

## • April 17, 2006

**Present:** Members: Michael Jackson, Chairman, Jack Boyer, Barbara Brown, Jack Field, Rex Swain

Alternates: John Allen, Liddy Adams

Guests: Arthur Mulligan, The McKellan Group

**Guests:** Michael reported Bill Fairbairn, Chairman of the Washington Community Fund and the Town's Housing Commission, will attend a future meeting to update the Board on future plans for housing.

**Minutes:** Minutes of the March meeting were accepted with the correction to add Barbara Brown in attendance at the meeting.

**Treasurer's Report:** Accepted as submitted.

**Tax Collector's Report:** Accepted as submitted. Tanya will be asked to review calculation for taxes receivable.

**Financial Reports:** Accepted as submitted.

**Old Business:** As requested by the public, a letter had been prepared regarding the long range assumptions and the impact on taxes that could result from the April 25th school referendum on the buildings. Since many taxpayers do not receive postal patron mailings, initial letters were sent to those taxpayers with out-of-town mailing addresses. An application for an absentee ballot was included with the letter, which had previously been reviewed by counsel. Valerie Andersen, a Washington member of the Board of Education, had called the Board's attention to state statute requirements covering this mailing. Jack Field contacted the State Elections Commission, who clarified the requirements of this letter. The Board of Selectmen approved the mailing of this letter by the Board of Finance at their meeting on April 13th. A postal patron letter was mailed town-wide on April 17th.

**Proposed 2006-2007 General Fund/Nonrecurring Capital Budgets:** The Selectmen presented their DRAFT General Fund expenditures budget in the amount of \$3,684,829, an increase of \$247,193 over the current year, and their Nonrecurring Capital Fund Budget in the net amount of \$942,050, the latter including \$369,000 in anticipated grant reimbursement. The increase in the General Fund of 7.2% was due to:

- A general increase of approximately 3.5% for employees, plus additional secretarial staff of 16 hours/week in the Wetlands area.
- Increases in energy costs for heating fuel, diesel and unleaded gasoline of about 30%.
- Increases in health and dental insurance of about 10%. The Selectmen continue to work to reduce these costs.
- Increases in Highway costs involving fuel, materials and steel.
- Increases in Sanitation including new three-year contracts.
- Increases in Parks and Recreation for additional work needed for grounds and the boat ramp.

- Increase in Pension contribution to \$126,000 based on recommendation of pension consultants to bring Fund to current requirements. This is due in part to revised assumptions that are more in keeping with current funding requirements.

A decrease was noted in the Police area as the Town will now have two full-time officers and one part-time officer as compared to our previous three full-time officers. The new part-time officer comes to the Town with full police experience and will not require additional health insurance coverage.

Arthur Mulligan, the Town's agent for health/dental insurance, appeared before the Board and articulated on the ever-increasing costs of health insurance. He noted since the Town is eligible for health insurance through MEHIP (Municipal Employees Health Insurance Program), a savings of 1.75% is realized on the premium tax, as well as no service fee. It is anticipated the current premium would increase 12% if changes were not made. Last year, a program was designed where the Town provided self insurance for a one-day surgery deductible as opposed to including this in the coverage. This had reduced the premium measurably and has worked well for the Town as less than \$2,500 has been spent. The Selectmen will continue to assess all possibilities with Mr. Mulligan, including employee co-pay, prescription drug coverage and increasing the self-insurance once this year's prices are made available. Reserving unspent funds in the self-insurance area will also be considered to reduce future costs.

In the Highway area, an analysis of stocked supplies was requested.

The proposed Capital Budget included increases due to:

- Paving and Drainage - Increase in cost of materials, including asphalt, fuel, etc.
- Road Construction area will be offset with use of Town Aid Road Grant funds.
- Replacement of a 1983 highway truck.

The Selectmen will continue to review the budget to cut expense wherever possible. A special meeting was scheduled for Monday April 24th to continue discussion. The meeting was adjourned at 7:15 p.m.

Respectfully submitted,

Kathy Gollow, Secretary