

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



**BEACON FALLS BOARD OF FINANCE
Regular Monthly Meeting
November 15, 2022
MINUTES
(Subject to Revision)**

1. **Call to Order / Pledge of Allegiance:** J. Carroll called the meeting to order at 7:04 PM and led the assembled in the Pledge of Allegiance.

Members Present: T. Pratt, S. Leeper, J. Carroll, W. Hopkinson, D. Fennell

Members Absent: K. Brennan

Public Present: Finance Manager N. Nau, First Selectman G. Smith

2. **Comments from the Public:** No Public Present.

A. **Region 16** was not in attendance, but N. Nau met with Region 16 Finance Director, Anthony DiLeone last week. She explained that Region 16's new auditor found that the student percentage for the two towns was miscalculated for the 2020-2021 school year. Prospect was rounded up and Beacon Falls was rounded down. The difference owed by Beacon Falls is \$173,000 which will be covered by the Excess Cost Grant. Prospect will receive a refund for the percentage that they overpaid. JC was surprised that there was that much of a surplus in the Excess cost grant. N. Nau noted that both the track and the pool capital projects are being rebid by the Region. Therefore, the projects have not moved forward yet. N. Nau encouraged Region 16 to invest in electronic procurement software, such as Bonfire, which would allow them to expand and improve their bidding process. Their process is currently paper based and could cast a wider net with electronic bids. The Board of Finance concurred that Region 16 needs a system like Bonfire for procurement and bidding.

3. **Approval of Minutes:** 9/13/22 Meeting Minutes. T. Pratt requested a revision to the minutes noting under Item 9 Old Business. T. Pratt asked Fire Chief B. DeGeorge where the new UTV equipment will be stored should the capital project be approved. Chief DeGeorge responded that the UTVs will be stored inside Station 2. **DF made a motion to approve the minutes with this revision. /TP seconded the motion. All ayes.**

4. **2023 Calendar:** TP made a motion to approve the 2023 Board of Finance Meeting calendar as presented. **WH seconded the motion. All ayes.**

5. **Election of Officers:** This will take place in December. JC is interested in remaining Chairman for another term.

6. **Correspondence:** None.

7. **Reporting:**

- a. Tax Collector Report – SL asked if we are on track with collections. G. Smith noted that we are on track but our Tax Collector, Jen Bilsky, is concerned about the January tax collections. With inflation, fuel, and food prices, she expects that January 2023 may see a slowdown in timely tax payments.
- b. Treasurers Report - No comments.
- c. Town Clerk Report – JC noted that Town Clerk Conveyance will slow considerably after 2023, as there are only 9 lots left to sell at Chatfield Farms.
- d. Region 16 Report- No comments.
- e. Ambulance Report – TP noted that the billing service's software changes has interrupted some of the data he is receiving. TP confirmed for Natasha Nau that we have no paramedics on staff at BHC. AMR and Naugatuck ambulance provide ALS service for the Town. The BHC service is BLS, and

we provide mutual aid. TP also noted that some training costs may be reduced as BHC is conducting some of their training in house.

6. First Selectman's Report:

a. Budget Transfers:

- Appropriation for the Emergency Boiler Replacement at BHC: The Selectman approved up to \$60,000 appropriation from Undesignated Fund Balance, which will move to Town Meeting, if the BOF is in agreement. The award for the Emergency Boiler Replacement project was in the \$53,000 range. There have been some additional issues which have arisen from the project, a water purifying system is needed and air circulators to be replaced.
- **TP made a motion to appropriate up to \$60,000 from Undesignated Fund Balance for the Emergency Boiler Replacement at the Firehouse and move the request to a Town Meeting/SL seconded the motion. All ayes.**
- Capital Projects for Fire Dept – This request from the Fire Dept has been discussed in prior meeting. BHC is asking to move monies from the prior approved projects – Station 2 and Fire Marshal Vehicle to a new project to purchase UTVs, Trailer and Skid Pumps.

