

March 20, 2006

The Middlesex Governing Body held a Special Meeting in the Conference Room of the Town Hall for a workshop to review the proposed 2006-2007 Budget. Mayor Lewis called the meeting to order at 7:30 p.m. Members present were Commissioners Basco Lewis, Luke Robinson, Derek Bissette, Fred Hough, and Harold Meacombs. No guests were present.

Town Administrator Gordon Joyner began by pointing out that a recommended 5% salary increase was included in the proposed budget. His recommendation is supported by several factors, one being the inflation rate is averaging 4%. The first two months of 2006, the rate was 3.5 to 3.99%, so even a 3.5% percent increase would only bring the employees up to the cost of living over last year. Also, he pointed out that last year, no raise was given for cost of living. The increase in pay was to raise employees to where they should be in their pay scale, and also the amounts were adjusted down 5% from the original MAPS study recommendation. He stated the increase was to correct employees being underpaid. He also stated that medical insurance could be a proposed 9% increase over the current rate.

Joyner stated the budget included a 10% property tax increase from \$.55 to \$.65 cents per \$100 valuation (which would generate \$40,000 revenue), but no increase in the water, sewer, and sanitation rates and other miscellaneous fees charged by the town. Also, the budget submitted includes the proposed adjustments in the sanitation department for contracted garbage, if the Board decided to go that route.

Commissioner Bissette stated he was not in favor of a salary increase that would increase water, sewer, or property tax rates. Commissioner Hough said he would not approve a budget with a 5% salary increase and a 10% property tax increase in the same budget.

Mayor Lewis read a report of property tax rates of surrounding towns, and Middlesex is considerably lower. Commissioner Bissette stated that was a good thing because lower tax rates causes Middlesex to be attractive to newcomers and growth.

Administrator Joyner reviewed each department budget and the summary sheet stating what the increase above the 2005-2006 budget represented for each department.

Joyner advised the Board that some of the improvements, and capital outlay could be lowered or postponed, for example, the eight picnic tables (over \$8,000) or the jetter. He stated we could balance the budget without a property tax increase.

The Board asked Joyner to get prices on contracting to clean 10% of the sewer lines as required by the state so they could compare that cost to the cost of the jetter.

Commissioner Lewis said we needed to pave the cemetery driveway up to and around the flagpole. Mayor Lewis asked if Powell Bill Funds could be used. Clerk Lambert advised that Powell Bill Funds must be used only on non-state in town streets.

There was a brief discussion on manpower and how we could utilize the extra 20 man hours if we contracted garbage pickup and how higher percentages of the utility salaries could be shifted to other departments.

The Board agreed they would like time to review the materials and discuss the budget proposals again on Monday night, April 10th, 2006, at the regular scheduled town meeting.

Being no further business, Commissioner Robinson moved to adjourn.

Jennifer Lambert
Clerk

Mayor Lu Harvey Lewis
Commissioners
Harold Meacombs
Fred Hough
Luke Robinson
Derek Bissette
Basco Lewis