

**Beacon Falls Board of Finance**  
**10 Maple Avenue**  
**Beacon Falls, CT 06403**



**BEACON FALLS BOARD OF FINANCE**  
**Regular Meeting**  
**August 11, 2015**  
**MINUTES**  
**(Subject to Revision)**

**1. Call to Order / Pledge of Alliance**

Board Members Present: Jack Levine, Joe Dowdell, Jim Huk, Joe Rodrigo, Marc Bronn, and Brian Ploss

Others present: First Selectman Chris Bielik; Selectman Dom Sorrentino; Tom Broesler, Finance Manager; and Mike Krenesky, Town Treasurer

Chairman Jack Levine called the meeting to order at 7:30 PM.

**2. Public Comment**

J. Levine asked three times if there was any public comment and there was none.

**3. Approval of Minutes**

Motion to approve the minutes from the July 14, 2015 meeting as submitted for tonight's meeting: Ploss/Dowdell; discussion was by B. Ploss that the clerk does a good job in expressing the spirit of the meetings and the content, but given the level of the fact that his belief of the upcoming letter that the Board will be discussing is going to be too softly worded. He would like it noted that what he said at the meeting was a lot harsher than what was put into the minutes. With his level of aggravation with the Board of Education and what they have pulled, it was not expressed to the level of concern that he expressed at the meeting. B. Ploss does not want to make a change but wants it noted that he spoke for 10-15 minutes about his concerns with great emotions, and J. Huk mentioned that he agrees and if there are specific statements that he would like added into tonight's discussion, to please state them. B. Ploss stated that he thinks what they did was incredibly wrong, he thinks that they should have done it in a much different way.

*They mentioned in a meeting what they were going to do, and should have made it public with those particular statements. They send out emails all the time and should have made it more known to the towns. B. Ploss believes what they did was extremely scummy, and very bad politics, and was a backdoor maneuver. B. Ploss indicated that this is what he believes and he is capsulizing it, and thinks he went on for about 15 minutes. From that standpoint, he strongly believes that the letter that this Board is going to send is going to be too full of ice cream and sugar for what they have pulled this time and what they have been pulling in the past; Motion to move to include the statements in the minutes: Huk/Dowdell; *no further discussion*; 5 ayes, 0 nays, and 1 abstention by J. Rodorigo since he was not at the July 14, 2015 meeting.*

#### **4. Correspondence**

##### **a. Board of Finance Clerk's Invoice**

Motion to approve and pay the clerk's invoice in the amount of \$72.50 as submitted for tonight's meeting: **Rodorigo/Huk**; *no discussion*; all ayes.

#### **5. Discuss the Region 16 Surplus and Possible Action**

J. Levine thanked J. Huk for highlighting the recommended changes to the letter that will be sent to the Superintendent of Region 16. J. Huk indicated that he added a couple of lines that were politic, softened them, and rephrased a couple of lines since we cannot say outright because we don't know that they did it purposely. Our sentiment is that the Board of Ed used money that was not part of the budget and the way stated is not accusatory.

After a discussion by the Board to finalize the letter that will be sent to the Superintendent of Region 16, Michael Yamin, and the members of the Board of Ed, the clerk read the letter and was asked to have it included in the minutes of tonight's meeting.

***Dear Superintendent Yamin and the Region 16 Board of Education Members:***

***We, the members of the Beacon Falls Board of Finance, recognize the school budget and how it is spent is the sole responsibility of the Region 16 Board of Education. We fully understand any budget is a challenge, and you, like us, have many factors to weigh, such as unfunded mandates and similar items that are out of your control. Furthermore, we trust that you make all of your decisions in the best interest of the Region 16 students, as we do for the Beacon Falls taxpayers.***

*In a recent Citizens News article, we read Region 16 again had an increasing excessive surplus for the past three years. Regardless of the causes of over-budgeting for a given fiscal year, to spend any portion for purposes not detailed in the budget approved by your constituent body serves to remove the control intended by that year's budget approval. A primary function of any budget is the open and transparent communication of the intended use for those funds. All spending activity outside of that budget, though legal, reduces that transparency.*

*The Region 16 budget has increased 3.20 percent, 3.24 percent, and 2.00 percent in this year's budget, or a three-year average of 2.81 percent. The Beacon Falls' town budget has had increases of 1.70 percent, 1.22 percent, and 0.51 percent over the same period, or a three-year average of 1.14 percent. Our town's mil rate increases have been caused primarily by Region 16's budgets. We acknowledge that over a six-year period, including 2015-2016, Region 16 budget increases averaged 1.95 percent compared to our Town's average budget increase of 2.31 percent over the same six-year period. You certainly recognize a 1.00 percent increase of your current budget is \$405,000 and the same increase for our Town's budget is \$62,000.*