\$ (30,345.00)	45.90.90.2182	Fire Station 2 Workout Room Project	45.90.44.1020	UTVS, trailer & Skid Pumps	\$ 30,345.00	Transfer from one capital project to fund new project. Move to Town meeting
\$ (18,236.20)	45.90.45.1013	Fire Marshal Vehicle	45.90.44.1020	UTVS, trailer & Skid Pumps	\$ 18,236.20	Transfer from one capital project to fund new project. Move to Town Meeting

WH made a motion to approve this Capital Project transfer and to move the request to Town Meeting. /DF seconded the motion. All ayes.

- First Selectman Smith is planning a Town Meeting, which will address these Finance issues and may or may not include the discussion on the Fair Rent Commission. His thoughts on the Fair Rent Commission are that it would be an expensive burden for the Town, which would require a specialized board, specialized clerk for research, and sizable attorney expenses.
- Budget Transfers (October and November meetings):

TRANSFER FROM:				TRANSFER TO:			
#	Amount	Line	Description	Line	Description	Amount	Explanation
1	\$ (200.00)	10.90.29.1176	Office Supplies	10.90.29.1031	Election Workers	\$ 200.00	Higher minimum wages, higher primary costs from August - preparing for Nov. election,
2	\$ (330.00)	10.90.29.1355	Primaries	10.90.29.1031	Election Workers	\$ 330.00	Higher minimum wages, higher primary costs from August - preparing for Nov. election,
3	\$ (120.00)	10.90.29.1360	Canvas Expenses	10.90.29.1031	Election Workers	\$ 120.00	Higher minimum wages, higher primary costs from August - preparing for Nov. election,
4	\$ (500.00)	10.90.29.1011	Wages - Deputy ROV	10.90.29.1345	Election Expenses	\$ 500.00	Higher minimum wages, higher primary costs from August - preparing for Nov. election,
5	\$ (750.00)	10.90.29.1173	Certifications/Workshops	10.90.29.1345	Election Expenses	\$ 750.00	Higher minimum wages, higher primary costs from August - preparing for Nov. election,
6	\$ (750.00)	10.90.29.1175	Registrations/Conferences	10.90.29.1031	Election Workers	\$ 750.00	Higher minimum wages, higher primary costs from August - preparing for Nov. election,
7	\$ (2,000.00)	10.90.83.1170	Contingency	10.90.29.1031	Election Workers	\$ 2,000.00	Higher minimum wages, higher primary costs from August - preparing for Nov. election,
	\$ (4,650.00)					\$ 4,650.00	

For October there are transfers from the Registrar into Election workers and election expenses. They were underbudgeted for staff, hired security, the primary, election expenses. Discussion surrounded the Registrars presenting a more accurate budget in the future. **TP made a motion to approve the October 2022 transfers totaling \$4650. SL seconded the motion. All ayes.**

TRANSFER FROM:			TRANSFER TO:			
#	Amount	Line	Description	Line	Description	Amount Explanation
1	\$ (3,500.00)	10.90.83.1170	Contingency	10.90.77.1470	Mini Bus Gas /Maintenance	\$ 3,500.00 Catalytic converter repair/theft & increased gas costs and usage
2	\$ (961.00)	10.90.33.1290	Engineering/Consultants	10.90.33.1415	NVCOG	\$ 961.00 To cover invoice for Hazard Mitigation Plan costs
3	\$ (4,000.00)	10.90.44.1486	EMS Training	10.90.44.1060	Software & IT	\$ 4,000.00 ESO EMS Software, Billing and Scheduling Fees

