

February 28, 2011

The following minutes of the Board of Finance are submitted subject to approval at the next meeting.

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

Present:

Members: Michael Jackson, Jack Boyer, Barbara Brown, Gary Fitzherbert, Craig Schoon

Alternates: Liddy Adams, Keith Templeton

Selectmen: Mark Lyon, Nick Solley

Treasurer: Linda McGarr

Guests: Tony Bedini, Valerie Andersen - Region 12 Board of Education

Chairman Michael Jackson called the meeting to order at 5:00 p.m. Minutes of the January 24, 2011 meeting were accepted as submitted.

The Tax Collector and Treasurer's reports were reviewed and accepted.

Education:

Tony Bedini reported work is continuing with the windows and carpet projects. The Region's Business Manager will be involved in the project and funding will be reviewed to determine how much is available.

Michael Jackson reported the Board of Ed had provided detailed information about their proposed budget. A meeting of the chairs of the Boards of Finance and Selectmen from the towns was held to review, understand, and transmit their views on the proposed budget. They realize they are not in a position to tell the school district where and how to cut costs; however, they are very interested in the maintenance issues and putting \$25,000 towards the high school from a maintenance point of view. The Washington Finance Board would like to see a "zero" increase if possible. Michael noted the Region's representatives were very helpful and he noted his appreciation. Mark Lyon will meet with Alan Brown to review areas that might be in question.

Valerie Andersen reported the Region will be losing approximately 30 students this coming year, which is indicative of the demographics all over western Connecticut and is anticipated to continue for several years. The population dip is currently at the middle school, which will continue into the high school in following years. The Region is actively seeking more students from Sherman. Michael noted it is anticipated there will be a total of 933 students in the Region. Five-year demographics show a decrease of 30%. Curriculum at the middle school level is being reviewed.

Valerie noted the proposed budget includes additional anticipated expenses for Special Education needs. She is in favor of the building repairs required at the middle-high school and suggested the possibility of using the 1% Fund if budgeted for specific items. The official presentation of the school proposed budget will be presented this evening and will be reviewed in detail. It is currently impossible to anticipate State grants to the Region or to the towns.

Financial Reports:

Reports on the Town's various funds through the end of January were reviewed. Mark noted approximately 80% of the Winter Maintenance budget has been spent, which covered approximately 65% of the winter budget season. This includes equipment repairs and replacements, salt, overtime and

contracted services. FEMA funding may be available to offset these costs. If the President signs the disaster declaration, 75% of approximately \$32,000-\$34,000 may be eligible for reimbursement.

Proposed Budget:

Mark reported while there are currently no significant cuts to income from the State in the Governor's proposed budget, there are other areas of the budget that could be impacted. One item noted is the elimination of tax-exempt status from BRRFOC, the Town's solid waste recipient. This in turn would increase the Town's tipping fee expenses by approximately 20%.

Health Care:

Art Mulligan of The McKellan Group discussed the future of health care insurance with the Board. He noted the Town now has an Employee Health Care Committee that has been meeting with him regarding the changes that result annually in health care coverage, as well as the challenges faced with health care costs. Many providers do not have groups for fewer than fifty employees. Since our group is small, it is difficult to purchase prescription drug coverage. This past year, the Town had opted for a higher deductible, thus lowering insurance coverage costs. The Town is conservatively self-insured for the deductibles, where claims are paid only if they are incurred. Art noted the Town's experience has been very good to date. He also noted many smaller towns have banded with their school districts for coverage. This could be advantageous depending if the school employees self-insure their prescription drugs, which could be an option they may wish to consider. The Town would adhere to the school's program. Rates should be available in April. The Town's renewal date will be changed from August 1st to June 1st. Art will continue to investigate coverage from different perspectives as he has in the past. The Board noted their appreciation.

The Board adjourned the meeting at 5:30 p.m.

Respectfully submitted,
Kathy Gollow
Finance Secretary