

**TOWN OF SOMERS
BOARD OF FINANCE
REGULAR MEETING MINUTES
MONDAY, JANUARY 23, 2012
Town Hall Lower Level Conference Room 7:00 P.M.**

I. CALL TO ORDER:

Chairman Jim Persano called the Board of Finance Regular Meeting to order at 7:07 p.m. Members: Michael Parker, Joseph Tolisano, Steve Krasinski and Thomas Mazzoli were present and constituted a quorum. Absent: Marilyn Pronovost Also present First Selectman Lisa Pellegrini, Selectmen Kathy Devlin and Bud Knorr, Town CFO Kim Marcotte, Superintendent of Schools Dr. Maynard Suffredini, School Business Manager Bill Boutwell, Board of Education Chairperson David Palmer, Board of Education Representative Marc Ciccirella and Fire Chief Gary Schiessl.

II. BOARD OF EDUCATION UPDATE AND PRESENTATION OF LONG RANGE CAPITAL PLAN:

Board of Education Chairman David Palmer introduced their new members Bradley Pellissier, Mark Maniscalco and Marc Ciccirella, who will be the BOE representative to the Board of Finance. Mr. Palmer reported the Long Range Plan was adopted by the BOE in November 2011. There are line items that equal an optimum plan to run the School District. Mr. Palmer said they tried to be realistic about the opportunity to fund each and every one of them; however, there are priorities and placeholders.

Mr. Ciccirella introduced himself. He is a graduate of Somers Class of 1990 and was elected to the Board of Education last fall. Mr. Ciccirella and Dr. Suffredini reported on the Fall 2011 Long Range Plan.

The Long Range Plan is broken down into categories, Staffing, Textbooks, Programs, Equipment/Technology and Facilities/Capital Planning. The current needs were reviewed, items were built in based upon these needs and then the cost factor was projected. In Staffing on page 2 a Social Worker position is listed. Currently there is a part-time social worker whose position we are looking to expand to full time. Throughout the Long Range Plan there are highlighted items indicating that the amounts listed have been incorporated into the BOE operating budget for the upcoming year. There are a number of positions under Staffing that have not been included. Most of these are stipend positions and other positions pertaining to special needs and academic preparation. The amount to fill all those position would be \$93,825.00.

The Textbooks category has been broken down based upon the textbook cycle plan for our district totaling \$80,000 which includes Mathematics, English, Social Studies, Guidance and some replacement books. They have also projected outward for the succeeding years what the needs will be for textbooks.

Programs were done in the same way as Textbooks. There are three proposed for this coming school year. English/Language Arts/Math for \$8,200 and Professional Development Technology Integration for \$10,000 have been included in the proposed budget.

Under Equipment/Technology, four of the items have already been included in the proposed BOE budget. There was an increase in the line item for technology because the school system is continuing to move into that direction. All items are funded in the proposed BOE budget except for the Math software, the sound field system and the \$65,000 computer replacement item which will be part of the CIP funding request.

In the long range plan for Facilities and Capital Planning, the \$3,000 in floor replacement has already been included in the proposed budget. The items at the bottom of the page highlighted in blue pertain to the Office of Civil Rights assessment that was conducted at Somers Public Schools last year. The State recommended items that need to be addressed in order to be in compliance. Some of these issues are being addressed within the current fiscal year's budget. However, there will be some changes or modifications that Somers Public Schools will not be able to handle in its operating budget the BOE will be looking to the Board of Finance for funding. The total of the highlighted area on the single sheet (2012-2013 Long Range Plan Requests Proposed for 2012-2013 Budget) is \$412,825. Of this the BOE has already incorporated \$288,300 into its FY2013-2014 proposed budget. The \$124,525 balance is what the BOE is requesting funding for.

Mr. Persano confirmed \$288,300 is in the 2012-2013 budget proposal; their wish list would be \$124,525 of which the BOE is proposing an increase of \$93,825 in staffing for budget year 2012-2013. Dr. Suffredini affirmed that those positions are not included in the budget for this upcoming year.

