

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

**BOARD OF FINANCE MINUTES
REGULAR MEETING
JANUARY 24, 2011
TOWN HALL CONFERENCE ROOM – 7:00 pm**

I. CALL TO ORDER:

Chairman, Jim Persano called the regular meeting of the Board of Finance to order at 7:09 pm. Members: Thomas Mazzoli, Michael Parker, and George Warner were present and constituted a quorum. Also present First Selectman, Lisa Pellegrini, Kathy Devlin, of the Board of Selectmen, and Town CFO, Kim Marcotte. Dr. Maynard Suffredini, Superintendent of Schools, and Bill Boutwell and John Taylor from the Board of Education were also in attendance.

II. BOARD OF EDUCATION UPDATE:

Mr. Persano asked Dr. Suffredini and Mr. Boutwell if they had an update for the BOF. Dr. Suffredini stated they were in the process of compiling the BOE budget, and have frozen all line items with the following exceptions:

- Health insurance costs are expected to increase 20-25%; an approximate \$500,000 increase;
- Salaries employees' wages are anticipated to be a \$50,000 - \$60,000 increase; although Teachers salaries will not increase next year.
- Utilities are expected to increase, no approximate figure given.

Dr. Suffredini summarized the increases as an approximate 3-5% increase in the overall budget. He stated he is unsure of any impact on ACS funding at this time. He added that he is looking for guidelines from the BOF regarding the BOE's budget.

Mr. Persano questioned the 3-5% increase, calculating that to be \$686,000; to which Dr. Suffredini agreed.

Dr. Suffredini stated he has asked for cost projection on Health Insurance from their carrier. Specifically a projection with an increase in co-pays, and the possible elimination of 1 plan. He hopes to see some savings with a unified plan.

III. SELECTMAN UPDATE:

First Selectman, Lisa Pellegrini distributed copies of her memo, dated 1/24/11. Topics of discussion included:

- **ECS Funding.** Ms. Pellegrini stated federal stimulus funds will be going away, which represents 14% of the Town's ECS funding (\$844,382). She added that rollover funding for teacher salaries may also impact ECS funding for next year. Dr. Suffredini stated there is a carry-over of approximately \$180,000-\$190,000.
- **PILOT Funding.** Ms. Pellegrini stated she expects to see cuts of anywhere from 14 to 18% (\$190,000 - \$250,000)
- **TAR Funding.** Ms. Pellegrini expects several cuts, but will not know until Gov. Malloy presents his budget which is due February 16, 2011.

- **Town Budget.** Ms. Pellegrini stated they are doing a zero based budget and will be meeting with all departments in the beginning of February. She pointed out a significant 25% Health Insurance increase, approximately \$100,000.

Ms. Pellegrini informed the BOF that the Town has had unexpected repair bills for buildings and vehicles, and requested \$7,000.00 from CIP for: replacement of a cracked furnace at the Senior Center, and burner replacement of the Fire Department furnace. Additionally the newer ambulance needed repairs.

- **Hartford Foundation Grant.** Ms. Pellegrini stated this \$70,000 Grant from the Hartford Foundation of Public Giving was received in December 2010, should have been received in 2008 and 2009. It funds the Senior Center Director's salary, and she plans on re-applying.

IV. FY 2010 AUDIT DISTRIBUTION:

Ms. Marcotte distributed copies of the FY 2010 Audit Report to members.

V. AMUBLANCE FINANCING OPTIONS:

Ms. Marcotte distributed copies of the Ambulance Financing options. She informed members that delivery will be in April and she needs to secure financing. Ms. Marcotte reminded members they had previously approved \$41,000 from CIP for the ambulance.

Mr. Parker recommended spreading payments over 5 years. Mr. Persano agreed. Ms. Marcotte asked if members wanted to use the \$41,000 toward the first year. Mr. Persano responded no; members concurred.

A motion was made by Mr. Mazzoli to approve the 5 year, annual payment option lease to purchase the new ambulance; seconded by Mr. Parker, and then unanimously voted as approved by members.

VI. CAPITAL PROJECTS COMMITTEE:

Ms. Marcotte distributed copies of a document reviewing the prospective make-up of CIP Committee for budget year 2011/2012.

