

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



BEACON FALLS BOARD OF FINANCE  
Regular Monthly Meeting  
August 11, 2020  
MINUTES  
(Subject to Revision)

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

Chairman T. Pratt called the meeting to order at 7:00 PM and led the assembled in the Pledge of Allegiance.

**Members Present:** L. Hutvagner, T. Pratt, J. Carroll, S. Leeper, K. Brennan (7:01 PM)

**Members Absent:** D. Fennell

**Others Present:** First Selectman G. Smith (7:05 PM), P. Monti, Finance Manager N. Nau, 4 members of the public via Zoom, Selectman M. Krenesky (7:02 PM), Fire Chief B. DeGeorge (7:06 PM)

2. **Approval of Minutes from Previous Meetings:** Minutes from July 14, 2020 Regular Meeting - **Motion made to approve the minutes as presented by S. Leeper. J. Carroll seconded the motion. All ayes.**

3. **Comments from the Public:** No comments were received via email before or after the meeting.

4. **Discussion with Fire Department:** L. Hutvagner made a motion to move the agenda item to allow time for the Fire Chief to arrive. K. Brennan seconded the motion. All ayes.

5. **Reports**

- a. Tax Collector Report – The Tax Collector provided a one-page summary of July tax collections. The Finance office provided a reconciliation between tax and finance cash deposits for the month. The Tax Collector provided history on collections for July for the past 3 years. L. Hutvagner noted that for the month of July \$9.5M in taxes were billed and \$8.5M were collected. J. Carroll added that it is too early in the year to determine collection trends.
- b. Town Clerk Report – No questions.
- c. Treasurers Report – L. Hutvagner noted that current interest rates keep dropping.
- d. Region 16 - The Region 16 monthly expenditures report is now available to the public on their website and was provided to the BOF by email.
- e. Ambulance Report – No report at this time.

B. DeGeorge entered the meeting 7:06 PM.

## **6. Discussion with Fire Department:**

B. DeGeorge noted that the new ambulance is nearly in service, after having radios installed, it will be titled to the Town, equipped and in use shortly. The new situation pertains to the 2012 Dodge Ambulance which has significant suspension issues. The vehicle will be 10 years old in 2 years, which is the point of replacement for the vehicle. One quote the Fire Department received for fixing the liquid spring suspension is \$24,000. B. DeGeorge wanted to make the Board aware of the situation and discuss the options. P. Monti added that the issue has become more serious as patients are complaining about bumpy rides in the vehicle, particularly riders with fractures or back issues. Vehicle operators have had issues with the suspension for some time.

First Selectman G. Smith is recommending that the Fire Department get quotes from additional vendors, who work on large truck suspensions, in addition to their quote from a vendor who only services ambulances and fire vehicles. He recommended Tri State Diesel and Sheehy Transport. As ambulance suspensions are intricate, a schematic of the vehicle is being obtained to assist in quoting the repairs needed. The box on the 2012 Dodge Ambulance was remounted by a defunct vendor, which adds to the complications. Once the town has competing quotes, we can decide the best path with the vehicle.

The town currently has the State Training School ambulance on loan and will be able to continue using this loaner ambulance. P. Monti noted that while the 2012 Dodge is still functional, but EMS is trying to minimize its usage.

T. Pratt recommended comparing vendor quotes for repairs and weighing the repair costs with the length of the time the 2012 Ambulance will remain in service. N. Nau noted that the Blue book trade-in value of the ambulance is \$25,000 as it sits, \$35,000 in good working order. Depending on the costs of the suspension repair, the town will not recoup those costs in the future when the vehicle is sold or traded in. She added that the norm for lifespan of ambulances is 10-14 years. B. DeGeorge added that the drive train warranty on these vehicles ends at 50,000 or 10 years and when that warranty ends repairs are more costly.

L. Hutvagner asked how long the town can use the loaner ambulance. B. DeGeorge confirmed that at present the State has not needed the reserve vehicle for any of its agencies, so the Town can retain it. L. Hutvagner noted that the town should not spend \$25-\$30k if we are replacing the ambulance in 2 years. It is a good time to borrow funds for a new vehicle. However, the town should be on a 10-year rotation, replacing an ambulance every 5 years. Will repairing the vehicle add 3 more years to its life, so that the town is on the rotation it should be.