Mr. Persano asked if there is a fall off in textbooks with the increase in Technology. Dr. Suffredini said they are not experiencing it yet. The textbook long range plan will be modified. With the technology that is forthcoming, they will be

able to download the textbooks and monies would be shifted from textbooks into the technology budget. Somers Public Schools has undergone a whole curriculum revision in Science, Technology, Engineering and Math as a result of the investment into technology that has been made over the last 4-5 years.

The TechEd program has received two awards. One is the #1 TechEd program for the State of Connecticut and as a result of that, Somers Public Schools will be receiving the national award. Three teachers will be going to receive the honors and will be recognized for their efforts in terms of developing this program. Somers Public Schools is being recognized for “the program” and nationally as well. It is quite an honor. Dr. Suffredini feels the more they expand on technology the stronger they can make the school system. They plan on purchasing a number of iPads over the next few years. The State Department of Education, in the Spring of 2015, is going to require all CMT testing and CAP testing to be done electronically. Somers Public School is also looking to expand the whiteboard technology as well.

Mr. Persano asked whether TechEd was the teaching of technology to students or is it the utilization of technology. Dr. Suffredini said it does both. Students are learning the principles of Physics, Engineering, Mathematics, Welding, Science, working of designs and fabrications.

Mr. Persano asked if the \$24,500 of items under Programs was for positions. Dr. Suffredini said it is for materials that will be used in the programs and for Professional Development Technology Integration training processes.

Mr. Krasinski asked if the CIP will be added to the budget and if the BOF will have the CIP List this year. Dr. Suffredini affirmed that the BOE is counting on \$65,000 for computer replacements. The BOE has their CIP list drafted and will send it to the BOF. Mr. Krasinski said CIP is normally not part of the operating budget.

Mr. Krasinski asked if the teacher salary increases will be added to the Long Range Plan. Mr. Palmer said it would be captured in the operating budget.

Mr. Boutwell said he doesn't think the CIP will add to the \$412,825. It should be some subset of what is in the document (i.e. a generator and fire alarm which is already included in the document). Usually CIP items are embedded in the document.

Mr. Palmer said the \$65,000 is the CIP request and is not included in the \$288,300 that is part of the proposed 2012-2013 operating budget. In addition there will be a Long Range Planning Request equal to the \$124,525.

Dr. Suffredini discussed more on Staffing regarding the two proposed positions and added there is a lot of discussion from the Governor's Office regarding early childhood and full day kindergarten. This is a major priority for the Governor. It is in the long range plan for 2013-2014 and is a placeholder. This will not only be in Somers but across the State. Somers Public Schools is currently running half day kindergarten programs in the morning and afternoon. As enrollment drops, they will be freeing up classroom space and should be able to fit in the additional classes. For 2012-2013, the BOE is looking at a 3% increase in their budget which includes adjusted salaries, health insurance and added monies that are put in technology.

III. SELECTMAN'S UPDATE:

First Selectman, Lisa Pellegrini gave a brief report on Storm Alfred cleanup costs. She will present the final costs at the next BOF meeting with a request for supplemental funding.

The BOS are currently working on the FY2013 proposed budget. There will be a small increase in the operating budget.

Due to the church fire, there will be a supplemental appropriation request later in the meeting. There was a mechanical failure with ET146 during the church fire as well as damage to the fire hoses. The hoses are covered by insurance. The pump is not covered.

First Selectman, Lisa Pellegrini handed out a letter from the Library Board Chairman, Shirley Warner. Issues regarding the heating system still exist after the completion of the expansion. There are open issues that have not been resolved because it was not included in the original contract.

