

**TOWN OF SOMERS
BOARD OF FINANCE
P.O. BOX 308
SOMERS, CT 06071**

**BOARD OF FINANCE MINUTES
SPECIAL MEETING
APRIL 6, 2010
TOWN HALL CONFERENCE ROOM– 6:00 pm**

I. CALL TO ORDER:

Chairman, James Persano called the regular meeting of the Board of Finance to order at 5:59 pm. Members George Warner, Thomas Mazzoli, Michael Parker, Steve Krasinski and Marilyn Pronovost were present and constituted a quorum. Also present were First Selectman, Lisa Pellegrini, Finance Consultant, Linda Savitsky, and Superintendent of Schools, Dr. Maynard Suffredini.

II. FY 2011 BUDGET DISCUSSION AND FINALIZATION:

Ms. Savitsky distributed copies of the Town's revised Revenue Projections for 1010-2011. She pointed out the following items which she recommends adjusting in the current political and economic environments.

- Interest Income - reduce by \$75,000.00
- State Grants - reduce by 5% based upon expected cutback from the State
- Taxes and Fees - increase of \$1,174,357 based upon newest information received from the Assessor's Office.

Discussion focused on the Grand List and growth in projected taxes. Ms. Savitsky stated that calculations on the Grand List utilized the 22.11 mill rate. She added that growth can be broken down as follows: 90% due to revaluations, 4% increase from personal property, 5.8% increase from motor vehicles.

Mr. Persano questioned whether the List had been adjusted for real growth. Ms. Savitsky responded her figures do not reflect real growth. She will follow up with the Assessor, make appropriate adjustments and bring that information back to Board members.

Mr. Persano moved the discussion to CIP and the Town's present lease obligations; which stand at approximately \$96,000.

Mr. Persano restated the following current Budget figures for expenses and income.

Expenses		Income	
Board of Education	\$19,326,117	State Grants (5% reduction)	\$9,253,990
Board of Selectmen	\$6,094,607	Income (Int. rate reduction)	\$927,885
Debt Service	\$2,768,870	Ambulance Fund	\$105,000
Total:	<u>\$28,189,594</u>	Total:	<u>\$10,286,875</u>

He summarized by stating this leaves the Town with a shortfall and needing the deficit of \$17,902,719 as income to come from taxes. Ms. Savitsky offered the new assessment (not adjusted for real growth) of \$819,062,242. Mr. Persano noted that \$16,821,051 represent taxes from last year. Therefore the proposed budget is short approximately \$1.1 million. He re-addressed the 2 individual Budgets – BOE with a 3% increase and BOS with no increase.

Mr. Persano and Mr. Warner informed the group of the state of the Surplus Fund – currently \$28 million, representing an approximate 14% surplus. Mr. Persano questioned Board members for their thoughts on how much to take from Surplus.

Members looked closer at the Board of Education budget with its 3% increase. Mr. Warner reminded the group that the Board of Ed had been asked to deliver a budget with 0% increase. Mr. Krasinski asked Dr. Suffredini to address the increased Insurance cost and salaries; which represent the largest portion of the BOE budget.

Dr. Suffredini stated the Insurance cost increased by 9.7%. As to salaries, he reminded members that last year, the Town lost 10 teachers. In the BOE current proposed budget there is no salary increase for Administrative personnel. The BOE is currently to ratify contracts for the secretaries and para-professionals. Negotiations with the Teachers' union are scheduled for late September of this year.

Discussion returned to the use of the Surplus Fund. Mr. Persano recommended taking 2.5% (\$700,000) from Surplus, combined with a 0.50 Mill Rate increase to meeting the \$1.1 million shortfall. He added that Town Residents would need to approve this at the Referendum Meeting; otherwise the Board of Finance would be cutting the budget.

The group determined that more information was needed from Ms. Savitsky from the Assessor's Office and scheduled a Special Meeting of the Board of Finance on Monday, April 12th at 7:00 pm.

III. ADJOURNMENT:

A motion was made by Mr. Mazzoli to adjourn; seconded by Mr. Persano, and unanimously voted to adjourn the April 6, 2010 Special Meeting of the Board of Finance at 7:22 pm.

Respectfully submitted,

Kimberly E. Dombek, Recording Secretary

MINUTES ARE NOT OFFICIAL UNTIL APPROVAL AT A SUBSEQUENT MEETING.