

# September 14, 2005

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

Alternates: Liddy Adams and John Allen

Selectmen: Richard Sears, Nick Solley

Treasurer: Linda McGarr

Guests: Valerie Andersen, Valerie Friedman

**Minutes:** Minutes of the July meeting were amended as follows: Nonrecurring Capital Report: Add **underlined:** A surplus in the Capital Fund over the past several years has resulted from interest, grants, and completed **or** canceled projects. **For example, funds for bridges that have been approved have not been spent.** Minutes approved as amended.

**Treasurer's Report:** Linda will close two more accounts due to the low interest rate. While the local money market accounts do not realize high interest rates, she will maintain these as they are linked with her STIF accounts. Treasurer's Report accepted.

**Tax Collector's Report:** Accepted as submitted.

**Pension:** The Pension Committee had requested that the assumptions used for calculating the annual deposit to the pension fund be revised to better reflect the actual increase in salaries and the growth in interest income. (5.0% to 3.5% for salary increases and 7.5% to 5.5% for the interest rate.) These changes resulted in a suggested contribution of \$126,128, which is larger than the budgeted line item. Pension consultants will be contacted to determine how the 2004 salary was derived, if overtime is included, and if payroll costs reimbursed to the Town by outside contractors should be included. Wages as reported on W-2 forms have been used in the past.

## **Financial Reports:**

**General Fund:** Secretary noted income of \$8,247 shown as In Lieu of Taxes - Education had been received from Dodge Farm and should be In Lieu of Taxes - Housing. A FEMA grant in the amount of \$38,744 has been received to assist with unanticipated winter storm expenses occurring last January. It was agreed to wait for audit before considering year-end transfers.

**Capital Fund:** Anticipated grants were discussed. The Small Cities Grant of \$500,000 and the STEAP grant of \$450,000 are included in the total anticipated grants of \$1,077,342, as well as other smaller grants. As the elevator/handicapped renovations to the Town Hall have progressed, Small Cities grant funds are being received. The Church Street Improvements project will begin during the next few weeks. STEAP grant funds will be used for this. Other grants are anticipated once specific projects are completed. i.e. Local Bridge grants, LoCIP, etc.

**Update on Primary Schools Project:** Jack Field reported five teams have been working on the various options regarding the three primary schools for the past several months. Following are current team ideas:

Washington: Space is not an issue; however, it will be reallocated. Actual plans have not as yet been drawn. Important general decisions have been made. We will not renovate to "new," but will repair what

needs to be repaired and renovate what needs to be renovated. i.e. the heating system.

Bridgewater: Decisions are being made whether to raze the existing school and build new or to renovate. The latter does not seem likely because the location of the existing school does not use the existing space well.

Partial Consolidation between Bridgewater and Roxbury: They are getting to the point where they are ready to get cost analyses for the various cases. The Turner estimates have been reviewed and more information is needed. A second opinion, layouts, drawings and estimates will be necessary. People with architectural backgrounds from the three towns may be sought for assistance.

Consolidation: This committee has just gotten launched and will meet Board of Ed specifications. Meanwhile, the Steering Committee (First Selectmen, Bd/Finance Chair, Bd/Education Chair and Sup't. of Schools) will proceed. In order to keep the project moving forward and to cover necessary costs above and beyond the many hours of volunteer work, it was suggested each member town provide \$5,000. This would enable each town to have a major say on their individual building and would satisfy the Towns and the Board of Education's educational requirements. The Committee felt the final presentation must be acceptable to the people of the three towns.

Jack Boyer questioned if each Town could pay for the improvements and maintenance for its own facility. In this way, if a town wanted something extra, they could have that and pay for it themselves. The Steering Committee is trying to segregate these things, with a cost center for each, before a decision would be made as to who should pay for what.

Another issue is the 30% state funding. The original plan said to renovate to "new." If it is not in the best interest of the three towns and the Region, they are preparing to leave state aid out of the equation. The Town of Kent proceeded in this direction and then went back and obtained funding after.

