

# December 20, 2004

Chairman Michael Jackson called the meeting to order at 5:00 p.m.

**Present:** Board Members: Jack Boyer, Michael Jackson, Jack Field, Mark Lyon, Craig Schoon, Rex Swain

Alternates: John Allen, Liddy Adams, Barbara Brown

Selectmen: Richard Sears, Nicholas Solley

Guests: Tax Relief for the Elderly Committee: Pam Collins, Betty Mullin, Bridget Davidson

Board of Education: Jim Hirschfield

Resident: Peter Tagley

## **Guests:**

**Tax Relief for the Elderly:** Bridget Davidson spoke on behalf of the Tax Relief for the Elderly Committee and requested the Board's review of the information provided to them. (attached) The Committee recommended a maximum household income of \$36,900 to be eligible for a tax abatement. Based on a maximum income of \$33,000, approximately 23 senior households appear eligible. The Committee suggested the Board of Finance consider a total amount of \$20,000 for tax abatements, which amount would be divided equally among eligible applicants. The Board requested further information including:

- Amount of taxes currently receivable from these 23 households.
- Estimate of future numbers of taxpayers eligible.
- State reimbursement currently received from reduced taxes.
- Administrative costs that might become necessary.

Dick Sears requested the Board give the proposal prompt consideration in order to proceed to town meeting to present an ordinance prior to budget considerations for the 2005-2006 fiscal year. The Board will discuss this further at the next meeting.

## **Education:**

**Teachers/Administrators Contracts:** Jim Hirschfield, chairman of the Negotiations Committee for the Board of Education, reported on the contract agreements reached with the Teachers and Administrators' Associations. Jim explained the proposed teachers' salary contracts, which are based on degrees, years of experience and a step chart. Proposed increases include 2.9%, 3.2% and 3.0% annually. Coupled with the step schedule, the actual increases would result in 4.58, 4.25 and 4.49% annually or an average total increase of 4.41% for teachers over the next three years. 50-55% of the teaching staff is at the top step; therefore, these teachers would receive a general wage increase but will not move up a step. Teachers will pay back 11.5, 12.5 and 14.5% of the cost of health insurance premiums over the next three years. Administrative increases amounted to 3.5, 3.65 and 3.75% annually, with a payback of 13, 14 and 15% on health insurance. Both the teachers and administrators have agreed to increased co-pay on

prescriptions. The contracts have been filed with the Town Clerk in each town and will become binding unless rejected by the voters within thirty days of filing. Jim explained this process, as well as the negotiation and arbitration processes that would follow if the towns sought changes to the proposed contracts. He noted the towns are considered rural but affluent with strong financial capabilities; and while the numbers are high, he felt they are reasonable. The Board noted their appreciation to Jim for his very clear and concise explanation of the entire process, as well as the many years he has represented the Town on the Board of Education.

**Primary School Renovations/Building:** Jack Field updated the Board on recent meetings between representatives from Region 12 and the three towns' Finance and Selectmen's boards. While the sentiment has been that the three primary school buildings are badly in need of upgrading to code and current educational standards, he raised the concern that increasing the present classes from 25 to 31 may result in more inefficiency. He recognized that the Selectmen and Boards of Finance representatives from the three towns had unanimously preferred that each town have its own primary school and that they had encouraged the Board of Education to abandon the consolidation of these schools. However, he questioned whether they might rethink this decision if they knew that to retain individual schools would result in \$630,000/year in additional operating cost (9 additional teachers) plus \$1,600,000/year in capital costs. He had provided this information to the Board of Ed (attached) and suggested that discussions continue on viable alternatives. He suggested a negotiated consensus would be hugely preferable to a long series of hard fought referenda, and possibly repeated rejections, leading to that worse case of all - no decision. Michael reported a meeting had been held with consultants regarding the bonding for the debt. He noted this debt would have an effect on the Town's AA bond rating; and that in addition to deciding how these educational costs would impact the Town, we must also factor in how the Town's other options could be limited. The Board agreed continued work on the Town's Strategic Plan involving all areas is necessary and it is hoped the Board of Education would remain open to considering options and alternatives. This will be discussed further on January 12th when a meeting with the Superintendent is scheduled.

**Pension Meeting:** The Pension Committee had met prior to this meeting. Rex suggested consideration be given to professional management of the pension funds. This will be discussed at the January meeting.

**2005 Calendar of Meetings:** The Board agreed to hold meetings on the third Monday of each month in 2005, except where noted for holidays on the attached schedule.

**Pavilion/Bathroom Project:** The Board acknowledged the excellent job the Parks and Recreation Commission had done in their fundraising efforts for this project. The Town had originally committed to match \$50,000 to the original \$50,000 that the Commission was to raise. They Commission has now raised almost \$100,000; however, since construction had not begun prior to this winter, there may be the chance that the current contractor will not be able to meet his bid. Alternatives are being considered. The Board of Selectmen will make a recommendation at the January Board of Finance meeting whether or not to proceed. The Board agreed that an ex-budget appropriation for an additional \$20,000 would be considered at that time.

**Selectman's Vehicle:** Rex Swain made the following motion:

In order for the issue of the First Selectman's car to be considered in the normal course of the FY06 budget cycle, the Board of Finance asks the Board of Selectmen to produce, in writing, by the January meeting:

- Actual business mileage driven and submitted for reimbursement by the First Selectman from November 2003 through summer 2004.

- Actual monthly cost of owning and operating the former police car now being used by the First Selectman, including gas, maintenance, insurance, depreciation, and etc.
- Forecast of how much over budget we will be in FY05 due to the addition of this vehicle.
- Information on what arrangements other nearby Towns have with their First Selectmen.

By the February meeting, the Selectmen should submit a specific policy proposal for FY06 and on. If the former police car is to continue to be used, a specific sunset plan for that vehicle should be included.

The meeting was adjourned at 6: ? p.m.

Respectfully submitted,

Kathy Gollow, Secretary

Minutes available on tape.