

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

**BOARD OF FINANCE MINUTES
SPECIAL MEETING
APRIL 12, 2010
TOWN HALL CONFERENCE ROOM – 7:00 pm**

I. CALL TO ORDER:

Chairman, James Persano called the regular meeting of the Board of Finance to order at 7:01 pm. Members George Warner, Thomas Mazzoli, Michael Parker, Steve Krasinski and Marilyn Pronovost were present and constituted a quorum. Also present were Finance Consultant, Linda Savitsky, and Bill Boutwell and Tim Potrikus, from the Board of Education.

II. FY 2011 BUDGET DISCUSSION AND POSSIBLE VOTE/ACTION TO FINALIZE BUDGET:

Ms. Savitsky distributed copies of the Town's revised Revenue Projections for 2010-2011 adjusted as requested from the BOF 4/6/10 Meeting. Specific adjustments included: Interest income reduced by \$50,000, and State Grants reduced by 5% (\$133,790).

Ms. Savitsky also distributed copies of Proposed Mill Rate Options. The report depicted 4 Mill Rate scenarios and the corresponding Fund Balances. The scenarios:

- Increase Mill Rate by .5 to 21.12
- Increase Mill Rate by .75 to 21.37
- Increase Mill Rate by 1.0 to 21.62
- Maintain current Mill Rate of 22.11

Mr. Persano felt that an increase of 1.0 to the Mill Rate would be too much to ask of taxpayers. He restated the first scenario of an increase of .5 which would also utilize \$733,558 from the Fund Balance in order to balance the budget and asked Board members for their comments.

Mr. Warner mentioned his concern of using \$733,558 from Fund Balance this year and his expectation of needing the same amount, if not greater next year. Mr. Warner reviewed his own scenario for balancing the budget as follows: increase the Mill Rate by .6; reduce the budget by \$125,000, thus using only \$452,000 from Surplus. He proposed that the Board of Education absorb the \$125,000 budget cut.

Mr. Parker said he was comfortable with the .5 Mill Rate increase and use of \$733,558 Surplus as an emergency measure in the current economy.

Mr. Mazzoli also agreed with the .5 Mill Rate increase corresponding use of Surplus. He was opposed to additional Board of Education budget cuts.

Mr. Krasinski asked about a Highway Department position that had been eliminated, therefore the salary amount should have been reduced. It was determined that those funds were appropriated for a Mowing

RFP. Mr. Krasinski then focused on CIP. He recommended that the 4 departments (Selectmen, Education, Fire/Ambulance, Public Works) review their proposed needs and create separate lists of 4 priorities for each area.

Mr. Parker recommended increasing CIP by \$200,000; and allocating the funds as necessary on an item by item case.

Mr. Persano said that the Town has a responsibility to taxpayers to fund CIP beyond its contractual leases. He felt that Capital Improvement needs, in some form, are to be expected during the year and should be built into the budget. He also added that as emergency items are identified, they would need to be reviewed by the Board of Finance and then referred to a Town Meeting for vote.

Mr. Persano returned to the issue of the Mill Rate and asked Board members which scenario they would propose. Each member agreed to the need to increase the Mill Rate by .5. Messrs. Warner and Krasinski additionally expressed opposition to increasing CIP funding by \$200,000.

Mr. Persano then asked for a motion to recommend an increase in the Mill Rate by .5; take \$933,558 from Surplus (\$200,000 to be added to CIP), in order to balance the budget.

A motion was made by Mr. Parker to recommend an increase in the Mill Rate by .5; take \$933,558 from Surplus (\$200,000 to be added to CIP); and seconded by Ms. Pronovost. In the vote that followed, 4 members voted for the motion, 2 members voted against the motion. The motion was passed.

III. ADJOURNMENT:

A motion was made by Mr. Parker to adjourn; seconded by Mr. Persano, and unanimously voted to adjourn the April 12, 2010 Special Meeting of the Board of Finance at 8:13 pm.

Respectfully submitted,

Kimberly E. Dombek, Recording Secretary

MINUTES ARE NOT OFFICIAL UNTIL APPROVAL AT A SUBSEQUENT MEETING.