

TOWN OF SOMERS
BOARD OF FINANCE
REGULAR MEETING MINUTES
MONDAY, OCTOBER 24, 2011
Town Hall Lower Level Conference Room - 7:00 P.M.

I. CALL TO ORDER:

Chairman, Jim Persano called the regular meeting to order at 7:00 p.m. Members Michael Parker, Steven Krasinski, and Marilyn Pronovost were present and constituted a quorum. Also present First Selectman Lisa Pellegrini, Selectmen Kathy Devlin and Bud Knorr, Town CFO, Kim Marcotte, Tim Potrikus and Bill Boutwell from the Board of Education.

Absent Member(s): Tom Mazzolli

II. BOARD OF EDUCATION UPDATE:

Bill Boutwell gave the following updates:

As a result of a claim to GAF Materials Corp under their warranty for shingles on the SHS roof a check in the amount of \$49,500 has been received. In addition, the settlement included materials of approximately 375 squares to replace the shingles on the identified sections of SHS roof. The check has gone to the Town for deposit and an appropriation for this amount is coming up later in the meeting. The quotes to do the replacement work have been received and the BOE will be moving ahead with the repairs. A question was asked if this would cover the repairs or would additional funds be needed. Mr. Boutwell responded that this would cover the replacement work. Mr. Krasinski asked whether it was a fiberglass shingle problem. This was affirmed and that the proposed action would be needed for re-shingling the area. The area of the roof being stripped and re-shingled is the back side of the school. Standing on the track facing the building the area being worked on continues to the right, over near the area of the art and music rooms. The rest of the roof has not been a problem.

In 2012, the roof will be 20 years old and the BOE will be coming forward with a proposal for a roof replacement. At the 20 year mark the roof becomes eligible for State reimbursement for its replacement. According to last year's Long Range Plan, the whole roof, shingled area and the flat built-up portion was estimated around \$1.2 million. The area being re-shingled now could be skipped when the roof replacement is done in 1-3 years. Most of the 1.2 million estimates relates to the flat roof. Discussion followed on the pitch, steepness and angle of the roof replacement.

Mr. Potrikus explained that the BOE's Long Range Plan will be voted on and presented to the BOF for next month's meeting.

III. SELECTMAN'S UPDATE

Grants:

State Bond Commission has released the STEAP Grant funding but the Town has not received award notification on our grants. The Town did not receive the Small Cities Grant for \$500,000 that we applied for. A little over \$12 million was allocated but it was awarded for smaller 'rehab' projects in other towns.

The Town auctioned off some decommissioned equipment and parts at the beginning of October and did much better than anticipated. After commission, we ended up with \$24,749.00. The Town will be bringing forward a transfer at the next BOF meeting related to this.

IV. WPCA – Sewer and Water Funds:

Kim Marcotte distributed an update on the status of the various WPCA loans. WPCA Member, Jim Botellio had reviewed the information and was present to field questions. At the November WPCA meeting the Maple Ridge debt service payment of \$ 9,835 will be authorized. This will be the final payment against this loan.

The BOF members had many questions as to how the Sewer and Water Fund loans would be repaid. Mr. Parker asked if the WPCA had information to explain when, how much and how the monies would be generated to pay the loans. Ms. Marcotte indicated that with the exception on the Water Fund the Sewer Funds contain sufficient cash to pay back their loans. Mr. Persano requested since Maple Ridge and Somersville had adequate funds and that the loans be repaid in full. Mr. Krasinski questioned when and how much they would be paying. Mr. Botellio agreed that at the next WPCA meeting in November 2011, there would be transfers to authorize the payments which the Town would be received by December 2011. Mr. Krasinski questioned how in the future Water Fund loan payments, as outlined, would be paid. Discussion followed as far as to whether the WPCA could do it, based on development of lots. Mr. Krasinski asked how would there be a payment if there was no development. Mr. Botellio affirmed that there were monies, even if it has to be taken out of the Sewer Account, to pay back the loan. Mr. Botellio affirmed that the Water System was given back to Hazardville Water Company for \$1.00 as per the original agreement and the Town will now get the tax revenue. .

Mr. Botellio gave an explanation of the following services:

- 1) Maple Ridge loan will be paid off with this final payment
- 2) Somersville/Goodwin Dr. repayment of the loan has started and is paid by the users
- 3) Water Fund: in the late 1980's this project was a bonded at the same time as a school project. Water lines had to be installed before revenues would begin to be received and the project was not started on time. The Town made the debt service payments and the Water Fund will be reimbursing the Town from the assessments that are being collected on the lots serviced by the water line. No formal written agreement exists although meeting minutes and spreadsheets from the administration at the time refer to this and outline the cash flow and payment timeframe. Discussion followed as far as to whether the WPCA could do it, based on development of lots. Mr. Krasinski again questioned as to how would there be a payment if there was no development.

Mr. Botellio expressed at the end of the lengthy discussion that he was confident that the WPCA would be able to pay back the remaining loans.

V. MINUTES APPROVAL

The Minutes of the September 26, 2011 were accepted with the following correction: Steve Krasinski called the September 26, 2011 regular BOF meeting to order and not George Warner.

A motion was made by Mr. Warner to approve the Minutes of September 26, 2011 with the correction as noted; seconded by Mr. Parker, and unanimously voted as approved.

VI. TRANSFERS AND APPROPRIATIONS -

Transfer/ Appropriation	Department	To Account	From Account	Amount	Description
1. Transfer FY2011	BOE	Capital Fund SHS Roof Repair	Revenue Settlement	\$49,500	Install Shingles

A motion was made by Mr. Parker to approve the supplemental appropriation for CIP Fund from the revenue account for legal settlement to the SHS Roof Repair account; seconded by Mr. Warner and unanimously voted as approved.

VII. CORRESPONDENCE – None

VIII. OTHER

Ms. Marcotte stated that the Town Clerk had requested the BOF calendar for 2012. BOF meetings will be held on the fourth Monday of the month with the exceptions below:

- 1) The 4th Monday of May, the 28th, is Memorial Day. It was decided that the BOF Regular meeting be moved to the Monday before which would be May 21, 2012.
- 2) The 4TH Monday of December, the 24th is Christmas Eve. It was decided that the BOF Regular meeting be moved to the Monday before which would be December 17, 2012.

A motion was made by Mr. Krasinski to accept the proposed calendar with the changes as noted for the 2012 calendar, seconded by Mr. Warner and unanimously voted as approved.

IX. ADJOURNMENT

A motion was made by Mr. Krasinski to adjourn the October 24, 2011, Board of Finance Regular Meeting at 7:45 p.m.; seconded by Mr. Parker, and unanimously voted as approved.

Respectfully submitted,

Deborah Dixon, Recording Secretary

MINUTES ARE NOT OFFICIAL UNTIL APPROVAL AT A SUBSEQUENT MEETING