

SPECIAL BOARD MEETING of May 29, 2002, with Mayor Buck Trott and Commissioners H. N. James, Amy Patterson, Ron Sanders, Mike Cavender, and Hank Ross present.

Also present were Richard Betz, Lamar Nix, Kim Lewicki, and William Stuart.

I. Call to Order.

The Mayor called the meeting to order at 7:00 p.m. The primary purpose of the meeting was to hear a presentation from the Town Administrator/Budget Officer on the FY 02-03 Budget.

II. Approval of Agenda.

The Clerk requested that one item, adoption of a resolution verifying that the Highlands Fire Department serves as an agency of the Town, be added to the agenda. He also reported that he had asked William Stuart, a representative of Blue Cross Blue Shield, to speak to the Board as part of the budget presentation.

MOVED BY COMM. CAVENDER, SECONDED BY COMM. ROSS, AND UNANIMOUSLY CARRIED TO APPROVE THE AGENDA AS AMENDED.

MOVED BY COMM. CAVENDER, SECONDED BY COMM. ROSS, AND UNANIMOUSLY CARRIED TO ADOPT A RESOLUTION VERIFYING THAT THE HIGHLANDS FIRE DEPARTMENT SERVES AS AN AGENCY OF THE TOWN.

III. Business.

1. The Town Administrator reviewed recent problems with the Municipal Insurance Trust's CIGNA health insurance program, including a projected increase in premiums, reduction of benefits, and very poor provider network. He said that he had asked William Stuart from Met Life to outline a proposal for health insurance coverage under Blue Cross Blue Shield.

Mr. Stuart then provided the Board with a comparison overview of the CIGNA and the Blue Cross Blue Shield plans. The Blue Cross plan included a better selection of doctors in the network and subsequent copay benefits; unlimited lifetime maximum; unlimited wellness program; lower emergency room, outpatient, and hospitalization costs; a comparable prescription copay plan; and vision care not available with CIGNA. The premium would be only 2% to 3% more than the current CIGNA premium, which was scheduled to increase more than 16% the next fiscal year. The program would not cover volunteer fireman, and in fact Mr. Stuart reported that only the M.I.T. program would, but the ten fireman currently covered could be transitioned to COBRA coverage for 18 months. Comm. James agreed that the Town could not stay with CIGNA indefinitely because of the volunteer firemen. Comm. Sanders said he understood several of the firemen were dissatisfied with the CIGNA health program.

MOVED BY COMM. CAVENDER, SECONDED BY COMM. SANDERS, AND UNANIMOUSLY CARRIED TO APPROVE THE BLUE CROSS BLUE SHIELD HEALTH INSURANCE PLAN PROPOSED, EFFECTIVE JULY 1.

Dental insurance was also available, either from Blue Cross or Met Life. Comm. Patterson pointed out that the Town was continuing to pay 100% of the cost of family and employee-spouse coverage, which was a unique benefit; she felt perhaps the Town should consider a cost-share dental plan. The Board agreed to consider dental insurance at a later date when more information was available.

2. In a wide-ranging discussion, the Town Administrator/Budget Officer then presented and fielded questions on the proposed FY 02-03 Budget. The major capital expenditures were the Bob Fisher Water Line reimbursement and design of the Wastewater Treatment Plant; the \$3.9 million cost of construction of the WWTP was scheduled for

FY 03-04, and it was expected that it could be funded from capital reserves. The budget included no tax increase and no increase in fees except for a proposed increase in residential solid waste fees of \$1.00/month. It was agreed that the proposed solid waste increase, local budget requests, and employee salaries and cost of living increase would be addressed when the budget is adopted; setting of the budget hearing was scheduled for the June 5 meeting. The Board also asked the Clerk to provide information on the cost of cardboard collection and the actual cost of utilities at the Performing Arts Center. Comm. Sanders remarked that residents connected to the sewer paid an unfairly high amount on monthly sewer bills when they used water for watering plants and washing cars due to a fee structure which was based on water consumption. Comm. James questioned the legality of such a fee structure.

IV. MOVED BY COMM. CAVENDER AND UNANIMOUSLY CARRIED TO ADJOURN.

There being no further business to come before the Board, the meeting was declared adjourned by the Mayor at 8:30 p.m.

Richard Betz, Town Clerk