Mr. Mazzoli questioned its purpose, as there are no funds. He recommended that emergency CIP requests be made on an individual basis directly to the BOF. Mr. Warner stated the need to budget for leases. Mr. Persano agreed with both gentlemen. He added that the BOF is not looking to dissolve the Committee, but at this time, no action is to be taken.

VII. REVENUE/EXPENDITURE 5 YEAR PROJECTION:

Ms. Marcotte distributed copies of 5 Year Projection for Revenues and Expenditures. Mr. Persano said discussion would be pre-mature; the BOF doesn't have enough information, without the State Budget, due 2/16/11. Mr. Mazzoli agreed, stating the BOF could review the 5 Year Plan at the February BOF meeting. Members agreed.

VIII. MINUTES APPROVAL (11/22/10 and 12/15/10):

Mr. Persano asked members for comments or corrections on 11/22/10 BOF Minutes. Ms. Pellegrini pointed out that on Page 2, Section III, the 2nd paragraph under "Projects – roof repair on the State Building", should be stricken from the Minutes.

A motion was made by Mr. Parker to approve the 11/22/10 Minutes as amended; seconded by Mr. Mazzoli, and then unanimously voted as approved by the members.

Mr. Persano asked members for comments or corrections on 12/15/10 BOF Minutes. None were brought forth.

A motion was made by Mr. Parker to approve the 11/22/10 Minutes as written; seconded by Mr. Mazzoli, and then unanimously voted as approved by the members.

IX. BILLS, TRANSFERS and APPROPRIATIONS:

Ms. Marcotte presented the following transfers and appropriations:

Transfer/ Appropriation	Dept.	Amount	From Account	To Account	Explanation
Transfer	Transfer Station	\$4,500.00	Tipping Fees	Maint/Operations MSW	Repairs on Transfer Station Loader
Appropriation	Civil Preparedness	\$2,440.00	Misc. State Grant	Civil Preparedness	Communic. equipment & related materials
Transfer	Police	\$1,250.00	Equip & Supplies	Uniform Maintenance	Bullet proof vest & new uniforms.
Transfer	Police	\$500.00	Equip & Supplies	Vehicle Maintenance	Cruiser repairs
Appropriation	Fire	\$6,000.00	Other Revenue	New Equipment	Gear rack, rescue struts & air bags
Appropriation	Senior Bus	\$20,446.00	Misc. State Grant	<ul style="list-style-type: none">• Senior Bus drivers• Senior Bus expenses• Vehicle Maintenance• Vehicle Fuel• Human Svcs Director• Social Security	Operation of Town Senior Bus Services
Transfer	Public Works	\$6,142.00	<ul style="list-style-type: none">• WPCA Water Recoup• Memorial Day expenses• Other	Technology – software	Purchase of Auto CAD Civil 3D 2011 stand alone license for Town Engineer & Land Use departments.
Transfer	Parks	\$1,700.00	Field Marking	Heat	Propane heaters added at Parks Dept.
Transfer	Selectmen	\$4,500.00	Highway Salaries	Land & Building Services	Professional services related to Planning & Zoning applications.
Transfer	Selectmen	\$12,000.00	Contingency	Unemployment	Federal extension of unemployment benefits
Transfer	Selectmen	\$4,500.00	Capital Building Management	Kibbe-Fuller Maintenance	Repairs.
Transfer	Parks	\$6,000.00	Fertilizer	<ul style="list-style-type: none">• Equipment• Equip. Repairs• Supplies)	Purchase of a trailer to transport Parks equipment & increase cost of repairs & supplies.
Transfer	Fire	\$500.00	Heat	Food & Related	Propane

Mr. Warner asked whether a Town Meeting would need to be held regarding the Senior Bus Grant appropriation. Mr. Persano said it would be necessary.

A motion was made by Mr. Parker to accept the above listed transfers and appropriations, and recommended a Public Hearing be scheduled for the Senior Bus Grant; seconded by Mr. Warner, and then unanimously voted as approved by the members.

X. CORRESPONDENCE:

None.

XI. OTHER:

None.

XII. ADJOURNMENT:

A motion was made by Mr. Parker to adjourn the January 24, 2011, Board of Finance Regular meeting at 8:15 pm; seconded by Mr. Mazzoli, and unanimously voted as approved.

Respectfully submitted,

Kimberly E. Dombek, Recording Secretary

MINUTES ARE NOT OFFICIAL UNTIL APPROVAL AT A SUBSEQUENT MEETING.