

**TOWN OF SOMERS
BOARD OF FINANCE
REGULAR MEETING MINUTES
MONDAY, NOVEMBER 28, 2011
Town Hall Lower Level Conference Room 7:00 P.M.**

I. CALL TO ORDER:

Steve Krasinski called the regular meeting to order at 7:00 p.m. Members: Chairman, Jim Persano, Michael Parker, Joseph Tolisano, Marilyn Pronovost and Thomas Mazzoli were present and constituted a quorum. Also present First Selectman, Lisa Pellegrini, Selectman, Kathy Devlin, Town CFO, Kim Marcotte, Bill Boutwell, Business Manager for Somers Public Schools, Gary Schiessl, Fire Chief and Jim Botiello, WPCA Chairman

II. ELECTION OF OFFICERS:

Ms. Marcotte stated there are three positions that need to be appointed. These are the roles of Chairman, Vice-Chairman and Secretary. Chairman Persano will continue as the Chairman, Mr. Krasinski will continue as Vice-Chairman and Mr. Mazzoli will continue in the role of Secretary for the Board of Finance.

Chairman Persano made motion to approve the Election of Officers and was seconded by Mr. Mazzoli and unanimously voted as approved.

III. BOARD OF EDUCATION UPDATE:

Mr. Boutwell distributed a letter from the Technology Education Department Chair of Somers. The High School Technology Education submitted a huge binder of material to the State. The High School was selected 2012 Connecticut Technology Education High School Program of the Year. This was announced at the last Board of Education meeting.

Selectman Devlin attended the Petit Foundation Award Ceremony.

Mr. Boutwell will present the long range plan in December. The Board of Education will be voting on it at their meeting later in the evening. The Superintendent will be presenting the proposed budget for 2012 at the first Board of Education meeting in January.

Mr. Krasinski asked what the financial impact of the Office of Civil Rights' proposed improvements would be. Mr. Boutwell indicated that the BOE is not 100% sure yet. Some of the more expensive items would be site pieces such as handicap accessibility. Fire alarm issues still need to be addressed. The BOE has only accessed \$22,000 of their CIP appropriation to date in anticipation of needing some of the CIP funds to begin to address the projects.

IV. SELECTMAN'S UPDATE:

First Selectman, Pellegrini presented her update which included Storm Alfred and the CIP Projections.

V. STORM ALFRED:

First Selectman, Pellegrini stated the Town of Somers has received the Presidential Emergency Declaration for Storm Alfred. FEMA will reimburse 75% of the cost for the disaster. The estimate for debris, fuel, shelter expenses, overtime, office supplies and other storm costs plus police expenses is \$700,000. The State Police costs for Storm Alfred is an estimate only. The Town received proposals and hired local contractors at below state contract bid pricing. Emergency removal of debris from the roadways was the first to be addressed. The Town is using some of the same contractors to remove debris from the street right of ways. Brush fees at the transfer stations were waived for Somers residents and continue to be waived until December 31st. Bills need to be paid before the Town receives FEMA funding. There is a possibility that another request will need to be made based on the final figures for the cleanup. The Town is in the process of filing for FEMA reimbursement from the August Hurricane Irene disaster and reimbursement from FEMA is still some time off.

First Selectman, Pellegrini, recommended a Town Meeting to the Board of Finance to appropriate \$700,000 to pay for the Storm Alfred costs. Ms. Marcotte added the \$700,000 will be taken from the Fund Balance. Ms. Marcotte indicated that the Fund Balance is approximately \$4M and further stated that the Town does not have any cash flow problems. It would be at least late spring before Town received money from FEMA for this disaster.

First Selectman, Pellegrini said there is a signed Appropriation which will be presented later in the meeting.

Mr. Krasinski asked if we should consider a one-time fee charge against the residents to cover the cost of the removal. Ms. Provonost said because we are accepting federal funds you might not be able to put those kinds of restrictions on it. Chairman Persano suggested adding administrative or computer costs and incorporate these into the \$700,000 to bring it up to \$800,000-\$900,000 so the 75% reimbursement could be a lot higher.

VI. CIP PROJECTION:

First Selectman, Pellegrini discussed the Capital Equipment Fund Projection. The Town request for FY2013 funding is \$629,964.18 which includes existing leases. The Board of Selectman did a thorough investigation on what is needed. Unfortunately, there is an increasing need due to reduced funding in the current and prior fiscal years. The balance of the money necessary to purchase the Air Bottles for the Fire department is contained in this year's request. A Fire fighter's bunker gear, the first year of payments on a Pumper truck and Tractor w/loader are also included under Capital Equipment needs. DPW Radios are a requirement of the FCC. The radios need to be on narrow banding before December 2012 or the Town will be fined. A Versalift Truck (bucket truck) is extremely necessary because the Town is currently at the mercy of the tree companies. With this purchase the Town could trim the trees, change the lights and flags and do our own gutter work among other things which would result in savings for the Town.

