

April 25, 2005

Special Meeting

Chairman Michael Jackson called the special meeting to order at 5:00 p.m. to continue discussion on the proposed 2005-06 General Fund and Capital Fund budgets.

Present: Board Members: Jack Boyer, Jack Field, Michael Jackson, Mark Lyon, Craig Schoen and Rex Swain

Alternates: Liddy Adams, John Allen

Selectmen: Richard Sears, Nick Solley

Guests: Valerie Friedman

Auditor: Jack Boyer made a motion to appoint Charles Heaven & Co., Inc. as auditor of the Town accounts for the fiscal year July 1, 2004 - June 30, 2005. Jack Field seconded the motion. Motion unanimously passed.

General Fund Budget: The Selectmen presented the following changes to the General Fund budget of \$3,370,635 previously submitted:

012 Zoning: Decrease legal fees from \$7,500 to \$6,500.

014 Inland Wetlands: Decrease legal fees from \$4,500 to \$4,000.

016 Conservation: Decrease map consultant from \$1,000 to \$500.

017 Town Hall: Decrease electrical repairs from \$1,500 to \$1,000.

025 Fire Co.: Decrease line #3-vehicles & equipment maintenance from \$29,000 to \$28,000.

025: Fire Co.: Decrease line #8-Award program from \$25,000. to \$13,500.

032: Winter Maintenance: Increase winter sand from \$10,000 to \$60,000 - delete town aid road comment.

032: Winter Maintenance: Increase salt from \$6,000 to \$26,000 - delete town aid road comment.

These changes would increase the proposed General Fund budget to \$3,425,636, which is a 3.4% increase over the 2004-05 budget.

The proposed changes were discussed at length. The Selectmen were asked to review the following line items:

Zoning: Consultant. To determine what zoning issues would require the use of a consultant in addition to legal advice.

Health Insurance: Actual costs are not as yet available. The Selectmen had been informed to anticipate a 15% increase; however, they submitted a 10% increase, which would require reductions in the current benefits and/or employee co-pays to stay within this range. A lower percentage increase was suggested. Cost will be reviewed in detail when received.

Fire Company: Award program. An annual contribution of \$22,500 has been made since the inception of this Program. This amount had been set to provide funds for those firefighters who had given years of volunteer service prior to the Plan's establishment. This has been accomplished. In an attempt to reduce budget costs, the Selectmen suggested this amount be reduced from \$22,500 to \$11,000. This would allow \$500/firefighter as outlined in the Plan for each of the 22 firefighters currently qualified by the fire company. The Board of Finance reinstated the \$22,500 annual contribution in appreciation of the firefighters' service to the Town.

Assumption Sheets/Summary Formats: The Board reviewed the annual assumption sheets, as well as two Summary Formats provided by Jack Field: The Town Strategic Plan Financials (2 pp) and a Summary of the Town Budget/Financing Plan for 2005-2006. (attached) The Town Strategic Plan anticipated the impact on the budget at the current mill rate (base case), as well as with the addition of new initiatives. New initiatives include municipal projects, open space, housing, tax abatement incentives and Education debt service over a five year period A mill rate of 12.11 was indicated when new initiatives were not included, while 12.48 was indicated when they were included. These mill rates did not reflect using current reserve funds to offset costs. While the impact of the new initiatives for the 2006 budget is not big, it will have a much greater impact on future budgets. The Town Budget/Financing Plan presented five cases of mill rates.

The Board discussed the proposed school construction projects and voiced concern over maintaining the Town's current credit rating. It was felt the current proposal set forth for \$38,000,000 is too high and the \$20 million range may be more readily acceptable to the public. Jack Field cautioned each year's delay could prove costly and every effort should be made to bring this matter to a successful conclusion.

The following dates are scheduled for budget consideration:

May 3: Education Referendum - 6 a.m. to 8 p.m.

May 5: Town Budget Hearing - 7:30 p.m.

May 19: Town Budget Meeting - 7:30 p.m.

May 19: Finance Meeting immediately following Town Meeting to set mill rate.

Budget: Jack Boyer made a motion to approve the Selectmen's proposed budget of \$3,437,136, which includes the reinstatement of the Fire Company's Award Program to \$22,500, plus any further reductions the Selectmen may determine. Jack Field seconded the motion. Motion unanimously passed.

Suspense List: Jack Boyer made a motion to approve the Tax Collector's Suspense List for the 2001 Grand List in the amount of \$9,640. Mark Lyon seconded the motion. Motion unanimously passed.

The meeting was adjourned at 6:45 p.m.

Respectfully submitted,

Kathy Gollow, Secretary