

TOWN OF SOMERS
BOARD OF FINANCE
SPECIAL MEETING
MONDAY, JANUARY 4, 2010

I. CALL TO ORDER

The special meeting was called to order by Chairman James Persano, at 7:05pm. Members present were James Persano, George Warner, Michael Parker, Tom Mazzoli, and Steve Krasinski. Also present were Selectmen Lisa Pellegrini and Kathy Devlin, Board of Education representative Tim Potrikus, and Finance Director Greg Simmons.

II. BOARD OF SELECTMEN UPDATE

Selectman Pellegrini discussed the status of the remediation activity at the Kibbe Fuller building. There was a mold issue in the basement in need of corrective action. The causes of the problem have been identified and remedied. The building will be closed on January 15th to allow for clean up and will reopen in the spring.

New valves were installed on the radiators at a cost of \$2,600. This will result in significant fuel savings. A new \$10,000 furnace will be installed this week that was previously encumbered. Ms. Pellegrini listed the various corrective actions that will be taken to include roof repair over the boiler room door and repair of the gutters. There is also a problem with the flowerbeds around the building that encourage seepage of water through the block foundation. The most costly expense will be for mold remediation. One quote for \$13,000 has been received and clarification on other submitted quotes is being sought. The costs and savings for winterizing the building are being investigated. Those who use the building have been notified and will be accommodated.

Piedmont Hall has also had a heating system issue and that building is now closed. The heating system representative believes there may be a crack in the line. A resulting environmental problem is not anticipated, but this cannot be determined until spring when the line can be dug up. The system has been closed down at a cost of \$628 for troubleshooting the problem, draining the pipes and repair of a leaking valve.

The BOS has decided that Somers needs two ambulances and agree that a new one should be purchased in the next budget year. Ambulance 546 has been out of use for repairs since the last BOF meeting. A transfer of \$10,000 for the repairs has been authorized and the ambulance should be back in service at the end of the week. Ms. Pellegrini explained the rationale for deciding to purchase a new ambulance. Purchase of the ambulance has been budgeted at \$165,000 in the 5-year plan. However, the new emissions requirements will add \$40,000 to this cost. The BOS had not investigated comparable costs for hiring an outside provider for ambulance service. However, the Fire Chief offered that his department had looked into this. He said that it would cost about \$265,000 per year to hire AMR as an outside firm. The firm would not be solely dedicated to Somers and the Town would not receive any ambulance fees from the service. The Town receives about \$105,000 per year in ambulance fees now, therefore the total cost for the service would be about \$365,000.

The purpose of the Ambulance Fund was questioned. Mr. Krasinski explained that this fund is part of the General Fund and covers expenses of the Fire and Ambulance Departments. The BOF cautioned that the consequence of giving high priority to purchase of a costly ambulance could be

future layoffs. Mr. Persano pointed out that the recommendation for the purchase must be made by CIP. Mr. Mazzoli reiterated that CIP does not have the money.

Mr. Simmons explained that the CIP budget is frozen with leases. For CIP to keep its level funded budget from last year there will be \$100,000 in the account, which includes two items coming off.

Ms. Pellegrini notified the BOF that the Town was recently assessed a new storm water fine of \$11,400 by the DEP. This fine is for failure to monitor storm water discharge at the Transfer Station and Public Works building during 2003 to 2008 in violation of the Industrial Storm Water general permit. Testing has been done since November 2009 and the Town is now in compliance. Ms. Pellegrini attempted to negotiate with the DEP to lower this fine. The DEP agreed that in lieu of the fine the Town may institute an environmental program for the same \$11,400 amount, but refused to reduce the amount. The Town's proposal for the program must be submitted by January 17th.

There had also been a \$500 fine received on June 2009 for failure to test discharge to the storm sewer system from 2004 to 2007.

The Town had successfully negotiated this fine down by 60%. Unfortunately after reducing the fine no efforts were made to correct the compliance problem. This factored in to the DEP's refusal to lower the amount of the most recent fine. However, a report will be submitted by February 1st as required, so the Town will not be assessed another fine on this issue.