**Michael Jackson made a motion to approve an ex-budget appropriation of \$5,000 for miscellaneous expenses incurred by the Steering Committee. Jack Boyer seconded. All in favor.**

At the next meeting of the Steering Committee the three towns will meet to insure that equitable quality of education would be provided and that each town would know the cost. It was also suggested that each Town could take on the responsibility of the maintenance of its own facility.

**Judea Water Company:** John Allen and Michael Jackson reported they had met with Ron Black, owner of the Judea Water Company, which is for sale. They felt it should be determined if it would be in the best interest of the townspeople if these assets were controlled by the Town rather than someone else. They suggested the assumptions offered by Mr. Black and his consultant be studied further as it was felt water will become a more precious commodity in the future and it was felt this opportunity would not come again. Concerns were raised over liabilities that could be incurred by the Town, maintenance would be required, billing, meter reading, quarterly testing, etc. It was felt liabilities would be covered through insurance and the purchase could be made with a note against future liabilities. It was agreed to have a consultant determine if there are problems within the system and that estimated future costs would depend on these findings. Valerie Andersen suggested problems could be eliminated first as part of the sale and a utility document could be established, which would be separate from Town. Also, that consultant costs could be applied to the purchase price. **Jack Boyer made a motion to approve an ex-budget appropriation of \$17,000 to determine the state of the water company's assets. Mark Lyon seconded the motion. Motion unanimously passed.**

**Employee Benefits:** A report on current employee benefits was provided to the Board by the secretary. (attached) It was agreed to ask the Selectmen to appoint a 5-7 member committee of local residents and

employees to review all aspects of Town compensation and to gather comparative information from other towns and industry. While the Committee may make recommendations, the Board of Finance would ultimately do the analysis from the information gathered. The Board recognized that some positions may not be comparable from town to town, but felt this was a look forward.

**Capital Fund - Surplus:** The surplus in the Capital Fund was discussed. This surplus has resulted mostly from interest and grants received over several years, as well as funds remaining from prior years' completed projects. It was felt these are excess funds and should be available to spend. An historical report of income will be provided to the Board for review.

**Tax Abatement on Farm Machinery and Equipment:** Selectman Solley reported he had met with the Town's Assessor regarding the potential impact to the Town of a recently enacted statute allowing additional reductions in assessments of farm machinery and an initial reduction on farm buildings. In an effort to preserve open space and to assist farmers, the Open Space Preservation Committee of the Conservation Commission has requested this be presented for consideration. The Town currently offers a reduction of \$100,000 of assessed value of farm machinery if specific criteria are met. This proposal would increase the farm machinery exemption to \$200,000 and would allow a \$100,000 reduction in farm building assessments. It was estimated this might reduce tax revenues to the Town by about \$6,000-8,000 for approximately 16-20 currently registered farmers. First Selectman Sears presented a draft ordinance, noting he would like to present this for consideration at the town meeting scheduled for October 3rd. Opinions differed on whether we would be piling another exemption on what is already a very generous taxation or whether it was a symbolic gesture that would have a minimum fiscal impact but would show that the Town's heart is in the right place. Jack Boyer made a motion that this be presented for consideration at the next town meeting. Craig Schoon seconded the motion. Vote: In favor: Jack Field, Jack Boyer, Craig Schoon, Mark Lyon. Rex Swain abstained. Motion passed.

**CT Coalition for Justice in Education Funding:** Dick reported he had received a request for \$2,500 for membership in this organization. They have endorsed the intent of their legal counsel, the Yale Law School's Education Adequacy Clinic, to file suit on behalf of public school children against the State of Connecticut, arguing that the State has failed to meet its constitutional obligation to provide an adequate education and to ensure equal educational opportunity for all. No motion was made to join.

The meeting was adjourned at 6:50 p.m.

Respectfully submitted,

Kathy Gollow, Secretary