

May 15, 2006

Present:

Finance: Michael Jackson, Barbara Brown, Jack Boyer, Jack Field, Rex Swain, Craig Schoon

Alternates: Liddy Adams, John Allen, Jim Brinton

Selectmen: Richard Sears, Mark Lyon, Nicholas Solley

Treasurer: Linda McGarr, Reese Swanson

Guests: Tom & Betsey Burke

Minutes: Minutes of the April 24th, May 4th budget hearing and May 4th meeting will be considered at a future meeting.

Treasurer's Report: Interest rates are increasing. Report accepted as submitted.

Fire Co. - Hydrants: The Board received a letter from Duncan Woodruff, Chairman of the Water Resources Committee of the Fire Department, seeking funding for installation of three dry hydrants. Matching funds of up to \$1,000/hydrant for three hydrants are available on a first-come, first-served basis from the D.E.P., Department of Forestry. The WVFD has obtained permission from landowners and approval from the Wetlands Commission for this purpose. They have previously obtained other grants and have installed hydrants in two private ponds for use during firefighting. Installation of these hydrants would also benefit neighbors in these areas. Duncan requested the Board approve \$6,000 to pay for three hydrant kits. Members of the WVFD will install the hydrants. Mark Lyon, speaking as a fireman, recommended approval of this worthwhile project. **Jack Boyer made a motion that an ex-budget appropriation not to exceed \$6,000 be approved for the current 2005-2006 fiscal year toward the purchase of three dry hydrants, noting the Town would be reimbursed through this grant for up to \$3,000 for the three hydrants. Michael Jackson seconded the motion. Motion unanimously passed.**

Insurance Budget: First Selectman Sears reported health insurance rates for the coming year will rise 4% as opposed to the 10% anticipated, with no change to the program. Changes to deductions and co-pays have been made in previous years in an attempt to reduce costs. He noted the Town's agent recommended consideration be given to self-funding the dental portion of the program. Current costs are \$21,600 for 22 employees. He recommended two possibilities: Setting aside \$22,000 in a self-insurance fund, with each employee having a maximum benefit of \$1,000 to be used for the employee and/or family. This would cost a maximum of \$22,000. Setting aside a family cap. e.g. single/\$500; couple/\$1,000; family/\$1,500 (which would also allow one person in the family to use the \$1,500 if major dental work were necessary). Currently, each individual in a family is at \$1,000 maximum. It would be necessary to determine the number of participants involved before a cost could be determined. Our agent will obtain experience records for the group. Suggestions included further analysis of the single/couple/family structure, addressing the health insurance plan, offering dental insurance with patients paying more, and pooling with other towns. It was agreed that funds remaining in this line item at the end of the fiscal year would be transferred to a separate account. The Selectmen will continue to review the options.

Education/Renovation: Resident Tom Burke reported he would attend the Board of Education meeting to recommend that each Town pay renovation costs for their own building. He asked for the Board's permission. While the Board noted it was not necessary to obtain their permission nor could they tell Mr. Burke what to say, they appreciated his enthusiasm in trying to come to an equitable solution in this dilemma.

State Board of Elections Commission: Michael reported he had provided the State Board of Elections with information requested on behalf of those members of the Board who had been contacted. This

information had been reviewed by counsel. The Board will await a response.

Building Permit Fees: Nicholas Solley reported the Selectmen will propose an increase in building permit fees at the forthcoming town meeting. After all fees were reviewed, changes were made in only two areas: Fees will increase from \$20 to \$30 for the first \$1,000 of building value and from \$6 to \$9 for each additional \$1,000 in value or part thereof. Fees have not been increased in six years and the Town's fee schedule, when compared with other towns, indicated ours were low. Mark Lyon reported the Building Inspector had provided a statement of his expenses, which included salaries for his employees, insurances, fuel, etc. He also provided facts on towns that do not use a contracted service and felt Town's costs would be much higher if the building inspector were a town employee.

Communication Received: Resident Tony Bedini's letter was read regarding the upcoming school renovation referendum. He questioned if the Board planned to publish a summary of the projected costs to the taxpayers of proposed monies to be spent on school renovations or other school related projects. He felt their previous publication was extremely helpful, informative and a valuable service. He felt that in all the hype that exists during these emotional issues, the straight talk that the Board provided is invaluable. He felt any criticism they may have received in the past for spending taxpayers' money to print and mail the information is "hogwash" and felt it is most important that they provide this information. The Board appreciated Mr. Bedini's comments. They felt the long-range assumptions that had been provided to the public are informative and it is their responsibility to do so.

Appointment of Auditor: The Board discussed the need to solicit audit proposals for the 2005-2006 fiscal year. It was suggested responsibilities in municipal accounting have changed and the Board should be brought up to date on these. It was agreed the current auditor, Charles Heaven & Co., was extremely professional, knowledgeable and experienced. Jack Boyer made a motion to appoint Charles Heaven & Co., Inc. of Waterbury as the auditor for the 2005-06 fiscal year. Rex Swain seconded the motion and the motion was unanimously approved. Consideration may be given in future years to soliciting proposals if the Board feels it is in the best interest of the Town. Charley Heaven will be asked to update the Board on any new requirements.

Mill Rate: The Board reviewed their long-range assumptions. It has been the Board's policy to make these assumptions available to the public during discussions of the budget. It has also been the Board's policy to maintain a minimum General Fund balance to cover 1 1/2 months expenses. Following this year, it is estimated the fund balance will be reduced to only allow 1.7 months expense to remain. It was felt the pressure on taxes will increase over the next several years, with expenses increasing by \$1-\$1.3 million over the next 2-3 years, depending on the schools. This could lead to a possible increase of 4 mills over the next three years. Michael suggested the Board continue to keep a buffer in the fund balance to maintain the mill rate at a more steady position rather than budget to put the Town a little further in the hole. The Board agreed an increase would be necessary for the coming year, as they had worked to maintain the same mill rate over the past three years. The mill rate will be set following the town meeting on May 18th.

The meeting was adjourned at 5:50 p.m.

Respectfully submitted,

Kathy Gollow, Secretary