K. Brennan is concerned that delaying the replacement of the vehicle only causes more maintenance issues in the long run and extends the problems down the road. B. DeGeorge added that the Fire Department has a 1995 engine, and a 1999 engine with 25-year lifespans which are also due for replacement soon. After 3 vendors look at the ambulance and 3 quotes are delivered, the Boards will revisit the issue to decide. In the interim, the Town hopes to keep the State loaner ambulance in service in place of the 2012 Dodge.

## **7. Finance Manager Report:**

- N. Nau presented a change to the Finance Policy Manual – Cash Drawer policy. At the request of the Tax Collector, L. Daigle supplied changes to address how the Tax Collector handles their cash drawers and added their own reconciliation form. Changes are highlighted. L. Hutvagner asked to delay a vote on changes until next month to allow time to review the revisions.
- N. Nau provided an update on the status of RFPs:
  - Audit RFP has been executed and the auditor will be on site at end of August, doing preliminary work. As much of the audit as possible will take place remotely due to COVID, so documents will be provided digitally.
  - 35 Wolfe Ave – 5 submissions were received, 4 were deemed responsive and grading is being completed. There was one drastically low bid and she is evaluating references and making phone calls to qualify the bidders.
  - Revaluation – The graders worked through all 3 submissions and we have awarded Municipal Valuation Services. The town is negotiating a couple of special conditions considering a COVID plan for interior inspections, so the final contract language is being worked out. The winning bidder has met with the Assessor virtually. The winning bidder has appraised over 30 towns and they were willing to work within the FY21 budget for work to be completed through June 30<sup>th</sup>. The balance of the project will be FY22 capital expense.
  - Accounting Software - Submissions closed and are being evaluated over the next 2 weeks.
- N. Nau note that the Insurance Payment on the burned-out ambulance has been received and it is in the General Fund Revenue under Insurance Claims. The cost of the new ambulance is \$249,998, so the claim check was for this amount less the deductible. The new ambulance loan allows for earliest payoff without penalty in January 2022. The early payoff will save between \$4k and \$6k in interest costs.
- Budget items: For the FY20 fiscal year the town will have a year-end surplus of \$470,000, plus the \$375,000 FEMA revenue from the tornado. J. Carroll asked for the total Undesignated Fund Balance, which is estimated \$3.3M at year-end, before FY2021 appropriations.
- Transfers: The budget transfers were missed at the BOS meeting last night and will be addressed under the First Selectman's report.
- Town Meeting – The Bond Resolution and FY2020 Transfers passed on 8/3/2020.
- Grants
  - FEMA application for COVID– We have applied to FEMA for the March – June 30<sup>th</sup> COVID expenses. Coronavirus Relief Fund requests are due by August 31<sup>st</sup>. N. Nau noted that there is another FEMA and EMS related funding source – AFG-S which will open for another rounds of reimbursement for PPE expenses only.
  - The Board asked about costs for Tropical Storm Isaias and we are tracking Debris removal, Public works OT, costs for Fence repairs at Pent Road. Too early to provide a summary but Finance can provide costs next month.
  - K. Matthies Grant – The town is still waiting to hear on the 2020 application, as decisions have been impacted by COVID.
  - WCAAA – Also waiting to hear and Finance attended a virtual meeting on the impact of COVID on the Minibus grant and our senior services. There are still unknowns associated with the minibus service and senior center reopening.

- Bulletproof vest deadline – Reporting deadline is approaching, and the Resident Trooper is procuring the vests and getting ID numbers needed for the reports.