The Board of Selectmen has decided not to reduce the hours at the Transfer Station. They voted to sign a contract with USA Hauling and also voted to contract with USA Hauling to transport the waste and recyclables at the Transfer Station to the waste disposal facilities. The Transfer Station will not close and will not be sold. Currently, the Town is on a month to month basis contract with Covanta. The new contract will lower the bulky waste and MSW fees which will result in a savings. First Selectman, Lisa Pellegrini will e-mail the BOF the spreadsheet detailing the savings. Extensive discussion ensued.

IV. PRELIMINARY DISCUSSION ON FY 2012 BUDGET:

Fire Chief, Gary Schiessl distributed the Fire Apparatus Presentation document to the members of the Board of Finance. The presentation demonstrates the Fire Department's need for a new pumper truck. A pumper is there specifically to carry manpower and a smaller amount of water and tools necessary to fight a fire. A tanker covers a larger amount of water (typically 2,500 gallons or more). There are several different terms used from Tolland County in alignment with the National Fire Protection Agency. Mr. Schiessl discussed each apparatus as follows:

Service 146 is a Ford F150 pickup truck with a large body and was purchased in 2007. It has a small amount of water. It is used for brush fires and medical calls. Tanker 246 is a new larger truck purchased in 2006. It holds 2,500 gallons of water. It has a pump and the main purpose is to carry water. Mr. Schiessl said the Squad 246 is what you refer to as a pumper. They can respond to car accidents as well as fires. Rescue 146 is a large rescue truck. It carries everything they need for emergencies. The Engine Tank 146 is another pumper. It carries about 1,000 gallons of water. It dates back to 1988. Engine 146 is a pumper and carries only 500 gallons. Tanker 146 is the old tanker and dates back to 1980. The sole purpose is it carries 2,500 gallons of water.

Mr. Schiessl further reported the service truck is in excellent condition. The new tanker is in excellent condition as well. The Squad, the newest pumper, is in fair condition. The Rescue is in excellent condition. Engine Tank 146, which was sitting on Main Street during the church fire, is in good condition. They are seeking special appropriation for it. The Engine 146 is in fair condition due to their age.

Mr. Schiessl said according to the NFPA, fire trucks should be placed on a reserve status after 20 year. Reserve status means it should only be in use if another truck goes down. Apparatuses should be removed after 25 years of services. There are two pieces of apparatus that exceed the 25 year limit. One apparatus should be in reserve status because it needs repair. The 1980 and 1981 should be out of service and the 1988 should be in reserve status.

The Fire Department uses Engine 146 for two purposes. One purpose is for brush fires and the other second purpose is if there is a fire in town, where there are no hydrants, they will go to a pond. Tanker 146 is still a solid water carrier only and runs well. When Mr. Schiessl's father was fire chief, they used to replace fire trucks every 20 years. There was a long range plan that showed when the trucks should be replaced but have not followed it due to limitation of CIP.

Mr. Schiessl is looking to replace Engine 146 which is the 30 year old truck. It has a minimal water capacity and can still be sold for (\$20K-50K). The Squad 246, the newest pumper and has to work every single time. There are a lot of maintenance issues with this truck. They have put in over \$35,000 over the past 3.5 years of regular maintenance issues for that truck.

Mr. Schiessl is looking for appropriation for CIP funding starting in 2012-2013 budget year to purchase a pumper for approximately \$500K and then they can move the Squad 246 back in to second status.

They have applied for a Federal grant for apparatus. They just found out last week they were denied on both grants. Mr. Schiessl has already exceeded the vehicle maintenance account for this year. It is required by NFPA that we replace the fire turn out gear (which is coats, pants and boots) every 5 years. Mr. Schiessl is mainly concerned about the coats and pants which will cost \$1800 for one set. The ET146 is in the process of being fixed. Mr. Persano said maybe we could think about factoring the cost of the fire gear into the budget. Breathing apparatuses cost \$6,000 each.

Mr. Mazzoli asked about the cost of Engine 146 the most important to replace. Mr. Schiessl estimated around \$500,000. That is a mid-range price. The cost of Squad 246 to replace would be of similar cost.