MIRMA, the Town's worker's compensation carrier will be assessing a fee of \$250,000 against the Town. Ms. Pellegrini will be meeting with the President of MIRMA and the insurance agent on Monday, January 11th. At this time Ms. Pellegrini believes the Town should refuse to pay the assessment. She hopes to bring the issue before the State Legislature.

Former 1st Selectman, David Pinney offered some clarification stating that MIRMA and CIRMA are the only Connecticut carriers for worker's comp for municipal employees. According to the Insurance Department, MIRMA needs to raise their capital reserves to cover their liability. He explained that as members of the MIRMA risk pool the Towns are responsible for the liabilities that the company has. Mr. Pinney said that he believes the Town should stay with MIRMA and pay the assessment rather than going with their competitor and paying \$40,000 more per year.

Ms. Pellegrini said she would e-mail the BOF members with the results of her meeting next week.

Ms. Pellegrini discussed the unauthorized trade of the Town's 12-foot snowplow for a 10-foot plow. She said that a Town policy regarding fixed assets has been formulated and distributed to the Town staff to prevent this happening in the future. After investigating the issue with many people, Ms. Pellegrini has decided not to require the return of the equipment and will allow the deal to stand. She said DPW foreman, Todd Rolland, who is responsible for the plowing would prefer the 10-foot plow. Mr. Rolland had obtained the authorization of DPW director Bob Cafarelli before trading the plow. Mr. Cafarelli is not authorized to make contract obligations for the Town. Ms. Pellegrini was assured by both Mr. Rolland and DPW mechanic Dave Mikulski that the Town's roads could be plowed effectively with the 10-foot plow. Everett Morrill, of Mountain View Road, explained that he was on the CIP Committee when the 12-foot plow was purchased. This plow was bought to attach to the pay loader to clean the schools in case of a major snowstorm. It has a \$1,000 carbide blade and can also attach to a truck.

Ron Trevena spoke regarding the plow. He said that he feels the people making the decisions don't know what they are talking about. He said that before the newly acquired 10-foot plow can be used the Town would need to pay \$1500 to replace the blade. He added that the 10-foot blade couldn't be used on the pay loader because the wheel span of that vehicle is wider than 10-feet. He said that other Town equipment has also been taken and that this happens when a manger is on vacation or off for a funeral.

A motion was made by Mr. Krasinski to recommend that the Selectmen get the 12-foot plow returned and to reprimand the foreman for making an illegal deal.

Ms. Pellegrini said that she could not agree to that. However, the BOS agreed to revisit this issue at their next meeting to decide if additional or alternative actions will be taken.

Mr. Parker felt that the motion overstepped the jurisdiction of the BOF. *He moved to amend the motion to recommend to the BOS that they publish a meeting and reconsider this issue at that meeting. Mr. Krasinski agreed to amend the motion; Mr. Mazzoli seconded and the motion was passed by unanimous vote.*

Ms. Pellegrini has learned that the Town can postpone revaluation, however she said it may not help the Town because the revaluation has already been paid for and in two years an update would need to be done at additional expense. The possibility of having the Town's Assessor do the update was discussed. Mr. Simmons explained that the Town has a \$120,000 contract with Vision, who has nearly completed the revaluation. He said that to do the update in two years the Assessors office would need more staff. However, he suggested that the reval could be phased in over 2 to 5 years.

Ms. Pellegrini notified the BOF that she has turned in the Town vehicle she had been issued and will not be taking additional compensation for this. The vehicle is now available to Town staff and should save the Town in mileage expenses. The necessity for the other Town vehicles will be reviewed.

Ms. Pellegrini said that a new sand policy has been instituted. Town residents may continue to obtain sand for their driveways. However, contractors will no longer be able to obtain free sand from the Town.

Ms. Pellegrini asked for feed back from the BOF regarding the State's anticipated cuts to municipal aid. She reiterated that the Town budget has been frozen since November 25th. The BOF expressed their frustration with the State's negotiations and said that the Town must protect itself by planning ahead as is being done.

