

TOWN OF SOMERS
BOARD OF FINANCE
REGULAR MEETING
MONDAY, SEPTEMBER 22, 2008

CALL TO ORDER

Chairman James Persano called the regular meeting to order at 7:00 p.m. Members present were James Persano, George Warner, Tom Mazzoli and Michael Parker; Marilyn Pronovost arrived at 7:15. Also attending First Selectman David Pinney, Selectman Kathleen Devlin, Selectmen Joseph Tolisano, Board of Education member Tim Potrikus, School Business Manager Bill Boutwell, Finance Director Greg Simmons and several members of the community.

BOARD OF EDUCATION UPDATE

Mr. Boutwell provided a handout summarizing the transfers approved by the Board of Education at its meeting of August 25, 2008 totaling \$485,300 from various accounts in the operating budget.

Mr. Warner questioned why the pension funds were over funded. Mr. Boutwell replied this was due to the performance of the plan and a couple of non-certified staff opting out of the plan and receiving a waiver payment.

Chairman Persano questioned the large transfer into substitute teaching. Mr. Boutwell stated there was one teacher out for the full 180 days with a sick bank balance to cover the time.

Chairman Persano stated that accumulated benefit time is creating a large liability on the balance sheet and we should consider caps to help control these obligations.

DISCUSSION –TAX EXEMPTION FOR FARM PROPERTIES

Mr. Pinney provided a summary of the State exemption available through a local option to farmers in Somers. This legislation requires adoption by the legislative body of the Town, which in Somers case is a town meeting. The Selectmen are inclined to call the town meeting and wanted an opportunity to review the option with the Board of Finance. Mr. Pinney stated that the Town's Assessor reviewed the list of farmers eligible to receive the additional exemption and determined the impact to the Town would not be greater than \$14,000.00.

Chairman Persano questioned why this is being brought forward now when the legislation allowing the exemption has been in effect since 2003. Mr. Pinney stated that the selectmen did not take action sooner. Ms. Devlin added that the selectmen did not know the financial impact of this until the Town Assessor provided the list.

Mr. Mazzoli said he does not have a problem with the \$14,000.00 exemption and asked if the selectmen were going to call a town meeting. Mr. Pinney replied yes.

Mr. Pinney brought up the fact that another exemption is available for volunteers with the impact to Somers being \$1,000.00. Several members of the board of finance indicated they would support that initiative.

Mr. Parker stated that his problem is with the process, not the exemption. The Board of Finance adopts a budget that includes anticipated tax revenue and then they learn about an exemption that will affect that revenue after the fact. Ms. Devlin agreed with Mr. Parker and thinks we should include the process change as part of a long-range plan. Mr. Pinney pointed out that this exemption would not impact the taxes received in the current budget.

Mr. Warner stated that this exemption is only for \$14,000.00, however, a while ago the Selectmen passed an ordinance exempting the Housing Pilot for more money. The anticipated State aid is decreasing due to lower slot machine revenue and lower income tax revenue, which will mean less revenue to the Town in the next year's budget.

Chairman Persano called on resident Lorraine Wetherell who stated that for every \$1.00 a farmer pays, the cost to the Town is .50 cents or less, due to the farm land not being developed into housing. Ms. Wetherell said that it is tempting to sell farm property for development since it's very difficult to make money farming and it is in the best interest of the Town to keep the open space that farming provides.

MINUTES APPROVAL

Mr. Warner, seconded by Mr. Mazzoli, made a motion to approve the minutes of the August 25, 2008 meeting. The motion carried.

CORRESPONDENCE

There was no correspondence.

BILLS TRANSFERS AND APPROPRIATIONS

Mr. Mazzoli, seconded by Ms. Pronovost, made a motion to accept the four transfers. The motion carried.

OTHER

There were no items under other.

ADJOURNMENT

A motion to adjourn the meeting at 7:45 p.m. was made by James Persano and seconded by Mike Parker; the motion carried by unanimous vote.

Respectfully submitted,

Gregory Simmons, Recording Secretary

MINUTES ARE NOT OFFICIAL UNTIL APPROVAL AT A SUBSEQUENT MEETING