*Beacon Falls needs major repairs to our Wastewater Treatment Plant and our roads, which have been put off year after year. This is primarily due to our sensitivity to the burden on our taxpayers. We are presenting Town budgets with small increases so we can get a majority of voters to support them, which is not easy when our mil rate is increased almost entirely due to Region 16 budget increases.*

*Our Board does not want to tread into your area of responsibility. We are respectfully asking you, on behalf of our constituents and like-minded citizens in Prospect, to recognize that the Region 16 budgets over the past few years have had significant impact on our tax rates and subsequently the services we can offer to the Town. We sincerely hope that you will take these concerns into account and present your next budget with no budget increase. Based on the recent large fund balances, this is a reasonable objective.*

*We welcome the Superintendent and Board Members attendance at one of our meetings to discuss our mutual interest in getting our budgets passed. We support a strong education for our students, but at the same time, we need to be cognizant of what our taxpayers will support. If most of the proposed mil rate increase is due to the Region 16 budget, as has been the case on many occasions, we, as Beacon Falls Town Officials, are left with the task of meeting the high priority needs of our Town without adequate resources.*

Motion to have the Board's clerk type the letter based on the changes made on Town letterhead and signed by the Board's clerk, and the clerk shall mail the letter to the Superintendent, the Board of Finance, the Board of Selectmen, the Finance Manager, the Town Treasurer, the Mayor of Prospect, and the newspaper: Levine/Bronn; discussion was by J. Rodorigo that the signature should be Sincerely, The Members of the Beacon Falls Board of Finance, and list the names; all ayes.

## **6. Finance Manager's Report**

### **a. Updated on Corrective Action Plan**

T. Broesler indicated that the approval of pay rates and timecards is complete, as well as recording of cash receipts is complete. The Purchasing Police draft has been distributed. J. Levine asked that this is added to the agenda for next meeting in order to discuss a date for the Financial Policy Manual.

T. Broesler also indicated that he is working on a schedule with the auditors in regards to the Capitalization and Disposal of Capital Assets.

### **b. Status Report on Payroll Conversion**

T. Broesler indicated that this is complete. Bi-weekly payroll is now running smoothly and the process of posting payrolls run under the old system is complete.

### **c. Status Report on Bank Reconciliations**

T. Broesler indicated that he began reconciling the General Fund, complete through February 2015.

### **d. Update on Other Issues**

T. Broesler indicated that in regards to the financial report, he hasn't generated a financial report for this month because the budget has not yet been inputted into MicroFund and one month's data will not give a reliable indication of what the year will actually look like.

J. Levine asked if there were any year-end budget transfers and T. Broesler indicated that they haven't closed the year as of yet. The plan is for this to be done September 1<sup>st</sup> then review everything.

J. Rodorigo had a question on payroll as to how much time is being spent and is it functioning with hiccups. T. Broesler noted that there are hiccups but nothing major. Erin Schwartz devotes approximately 1 day every 2 weeks but it isn't all day. T. Broesler indicated that now with the program running, adjustments do not take very long.

J. Rodorigo asked what the annual cost is for Paychecks, a professional payroll service. T. Broesler indicated that it's about \$6,000-\$7,000 a year when you add in all the pieces. There is a charge for doing the W-2's, 941's, 940's, etc. J. Huk asked about doing the EFTPS transfers manually. T. Broesler indicated that he emails M. Krenesky with the information. M. Krenesky indicated that him about 20 minutes to do. J. Huk asked if we ever got penalized for errors and T. Broesler indicated that we did previously. M. Bronn asked for T. Broesler's professional opinion about going to Paychecks as a service. T. Broesler indicated that it would not be his suggestion since we have the investment in the new program and is working. M. Krenesky indicated that he provides a report to T. Broesler for all the tax transfers made for the quarter. M. Krenesky indicated that the transfer goes from Union Bank and they debit the General Fund. M. Bronn noted that we should have an EFTPS and T. Broesler indicated that he will get one. M. Krenesky noted that we have one for the Federal but the challenge is getting the State to change the administrator from Karen Wilson to him. The problem is getting the time to get together with K. Wilson so she can make M. Krenesky the administrator.