III. BOARD OF EDUCATION UP DATE

Mr. Potrikus said that the State has not yet informed the BOE of the amount they will receive for the ECS grant, however further reductions are anticipated.

Mr. Potrikus asked that the BOF please change their meeting dates back to the 4th Monday of each month to accommodate communication between the Boards. The BOF agreed to make the change at the next regular meeting.

Mr. Potrikus said the BOE is very concerned about the lack of funding for student's computers and will be looking for direction from the BOF to consider computer replacement. The BOE

believes that the future educational process will be more focused on electronic delivery of information and therefore would like to have computers included as part of their operating budget (like textbooks) rather than the capital budget of the Town. Continuous update of the electronics had cost about \$60,000 in the past but the BOE would like to increase this amount. The schools did not receive funding for the current year's update.

IV. CIP COMMITTEE MEMBERS

The following members were selected:

Tom Mazzoli	BOF
Lisa Pellegrini	BOS
Tim Potrikus	BOE
Greg Simmons	Finance Director
Joan Formeister	Superintendent of Schools Representative
Ed Pagani	Fire Commission
Brad Pellissier	Land Use
Bob Cafarelli	DPW
James MacFeat	School Employee

A motion was made by Mr. Mazzoli, seconded by Mr. Warner and unanimously voted to accept the members as selected for the CIP.

Ms. Pellegrini said that she needs a BOF representative for special projects. Mr. Parker volunteered for the position.

The previous motion was amended to include Mr. Parker.

V. BUDGET PRELIMINARY DISCUSSION/GUIDANCE

A motion was made by Mr. Mazzoli; seconded by Mr. Krasinski and unanimously voted to recommend to all Boards and Commissions that they go with a level funded budget.

VI. CORRESPONDENCE – There was none

VII. BILLS, TRANSFERS AND APPROPRIATIONS

A motion was made by Mr. Parker; seconded by Mr. Mazzoli and unanimously voted to approve the following transfers and appropriations:

Transfers:

Dept.	From	To	Amount
<i>Selectmen</i>	<i>Misc. State Grant Rev.</i>	<i>CCM Grant Expense</i>	<i>\$10,800.00</i>
	<i>Legal</i>	<i>Planning Legal</i>	<i>4,000.00</i>
<i>Fire</i>	<i>Printing & Supplies</i>	<i>Personal Protective Gear</i>	<i>800.00</i>
	<i>Equipment Maintenance</i>	<i>Personal Protective Gear</i>	<i>800.00</i>
	<i>Foam</i>	<i>Building Maintenance</i>	<i>1,000.00</i>
	<i>Equipment Replacement</i>	<i>Personal Protective Gear</i>	<i>400.00</i>
	<i>Laundry</i>	<i>Personal Protective Gear</i>	<i>500.00</i>

<i>Fire/Ambulance</i>	<i>Ambulance Special Rev. Fund</i>	<i>Vehicle Maintenance</i>	<i>10,000.00</i>
<i>Appropriations;</i>			
<i>Police</i>		<i>Equipment & Supplies</i>	<i>9,100.00</i>
<i>BOF</i>		<i>Auditing</i>	<i>2,500.00</i>
<i>Selectmen</i>		<i>CCM Grant Vo-Ag</i>	<i>2,500.00</i>

VIII. OTHER

Clarification on the purpose of the Ambulance Fund was sought by a Somers citizen. Mr. Krasinski explained that the money is part of the General fund and is used to defer the overall cost of the Fire Department. The money is identified as an Ambulance Fund because that is how it is collected.

Regarding the level funded budget, Mr. Potrikus said that the BOE would be concerned about upholding payroll and benefit obligations and still providing services at the same level.

Mr. Persona recognized the students from the Civics class who were in attendance at this meeting.

IX. ADJOURNMENT

A motion was made by Mr. Persano; seconded by Mr. Parker and unanimously voted to adjourn the January 4, 2010 special meeting of the Board of Finance at 8:19 pm.

Respectfully submitted,

Jeanne Reed, Recording Secretary

MINUTES ARE NOT OFFICIAL UNTIL APPROVAL AT A SUBSEQUENT MEETING.