- For November, there is a Minibus transfer for catalytic converter replacement of the stolen one. The Town is working on ways to prevent theft from happening again. The Minibus is being used a lot. GS is considering a second vehicle for them – a car. The Police car that is being replaced will most likely go to WWTP, as their Ford Escape is failing. There is a transfer for NVCOG for their Hazard Mitigation plan and a transfer for ESO Software into the IT line for Fire from EMS Training. **WH made a motion to approve the remainder of the November 2022 transfers. DF seconded the motion. All ayes.**
- b. Burton Road Reconstruction and Retaining Wall - G. Smith noted that this contract was awarded to Dayton Construction contingent on the State's approval of the bid. They were the low bidder. They are a known entity, and they did the Streetscape in town. They are a big company with municipal experience. They will begin the work that they can complete through the winter shutdown.
- c. Patricia, Dolly, Coventry – G. Smith has also encouraged B&W Paving to work through the winter shut down. He expects them to start next week.
- d. Burton Road Sewer Replacement – The Project with RR. Hiltbrand has significant overruns because we did not have the correct location of the laterals. The greater increases in costs were because of the depth of the sewer – 0-10' versus 0-20' feet. There were SLR inspectors on site. Our Road Foreman was on site, and he is **not** at fault for the cost overruns. However, this is a project which could have benefited from having a Public Works Director on staff. This impacts the ARPA budget, so we would like to put the revised ARPA budget to the Town Meeting. The project began at \$332,400 and the total sum of the project is \$493,071.06. Most of the projects that SLR has put together have come in at or underbudget. This project had unforeseen changes, and this is what happens when roads and piping are not documented. We have as-builts for all the roads which have been done recently under G. Smith's watch.
- e. Beacon Valley Road – The STEAP side with Grasso is pretty much completed, LOTCIP is still in the works and DeCarlo & Doll noted that the utilities need easements for the road. LOTCIP needs to meet full State specifications. The road is wider, and the town got easements. There is a tree being moved for a resident. All of this is preliminary work is to resubmit the LOTCIP project to the State. The site and the engineer have been a challenge. This is to tie in with the Bridge which is half Naugatuck and half Beacon Falls. N. Nau noted that she is authorized to advertise the Bridge. We have filed necessary paperwork for extension of 90 days to allow for bidding over the winter. Work will start in the spring.
- f. WWTP Digester Update – N. Nau summarized the changes in the project which dates back to 2018. The tank cover being square versus round cover, a new engineer and SLR has reevaluated the structure of the beams. The change order originally came in in the ballpark of \$30-\$40,000 and now the Kovacs change order is \$108,000. WPCA has been notified of these cost overruns. It would be too costly for the town to walk away from the vendor at this time. The proposal is to take portion of this project from the Sewer fund and a portion from ARPA to cover these overruns.
- g. Town Meeting – G. Smith plans to schedule the Town Meeting for 11/29/22 at 7:00 PM at the Firehouse. TBD on agenda.
- h. WH noted that we just discussed 2 projects that have gone way overbudget. We should be prepared to address the public coming to this meeting, on how this would be handled differently in the future. GS noted that the overruns have been openly addressed and spoken about at BOS and BOF. We will present the numbers at the Town Meeting and be prepared to answer the questions.