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## **8. First Selectman's Report**

- a. Budget Transfers FY2020-2021: First Selectman G. Smith noted that the BOS is holding a Special meeting on 8/12/20 to address these transfers which were missed at the 8/10/20 regular meeting.
  - Under Wages – EMD – This transfer is a stipend of \$6000 for the Emergency Management Director. The town does not anticipate replacing the Police Lt., who was the former EMD. Funds are being taken from the Police Lt. line to pay for the EMD position. The full time Resident Trooper has assumed all duties of Police Lt. There is some talk of reinstituting the Corporal position at the Police Station.
  - First Selectman's Secretary – The BOS voted to give a raise to this position in July as new duties have been added to the position.
  - Assistant Tax Collector – Transfer to add additional hours to this position to provide coverage for the full-time tax collector when she is on leave and for additional hours worked during this time of year.
  - L. Hutvagner noted that this is a 12% increase to the First Selectman's Secretary position, and he is concerned that the budget policies and procedures are not being followed. The salary line was budgeted at \$42,000 and now will be increased to \$47,000. He would have preferred that the money be appropriated during budget season before the raise is given. His concern is not a reflection of who holds the position, but of the process that was followed.
  - L. Hutvagner expressed concern that the Clerking line will be overbudget at year-end due to changes in how clerks are being paid. Social Security, Medicare and Pension lines are also impacted by these decisions. He noted that these decisions should come to the BOF before the decision is made by the BOS, not after the fact, and a clearer process should be followed.
  - G. Smith noted it is within the BOS' management right, as the money is in the budget in the salary adjustment line, to make these personnel decisions, including hiring and wage increases. The BOS is acting within their rights on personnel decisions made within Executive Session. The Wage salary adjustment line was increased to anticipate changes such as these.
  - L. Hutvagner reiterated his concerns about the process and following the CT State law for budgeted lines. It would have been proper to increase the salary line at budget time, rather than make a transfer after the start of the budget year. Under CT State law the line item is budgeted at \$42,000 and should not be increased to \$47,000 after the budget was passed because it has not been appropriated. Clerking is a separate issue and changing the clerking rate will cost the town more money, as discussed in prior meetings.
  - K. Brennan agreed that he would prefer that this was addressed at budget time. The person in the position is not the issue, the process is the question.
  - G. Smith will look to improve the process moving forward. He noted that the increase was being considered at budget time and was not finalized until the BOS met in July.

- J. Carroll asked about the history of the position and the position used to be paid at \$28-\$29/hour, was reduced to \$22-\$23/hour when duties and personnel changed, and now is being increased to \$26.37/hour due to increased responsibilities.
- The remaining Department line transfers are:
  - Assessor - \$52.00 to Computer Services due to higher printing costs. Transfer is within the Assessor's budget.
  - Pre-Disaster Mitigation - \$2600 Grant through NVCOG, which is a new grant designed to aid towns with Hazard Mitigation plans and educating the public on disasters. This is a new grant which was not included in the original budget.

#	Transfer From	Transfer To	Amount	Description
1	10.90.15.1220 - "Office Supplies"	10.90.15.1060 - "Computer Support"	\$ 52.00	Printing costs through vendor slightly higher than anticipated
2	10.90.83.110 - "Contingency"	10.90.39.1415 - Regional Council Govts"	\$ 2,600.00	NVCOG Pre-Disaster Mitigation work fee was missed by the First Selectman's office
3	10.90.53.1019 - "Wage - Police LT"	10.90.57.1010 - "Wages - EMD"	\$ 6,000.00	Separating the EMD duties from Police LT
4	10.90.13.1235 - "Wage Salary Adjustments"	10.90.01.1020 - "Wages - First Selectman's Secretary"	\$ 5,100.00	Raise approved
5	10.90.13.1235 - "Wage Salary Adjustments"	10.90.07.1020 - "Wages - Asst. Tax Collector"	\$ 2,400.00	Additional wages to cover when FT Tax Collector is on PTO.
Total			\$ 16,152.00	