Motion to have the Board of Finance recommend to the Board of Selectmen that the EFTPS problem is resolved by the Board of Finance's September 2015 meeting and that the administrator is changed to be the Town Treasurer: Rodorigo/Bronn; no discussion; all ayes.

## **7. First Selectmen's Report**

Since the First Selectman was not present at tonight's meeting, Selectman Peter Betkoski gave the report.

### **a. Proposed Budget Transfers**

There were no budget transfers presented at tonight's meeting.

### **b. Information on Tracy House Repairs/Demolition and Financial Impact**

There was no discussion on this agenda item at tonight's meeting.

### **c. Status report on Sewer Treatment Plant Upgrade and Proposed Bonding**

C. Bielik indicated that they have been working with Dave Prickett, who is now an independent contractor, and has been assigned by WPCA to conduct a review and study of the sewer hookups throughout the town. The historical data is spotty and trying to get hard data as to who is actually on the sewer system before going forward.

**d. Statute of Proposed Ordinance of Town Treasurer's Duties (Bank Reconciliations)**

C. Bielik indicated that he spoke with T. Broesler, the Finance Manager of Beacon Falls and now Bethany, regarding this matter. He also reached out to CCM to get feedback on what other towns are doing.

T. Broesler noted that as Finance Manager, he cannot sign a check, cannot transfer money, cannot do anything with the town's cash without four other signatures. The treasurer can make wire transfers. J. Levine mentioned that we should check with Amanda at the auditor's office to clarify that the person who makes the transfers should be the person who makes the deposits. The wire transfers should not be in the hand of the treasurer and the bank reconciliations should be done by the treasurer.

**e. Discussion on Search for New Engineers and Consultants**

There was no discussion on this agenda item at tonight's meeting.

**f. Discussion of Nafis & Young Billing**

There was no discussion on this agenda item at tonight's meeting.

**g. Discussion of the Organization of the Police Department**

C. Bielik indicated that he spoke with the Police Lt. today and one of the problems is that the town does not have the capability of processing. Seymour does have that capability and we would have to look at a neighboring town. More data will be presented at the next meeting.

J. Rodorigo asked what is the Police Lt.'s motivation in doing the research for eliminating his job. J. Rodorigo indicated that if we keep the resident state trooper program, then we don't need a Police Lt. structure in place. C. Bielik indicated that he disagrees and feels that he serves a vital function on the police force in town. C. Bielik mentioned that we are paying for 85% of his bill every year and spends less than 70% of his time on the streets in Beacon Falls. This is due to the fact that the state police could pull the trooper at any time with no advance notice and no fill of the position.

J. Levine indicated that we will weigh in on this matter on the budget issue. J. Levine noted that the final decision is the Board of Selectmen's responsibility and this Board is responsible for the budget. J. Huk asked for the timeline on the decision and C. Bielik indicated that we are good for the rest of this fiscal year by the way we budgeted. Starting next year, the goal is to drive the cost at 100% of the resident state trooper to the towns. Our goal is to have something in place by next budget season.

J. Levine indicated that, as a Board of Finance, we would like to review the proposal before implementing to help with the budget decision.

Motion to have a member of the Board of Finance be included in the discussion, as a sub-committee, of the resident state trooper: Huk/Ploss; *discussion was by J. Huk that we understand that the decision is made by the Board of Selectmen but we would like to have all the facts for the budget decision and have the ensurance that . J. Levine appointed J. Rodorigo as the liaison;* all ayes.

#### **8. Discuss and Possible Action on Sending Letters to Dept. heads Regarding Transfers**

J. Levine indicated that he spoke with Jack Betkoski, Chairman of the EDC, and J. Betkoski agreed that he should have made a formal request to the Board of Finance to make the budget transfer prior to the action.

Motion to have the Board of Selectmen, with the Board of Finance copied on the letter, send letters to all department heads and Boards/Commissions/Committees that no transactions are made prior to the request going to the Board of Selectmen, then getting approval by the Board of Finance: **Bronn/Ploss;** *no discussion;* all ayes.

#### **9. Adjournment**

J. Levine noted that there is a Region 16 meeting on August 19, 2015, to be held at Long River Middle School. J. Levine will be present at this meeting and hope to read the letter as discussed. The meeting is on the teachers' negotiations.

With no further business to discuss, J. Levine asked for a motion to adjourn tonight's meeting.

Motion to adjourn tonight's meeting at 8:46 P.M.: **Dowdell/Rodorigo;** *no discussion;* all ayes.

Respectfully submitted,

Marla Scirpo  
Clerk, Board of Finance