing costs are estimated at \$300,000 - all for "affordable" housing. Open Space and Housing costs would approximate 1/3 of a mil each currently and would grow at 3%/ per year. Education assumes \$20,000,000 net would be spent for the reconstruction of the three schools, plus a track for \$785,000. Using a 20-year basis, a 4% interest rate would equate to approximately \$822,000/year. Town capital costs for new Municipal property initiatives are estimated to be \$1,200,000, amortized over 5 years. Additionally, \$100,000 new annual expense for Senior tax relief and a Property Manager are in the plan. Combined, the Municipal new initiatives would amount to approximately \$242,000 per year.

The mil rate anticipated for the base case of 12.6, plus an increase of 1.7 mills for new initiatives, would amount to 14.3 mills at the end of five years. Assumption numbers, of course, are subject to change as the planning process progresses. (**Note:** With the 2%/yr growth of the Grand List assumption and the other growth rates, these numbers later changed to 13.2 mills in the Base Case, 1.9 mills for the new initiatives, and 15.1 mills combined. These numbers were used in the Nov. 17 Town Meeting.)

Dick thanks Jack and Michael for their efforts in providing these assumptions. An open discussion with the public will be held once the results of the polling are complete. This probably will occur in January or February.

The Board of Finance recognized the passing of George Bender, Chairman of the Planning Commission,

and his many years of untiring effort on behalf of the Town of Washington.

A special meeting of the Board was scheduled for December 20 at 5 p.m. The meeting was adjourned at 6:40 p.m.

Respectfully submitted, Kathy Gollow, Secretary