- **T. Pratt asked that each transfer be voted on separately. Note that each motion to transfer is contingent upon approval by the BOS:**
- **Transfer from Assessor Office Supplies to Assessor Computer Support - \$52.00 L. Hutvagner made a motion to approve. S. Leeper seconded the motion. All ayes.**
- **Transfer from Contingency to Regional Council of Governments - \$2600 – S. Leeper made a motion to approve. L. Hutvagner seconded the motion. All ayes.**
- **Transfer from Police Lt. Wages to Wages – EMD (new line)– \$6,000 L. Hutvagner made a motion to approve. J. Carroll seconded the motion. All ayes.**
- **Transfer from Wage Salary Adjustments to First Selectman's Secretary – \$5100. J. Carroll made a motion to approve. S. Leeper seconded the motion.**
  - L. Hutvagner noted again that the process is not being followed and the BOS has not yet approved this transfer. S. Leeper added to the motion: contingent upon approval by the BOS.
  - T. Pratt, J. Carroll, K. Brennan, S. Leeper voted aye. L. Hutvagner voted nay. Motion carries 4-1.
- **Transfer from Wage Salary Adjustment to Wages -Assistant Tax Collector – \$2400. L. Hutvagner made a motion to approve this transfer. K. Brennan seconded the motion. All ayes.**

Property and Casualty insurance will also require a budget transfer because of vehicle additions and increases to Crime insurance coverage. N. Nau hopes to have a transfer

figure next month and L. Hutvagner noted that CIRMA will potentially refund premium for vehicles which have been disposed of, in July and December of each years an offset.

b. **Fire Department Request for Capital Project - Rescue 4 – \$9940**

G. Smith noted that June 2020, the Fire Department submitted a PO for the repair of Rescue 4, which was declined as it was a last-minute request which should have been addressed at budget time. They have presented the request to the BOS/BOF as a capital project and requesting a budget transfer for \$9440 for these repairs. The proposal is for the funds to be transferred from Fund Balance.

L. Hutvagner received no advance notice on the \$9440 transfer. He noted that he has no problem with the expense for the Fire Department but wants to reiterate that the proper process should be followed. His recommendation is to take these funds out of Contingency rather than Fund Balance, as using contingency first makes the most sense. The BOS should have voted on this prior to the BOF and the BOF should have notice of this transfer prior to the meeting. T. Pratt apologized for not notifying the entire BOF of this request. L. Hutvagner noted again that proper procedure needs to be followed. BOS should be approving these requests and then sending them to the BOF. **L. Hutvagner made a motion to approve the \$9440 Transfer from Contingency to Non-Recurring Capital Projects for the repairs to Rescue 4, contingent upon the approval of the Board of Selectman. K. Brennan seconded the motion. All ayes.**

- c. T. Pratt confirmed with the First Selectman that debris will not be picked up on the side of the roads following this storm. G. Smith advised residents to drop debris at the town garage.
- d. G. Smith noted that he is working on structuring the debt issuance following the Town Meeting, to take advantage of low rates while spending the money in a specific time frame. He has been in contact with the engineers on the timing of these projects. He is working with Bond Counsel and the Financial Advisor.
- e. Coming out of the Town Meeting, T. Pratt asked about Oak Drive. G. Smith noted that Oak Drive remains a private road and the homeowners on that road should form an HOA. As a result of a settlement, the town is responsible for storm drains and plowing but the road remains a private road.
- f. Update on Aquarion Hydrants – T. Pratt will follow up with the Fire Chief for an update

9. **Finance Policy Manual** –Amendments will be reviewed and addressed next month.

10. **Old Business** – None at this time.

11. **New Business** – 5 Year Plan and Capital Improvement Plan – T. Pratt handed out to the Board a copy of the Town of Newtown published and adopted Capital Improvement Plan. He asked the board to review the document and consider forming a committee to create a 5 Year Plan for Beacon Falls. Natasha has done a great job with the 10 Year plan. He would like to include BOF, BOS and Department chairs over the period from September through December to formulate this plan which is then approved by BOS and BOF boards and public facing. The planning will aid in the budget process come January and provide an outlook for upcoming years. The plan would include funding sources and be a commitment to the Town. A plan for vehicle replacements and roads would be included. K. Brennan agreed

that the 5 Year Capital Improvement Plan is a great idea, but he wants action linked to the plan, so that the document is followed. The board will discuss further next month.

12. **Executive Session (if needed)** None needed.

13. **Adjournment:** K. Brennan called for motion to adjourn at 8:45 PM S. Leeper seconded the motion. All ayes.

Respectfully submitted,

*Erin Schwarz*  
*Finance*