ISO Regulations state that you need to have a certain amount of water on wheels on hand and for the Town of Somers, it is approximately 4,000 gallons.

Mr. Parker asked if it would make sense to purchase a truck with a capacity to hold 5,000 gallons. Mr. Schiessl stated in many cases they are dealing with volunteers who are not trained for regular everyday truck driving. That is a lot of water for someone who does not know what they are doing. If they were to purchase a tanker, they would not buy one with a full pumper set up like the latest pumper. They would go a cheaper route. They would buy a smaller pump because we do not have to carry a lot of gear. Extensive discussion ensued.

Jim Persano asked if it would be advantageous to restructure the whole fleet without breaking the bank. Mr. Schiessl said he would have to look at it again. Mr. Schiessl added they are supposed to have two sources of water coming in order to put out a fire just in case one breaks down. He also has to have enough room to transfer people.

Mr. Schiessl mentioned the Board of Finance will receive two transfers which they cannot live without. One is straightforward and the other is for emergency appropriation.

V. TRANSFER STATION:

Discussed as part of the Selectman's Update.

VI. MINUTES APPROVAL:

December 19, 2011 Regular Meeting

Motion was made to approve the December 19, 2011 Regular Meeting Minutes by Mr. Tolisano. It was seconded by Mr. Parker. All were in favor, motion carried.

VII. TRANSFERS AND APPROPRIATIONS:

Ms. Marcotte distributed and reported on the Transfers and Appropriations.

<u>Transfer/ Appropriation</u>	<u>Department</u>	<u>To Account</u>	<u>From Account</u>	<u>Amount</u>	<u>Description</u>
1. Transfer	Fire	Equipment Maint. Vehicle Maintenance Radio Maintenance Food & related	Amb. Training Ambulance Maint. Amb. Radio Maint. AD&D Ins	\$ 508 \$ 2,000 \$ 500 \$ 300	Maintenance issues and storm related costs
2. Supplemental Appropriation	Fire	Vehicle Maintenance	Use of GF Balance	\$19,900	ET146 pump repair

Motion was made by Mr. Mazzoli to accept the Transfers and Appropriations. It was seconded by Mr. Tolisano. All were in favor, motion carried.

A person from the audience asked why we do not have an escrow account to anticipation of spending of \$500,000. Mr. Persano replied that we do not typically escrow for all capital projects in town. Conceptually, there is one escrow account and it is a very big escrow account. It is called the General Fund balance and anytime we end up short, which has been frequent, the last 5 or 6 years, we have to tap in to the escrow/general fund balance in order to fund the shortfall of the Town.

Motion was made to end the discussion. All were in favor, motion carried.

VIII. CORRESPONDENCE: None

IX. OTHER:

Ms. Marcotte mentioned if the BOF was considering bonding, the borrowing rates are currently low and it appears that the Feds will keep them low through 2013. Issuance costs would probably run around \$55,000. Fund balance is important as is the pattern of utilization of fund balance. A good level to have is 8-10% range and right now the Town is at a 10.2% range. There is a 2004 bond issue that would be available to be refunded. It would be advantageous to package the refunding of the 2004 bond with a new bond issue to achieve savings on the issuance costs. Discussion of bonding ensued.

There was discussion of the survey that the Town of Somers will be mailing out to the residents. Mr. Persano said there is no problem with asking questions regarding the mill rates on the survey but we need to be very tactful.

X. ADJOURNMENT:

Motion was made to adjourn the Board of Finance Regular Meeting by Mr. Mazzoli at 9:07 p.m. It was seconded by Mr. Tolisano. All were in favor, motion carried.

Respectfully submitted,

Regina C. Robinson, Recording Secretary

THESE MINUTES ARE NOT OFFICIAL UNTIL ACCEPTED AT A SUBSEQUENT MEETING