First Selectman, Pellegrini mentioned that CIP cannot continue to be funded at \$300,000 because it puts the Town in the hole. The CIP needs do not go away they only increase. First Selectman, Pellegrini asked the Board of Finance to please consider the schedule because it will put the Town on the right track for the future.

VII. WPCA FOLLOW-UP:

Ms. Marcotte stated the WPCA approved all of the transfers that were discussed at the last BOF meeting. WPCA made their final payment to reimburse the Town for the Maple Ridge sewer assessment project bond. A transfer was made on the Somersville sewer assessment covering the two unpaid years. The transfer from the Water Fund was approved based on three years of payments owed to the Town net four years of the Town owing the Water Fund fire protection costs.

Chairman Persano requested a conversation on where the Town stands, who owns what and what are everyone's responsibilities and obligations.

Mr. Krasinski distributed the Somerville Water System Summary dated November 18, 2011 and mentioned he e-mailed everyone as well. Basically the Town loaned \$329,886 to the Water Fund which is managed by the WPCA in 2001. The Board of Finance met in March of 2000 and WPCA proposed the Town pay an additional \$5200/year for fire protection. Mr. Krasinski further explained WPCA already has enough assets to repay most of the amount loaned and not wait for the one large lump sum at the end of 10 years because it has been owed for quite a few years.

Mr. Krasinski further stated there are two projects that have outstanding obligations. The Town needs a written agreement between the Board of Finance and WPCA to track payments. A meeting with the Board of Finance, WPCA and Ms. Marcotte to review where things stand and what is being done to close out the project was approved.

Mr. Botiello suggested that Ed Sullivan would be a good resource to sort this out as he handled the cash flow for the WPCA. With respect to the water account, The WPCA wanted to wait until the Sunset Drive project was completed. The \$5,800 is for the Town benefiting from the water system. Mr. Botiello stated the \$5,800 is not for fire hydrant but for fire protection which includes the water main expenses. When the project was done originally, it was to solve a pollution problem for the water system of Somers, CT. WPCA designed a water system at a cost of \$1.8M. The State said the WPCA could not do the project as planned because they have to provide fire protection. The State put in the capability of fire protection by increasing the line size and putting in a pump station, etc. That cost was approximately \$2.7M or \$2.8M. WPCA is charging the property owners for Town's portion of the project. The State and Federal government put in 65% and the Town ended up paying 35% or about \$900,000 and the property owners are assessed a fee to cover this expense.

Mr. Botiello further explained WPCA did not want to be in the water business. As soon as the contract with Hazardville Water ended the system was sold to them for \$1.00. In year 2018-2019 there is projected to be maintenance cost of \$1M. The tank and pumps would be 30 years old. The Water Fund paid has been paying 45% of the maintenance and Hazardville Water Company picked up 55% of the costs.

Mr. Parker suggested we should transfer the available assets tonight or tomorrow.

Chairman Persano suggested a subcommittee should be formed with Mr. Parker, Mr. Krasinski, Mr. Botiello in conjunction with Ms. Marcotte.

Mr. Tolisano made a motion to form the subcommittee and Mr. Parker seconded and unanimously voted as approved.

VIII. MINUTES APPROVAL:

October 24, 2011 Regular Meeting

Mr. Mazzoli made a motion to approve the Minutes of the October 24, 2011 Regular Meeting, seconded by Mr. Krasinski and was unanimously voted as approved.

IX. TRANSFERS AND APPROPRIATIONS:

Ms. Marcotte reported the first request is from the Department of Public Works. Parts and equipment that were no longer usable to the Town were auctioned which yielded \$24,749. The transfer would appropriate \$1,483 to pay for the transportation cost to the auction and then appropriate \$18,417 for the DPW Road and Maintenance account.

The second request is to advance to Town Meeting the appropriation of \$700,000 related to Storm Alfred expenses. First Selectman, Pellegrini asked to hold a Town Meeting for the \$700,000. Mr. Parker asked if we could appropriate \$700,000 tonight subject to the Town Meeting.

Mr. Tolisano made a motion to appropriate \$700,000 contingent upon its approval at Town Meeting. Mr. Parker seconded and unanimously voted as approved.

X. CORRESPONDENCE: none**XI. OTHER:**

Ms. Marcotte stated the next Board of Finance meeting will be held on December 19th. There will be a Special Meeting at a date and time yet to be determined for the review of the FY 2011 audit prior to the end of December.

XII. ADJOURNMENT:

A motion was made by Ms. Marcotte to adjourn the November 28, 2011 Board of Finance Regular meeting at 8:06 p.m. and was seconded by Mr. Mazzoli and unanimously voted as approved.

Respectfully submitted,

Regina C. Robinson, Secretary

THESE MINUTES ARE NOT OFFICIAL UNTIL ACCEPTED AT A SUBSEQUENT MEETING