

**TOWN OF SOMERS
BUDGET PUBLIC HEARING
APRIL 21, 2014
7:00 PM
SOMERS ELEMENTARY SCHOOL AUDITORIUM**

1. Call to Order

Board of Finance Member Michael Parker called the meeting to order at 7:00 pm.

2. Members Present

In attendance were First Selectman Lisa Pellegrini, Selectmen Kathy Devlin and Bud Knorr, School Superintendent Dr. Maynard Suffredini, School Business Manager Bill Boutwell, CFO Mike Marinaccio, Board of Finance Chairman Jim Persano, Board of Finance Vice Chairman Steve Krasinski, Board of Finance Members Tim Geib, Tom Mazzoli, Michael Parker, and Joe Tolisano, Board of Education Vice Chairman Bruce Devlin and Board of Education Members Anne Kirkpatrick, Joan Formeister, Marybeth Marquardt, Rick Lees, Molly Rocket, Kate McLellan and Sarah Bollinger.

3. Public Hearing

Michael Parker began the meeting by presenting an overview of the Proposed Revenues for 2014/2015. Proposed 2014-2015 revenues are \$29,898,933, an increase of \$505,783 from 2013-2014 Adopted Revenues of \$29,393,150. He then presented an overview of expenditures:

	2013-14	2014-15	Dollar	%
	<u>Budgeted</u>	<u>Proposed</u>	<u>Diff.</u>	<u>Change</u>
Town Government	6,877,829	7,057,271	179,442	2.61%
Board of Education	20,357,880	20,744,253	386,373	1.90%
Debt Service	1,765,693	1,797,409	31,716	1.80%
Capital Improvement	391,748	300,000	(91,748)	-23.42%
Totals	29,393,150	29,898,933	505,783	1.72%

Mr. Parker reviewed the components of the Debt Service account which included principal, interest, reserve and debt issuance costs and talked about the recent bonding initiative the Town has gone through.

The proposed budget would have a recommended tax increase of 0%, thus the mil rate would remain at the current rate of 23.37.

4. Town Budget

Lisa Pellegrini presented the Town's proposed budget by thanking residents for being at the Public Hearing and clarifying that the budget was created with input from every department actively working together. The Town Government side of the proposed budget represents 24% of the entire budget. Education represents 70%, Debt Service 5% and Capital Improvement 1% of the \$29,898,933 budget. She displayed a graph which identified Public Works and Public Safety to be the two largest portions of the budget. The Public Works budget is broken out as follows: 72% highway, 25% municipal facilities and 3% parks and grounds. The proposed budget would allow an increase of an additional 3 miles of road resurfacing/repairs and covers increases in water and electricity costs related to fire hydrants and water mains as well as street lights. The budget also includes a 4% H2O Infrastructure and Conservation Act Surcharge as well as increases to health insurance. Mrs. Pellegrini explained that recent changes in Public Safety would avoid significant costs relating to the Resident State Trooper Program while ensuring quality police services and protection. The proposed budget allows maintenance of infrastructure to remain as a priority while also addressing the needs of other departments including human services, recreation and the library. Mrs. Pellegrini finished by stating the proposed budget meets the needs and the expectation of residents for town services.

5. School Budget

Dr. Maynard Suffredini presented the Board of Education's budget. Dr. Suffredini presented a budget history of 5 years to show a comparison of growth, compared to the growth of the coming year's budget. Fiscal Year 2014/2015 is increasing 1.9% over the previous year's budget. Dr. Suffredini presented various achievements earned by the schools within the district and showed the test scores on standardized testing compared to the State average for the district. The drivers for the Board of Education's budget increase are salaries, which Dr. Suffredini explained is common, and the increase in insurance costs. Due to recent contract negotiations with the unions, the insurance costs are much lower than they would have been without recent negotiations.

6. Public Comments & Questions

The public was invited to comment or ask questions to the Boards in regards to the proposed budgets.

Resident Donna Doyker asked Mrs. Pellegrini if there was a detailed analysis of the town's budget available to the public and also wanted to know why there was such an increase in Public Works compared to the previous budgets during First Selectman David Pinney's reign. Mrs. Pellegrini responded first by stating the budget and budget flyer, were available on the front page of the Town's website. Mrs. Pellegrini stated the increase in the Public Works budget can be attributed to the rising cost of chip sealing; that years ago it was \$15,000/mile now it is \$66,000/mile and an increase in materials, repair costs and utilities in general. Mrs. Devlin stated that she could answer the question as she was in office at that time and began saying that all building maintenance and utility costs were moved from various departments and placed into the DPW budget. Ms. Doyker interrupted Mrs. Devlin and stated that she did not want to listen to her and wanted Mrs. Pellegrini to answer the question.

BOE Member Sarah Bollinger spoke next and asked Mrs. Pellegrini for the Town's Annual Report. Mrs. Pellegrini stated the Annual Report is a function of the Board of Finance and deferred the question to BOF Chairman Jim Persano. Mr. Persano replied that all audits were available on the Town website or in the Town Clerk's Office, stating the Annual Report has not been published for a few years now and that there was no intention of publishing another one as the information was already available both in the CAFR and on the Town's website. BOF Vice Chairman Steve Krasinski also commented, stating that the BOF Member that handled that function was no longer on the Board of Finance.

Resident Michael Bushior came to the microphone next and asked for a town budget breakdown stating that he could not find the information on the website. Mrs. Pellegrini, Mr. Parker and Mr. Persano stated the info was on the website for everyone to review. CFO Mike Marinaccio also replied by saying that Mr. Bushior had called for the info earlier in the day and did not immediately reply as he was preparing for this presentation, but that the information had been uploaded and if Mr. Bushior continued to have trouble viewing then he would email him a link.

Donna Doyker approached the microphone again. Mr. Parker asked if there were other comments from anyone else before the second round of questions were taken. There were none. Ms. Doyker presented her concerns with the newly redesigned Finance Department and asked for clarification as to why a new accountant was hired and what the accountant's credentials were. CFO Marinaccio explained that the roles and responsibilities of a Town's Finance Department had changed and that the Town's external auditors had identified the need for improvements. After surveying other Northern Connecticut towns' Finance Departments, it was found the average number of employees within their departments was between 3 and 4. Somers, at the time, had 2 Finance employees. After consulting with the Board of Selectmen, the Board of Finance, and the independent outside auditing firm, a job posting was made to hire an entry-level accountant to handle duties within the Finance Department. The accountant hired is a college graduate with a Bachelor's Degree in Accounting with a Minor in Finance. Mrs. Pellegrini summarized by stating that the role of Town government has changed through various state mandates and requirements and that cities and towns can no longer be isolated in "their own little box". She said the proposed budget includes the costs for correctly skilled staff that are able to address the current requirements as well as ensure the Town is in a position to thrive in the future.

7. Adjourn

The meeting was adjourned by Michael Parker at 8:05 pm.

Respectfully Submitted,
Brian Wissinger, Recording

MINUTES ARE NOT OFFICIAL UNTIL APPROVED AT A SUBSEQUENT MEETING