

TOWN OF SOMERS  
BOARD OF FINANCE  
REGULAR MEETING  
MONDAY, MARCH 23, 2009

**I. CALL TO ORDER**

Chairman James Persano called the regular meeting to order, at 7:03pm. Members present were George Warner, Michael Parker, Steve Krasinski and James Persano. Marilyn Pronovost joined the meeting at 7:12pm. Also present were School Business Manager Bill Boutwell, Selectmen David Pinney and Finance Director Greg Simmons.

**II. BOARD OF EDUCATION UP DATE**

There was no update from the Board of Education.

**III. BOARD OF SELECTMEN UPDATE**

Mr. Pinney summarized the results of the Town's web site survey, which was voluntary and not fully scientific. There were 288 respondents, 9% of households, more with kids in the household with one or more adults employed and income that is higher than average town-wide. Of the respondents, 40% indicated that their income was the same or better than the prior year. Mr. Pinney cautioned the Board that this is not reflective of the town as a whole. Mr. Warner questioned if the survey was available in hard copy as well as the internet. Mr. Pinney replied that it was available at several locations including the Senior Center and Town Hall and that most of the respondents were from the internet. Mr. Pinney then provided a hand out to the Board that summarized the findings of the survey.

The Board unanimously decided to revise the order of the agenda and move item IV Budget Review and Discussion after item VII Bill, Transfers and Appropriations.

**IV. MINUTES APPROVAL**

Mr. Simmons advised the Board that the minutes for March 16, 2009 were not available for this meeting and will be approved at a subsequent meeting.

A motion was made by Mr. Parker, seconded by Mr. Warner to accept the minutes of the regular meeting of February 23, 2009. The motion carried.

**V. CORRESPONDENCE**

There was no correspondence.

## **VI. BILL TRANSFERS AND APPROPRIATIONS**

A motion was made by Mr. Krasinski, seconded by Mr. Warner to approve the three transfers summarized below. The motion carried.

### **3/23/2009 #27**

Treasurer	Fund Balance	Health Officer Sal.	\$ 2,801.00	Prior year payment to Dr. Segool was not processed, amount returned to fund balance at Y/E.
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### **3/23/2009 #28**

Selectmen	Health Insurance	Capital Bldg. Maint.	\$ 2,500.00	Cover unexpected capital building maintenance expenses.
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### **3/23/2009 #29**

Tax Department	Tax Coll. Services	Postage	\$ 500.00	Increase postage in May, this will cover bills for July 1st due date.
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## **VII. BUDGET REVIEW AND DISCUSSION**

Chairman Persano asked the Board to summarize their views on the budget. Mr. Krasinski replied that a .35 mil increase is too high and needs to be lower and CIP should be reduced. Chairman Persano agreed and added that if we use the \$130,000 of CIP reserves to maintain the \$517,000 we won't get too low with CIP.

Mr. Krasinski asked Mr. Pinney why the Town needs a new phone system. Mr. Pinney replied we can live with the phone system we have but it would be more efficient with a new system that would allow us to transfer calls to another person in town or to a voice mail box. If we use voice over internet protocol (a modern phone system), to other buildings we will be able to reduce the number of lines and the monthly phone bill, which is approximately \$1,800/month. Chairman Persano questioned how many phone lines we currently have. Mr. Pinney replied about 60, we are getting by now but with a problem such as a lightning strike, we would have a hard time finding parts to replace the current system. The plan is to coordinate this with the Library expansion, which will also need a new system.

Mr. Warner asked if the intersection of 9<sup>th</sup> District Road included in the budget request. Mr. Pinney replied that the funding for that project was already appropriated in a previous year for \$450,000.

Mr. Parker stated that as long as we are holding the Town and Board of Education to level funding over the current year, which may result in teacher lay-offs, he is not inclined to raise the mil rate and thinks we should hold the CIP funding to cover obligated leases only. He added his concern that if the recession continues, what are we going to do next year or the year after? He would prefer that the Board of Education and the teachers come to an agreement. Chairman

Persano questioned if Mr. Parker means taking the CIP funding down to \$234,000 with a zero mil increase? Mr. Parker replied that he is concerned with the figures for State grant revenue in the proposed budget becoming a reality. Mr. Pinney added that he too is concerned with relying on the Governor's proposed budget figures. We are already reduced more than many towns due to having a prison in town, however, the legislature could make modifications across the board that would not take that into consideration and further erode our grant funding. Mr. Krasinski said we should reduce the CIP to \$440,000. Mr. Parker stated we should freeze the CIP at the lease level and can always do a mid year appropriation to restore the money if the funds are received from the State.

Mr. Persano stated that a .35 mil increase is too high and suggested .15 to .25 would be better. We can always reduce the increase to zero if the budget fails. He also indicated that the survey results indicate people will accept a small tax increase.

Mr. Krasinski stated we should have a .25 mil increase, CIP should be down somewhere around \$400,000 and we can add back or keep out depending on what happens with grants.

Mr. Persano said we have worked so hard to get the buildings and roads into good shape and it would be a shame to let them deteriorate now.

Mr. Warner stated if we increase the mil rate by .20 and take the difference out of CIP it would leave us with enough to proceed with most projects.

Mr. Warner questioned the building permits revenue projection of \$125,000. Mr. Pinney replied that we have seen some increased activity and will be evaluating the fees that we charge which will help off-set the overall decrease from the current year.

Mr. Warner asked if the interest is realistic at \$250,000. Mr. Simmons replied this is somewhat optimistic and is trying not to chase the revenue estimate down but use a bell curve for estimating interest income.

## **VIII. OTHER**

Town resident Pete Calcasola requested to be heard, the Board agreed. Mr. Calcasola commended the Board for the looking at areas that could be cut, and questioned why there seems to be reluctance on the part of the Board to increase the mil rate. He also questioned what has been the largest mil increase in one year. Mr. Persano said under the old revaluation we had a 1 mil increase, under the new revaluation we have not had higher than .50. Mr. Persano indicated the job of the Board of Finance is to pass a budget without hurting the services being provided and in these tough economic times, the voters will only approve a small increase.

Mr. Calcasola asked if there are a certain number of times the budget could be voted down. Mr. Persano said if the budget were continuously voted down, we would revert to the existing budget in time to get tax bills printed and mailed to residents. We would need to do this to keep the cash flow going to support all town services.

Mr. Calcasola summarized his comments by stating that a 1 mil increase would increase the average house in town by \$200 a year, which is \$4 a week, and he feels it's short sighted to be concerned with a \$4 per week increase in taxes for most people. He feels the Town is losing an opportunity to get a big enough increase this year.

Mr. Parker replied that the Board's process is a balancing act. They are trying not to drive anyone out of town or sacrifice services and that he appreciated Mr. Calcasola's comments.

Discussion on the mil rate impact and the funds available for the Board of Education continued informally with the other members of the public that were present for the meeting.

The Board of Finance requested a special meeting to further deliberate on the budget to be scheduled for Monday, April 6, 2009 at 7:00 pm.

## **IX. ADJOURNMENT**

Mr. Krasinsky made a motion to adjourn the meeting at 8:20 pm., Mr. Warner seconded the motion. The motion carried.

Respectfully Submitted,

Greg Simmons, recording secretary

MINUTES ARE NOT OFFICIAL UNTIL APPROVAL AT A SUBSEQUENT MEETING