7. **Finance Manager's Report** – N. Nau noted that many of the items in her report have been discussed under the First Selectman Report.
- a. Finance Policy Manual: Revisions to the manual will be reviewed later in the meeting.
 - b. AssetTrax: Still working with interns on this project and will work with the auditor on how to proceed with the launch of the program. Slate Pages will launch in the winter.
 - c. Streetlogix: The Streetscan software will be updated shortly.
 - d. Audit: Will be next week and the Workers Comp audit will be tomorrow. There will be a focus on procurement for the audit, due to the federal funds that we have received.
 - e. RFPs: Several new opportunities are being drafted. 4 advertisements have been running simultaneously over the last few weeks. One of the ITBs had only 1 bid submitted, which has not been unsealed. The POCD may be rebid based on the lack of competition.
 - f. Data Center: G. Smith noted that we are waiting for a DECD contract to be signed. On target, O&G is ready to move forward when the State portion is complete.
 - g. Sludge Processing: We had a 3-year contract with this vendor which is expiring in December. Bidding now is problematic due to inflationary costs. Fuel costs on the sludge hauling at the point in time will not be in the town's favor. The Department Chair originally wanted to bid out the project. There is some dissatisfaction with the current hauler. The current hauler employed a driver that was inaccurately reporting the ticket numbers, which led to larger than normal bills for the Town. Our department chair is pulling tickets and delving into the issue closely. The current hauler has offered some compensation to the Town. WWTP will be purchasing the flow meter, so that they are able to track the flow of material to the haulers. SL noted that a flow meter could cost in the \$12-\$15,000 range. N. Nau noted that while WWTP is getting all the information together, we will extend the contract by one month and then decide how to proceed.
 - h. Trash & Recycling: The Town had an October 1st contract expiry with Oak Ridge. Given the bidding climate, we are proposing extending this contract by 8 months through June 30, 2023. Oak Ridge is honoring the pricing that they proposed in April 2022 during budget season. Finance is seeking a motion to waive the advertising on this contract extension.
 - i. Capital Projects: Volvo loader work is on hold until the spring. Parks & Recreation needs to pick another item for the playground extension.
 - j. Grants:
 - DEEP VFA Grant for Fire was received.
 - The TOD Grant for a Community Center was not awarded. We will be putting in a CIF Grant which should be extremely competitive, for a Community Center, Senior Center, and Library. There is no match with no cap on the CIF program. WH asked if there will be public input in how the Community Center is constructed if we receive the grant. WH also asked for a designated area for community outreach. GS expects that it would be a combination Senior Center, community center, and would take care of all those services. The grant application is due in January.
8. **Finance Policy Manual** – N. Nau provided the Board with the Federal Uniform Guidance Procurement Standards, and she has amended the Finance Police Manual in several sections to adhere to this guidance. She has added clauses pertaining to:
- a. Recycling materials when possible.
 - b. Receiving bids digitally
 - c. Self-certifying that our procurement system is valid and complies with national standards.
 - d. Noting that our First Selectman is the Advisor on all bids and has final approval of bid award.
 - e. On Project management; regarding change orders
 - f. Addition of Sole Source language; defining geographic sole source
 - g. Discouraging Time & Material – open ended contracts
 - h. Discussion of Local Preference
 - i. No contract awards for Board members - Discussion continued on this issue. This is best practice language.
 - j. Back Taxes Indebtedness – right now the language is for contract awards of \$20,000 or higher. Discussion on compliance regarding delinquent taxpayers.
 - k. Bonding & Retainage – with bid projects. There was discussion of a threshold for 100% performance bond and retainage. JC noted there is time and significant expense associated with bonding.

- l. AA and EEO – in bid language; set-aside goals.
- m. Record Keeping language
- n. Town Property form -Acknowledgement of Town Property
- o. WH asked about Cybersecurity Training – N. Nau has a quote from Security Mentor – 99 licenses for \$4500 which will be part of next budget cycle, as training is one of the requirements of our Cyber insurance.
- p. Excess Surplus Property – Does the Town pursue these options when available? There are options such as the State Surplus site.
- q. WH asked if all employees sign this Finance Policy Manual? Discussion continued about how often these signatures should be reviewed as the Finance Policy Manual is revised. We discussed annual signatures updates.

The Board's consensus was to hold off on the approving any changes this month, but to review the Federal guidance with the auditor and reconvene next month with the auditor's feedback. JC noted that while the government has guidelines, they must be practical for a town our size. The Board would like to see what Mahoney Sabol recommends regarding these points.

T. Pratt would like to see language regarding contract change orders highlights and in the forefront of that language. DF noted that the signature page should note Employee/board member/volunteer/elected official as options. The Board thanked N. Nau for a job well done.

9. Old Business:

- a. Master Fee Schedule – Still on hold
- b. STIF Bank Accounts – **SL made a motion approving the Treasurer's request to open STIF (State of CT Short Term Investment Fund) bank accounts at her discretion. TP seconded the motion. All ayes.**

10. New Business:

- a. Trash & Recycling: October 1st contract expiry – We have extended this contract and Oak Ridge is honoring the pricing that they proposed in April 2022. **WH made a motion to waive the advertising on the Oak Ridge contract extension through June 30, 2023. DF seconded the motion. All ayes.**

- 11. Adjournment: **S. Leeper made a motion to adjourn at 9:38 PM. W. Hopkinson seconded the motion. All ayes.**

Respectfully Submitted,

Erin A. Schwarz

Finance Office