

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



**BEACON FALLS BOARD OF FINANCE**  
**Regular Monthly Meeting**  
**July 13, 2021**  
**MINUTES**  
**(Subject to Revision)**

1. **Call to Order / Pledge of Allegiance:** T. Pratt called the meeting to order at 7:02 PM and led the assembled in the Pledge of Allegiance.

Members Present: T. Pratt, S. Leeper, J. Carroll, K. Brennan, W. Hopkinson

Members Absent: D. Fennell

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

2. **Comments from the Public:** No Public Present.
3. **Approval of Minutes:** K. Brennan made a motion to approve June 15, 2021, Regular meeting minutes, as presented. S. Leeper seconded the motion. All ayes.
5. **Correspondence:** No correspondence.
6. **Reporting:**
  - a. Tax Collector Report – Collections were strong for FY2021. Our Tax Collector will attend August 2021 meeting to update the board on the upcoming tax auction and the July 2021 collections.
  - b. Treasurers Report – No comments. The Town Clerk and Dog Fund still need to be reconciled.
  - c. Town Clerk Report – No comments. The office has had positive revenue flows for the year.
  - d. Region 16 Report – The June 2021 report was reviewed. J. Carroll noted that the State has increased the percentage that the Region is allowed to hold in their Non-Recurring Capital Fund from 1% to 2%. He would still like to see more details on the Capital Projects Fund from the BOE. The minutes of the BOE meetings do not reflect the BOE votes on capital expenditures. The statute states that the BOE must approve these capital project expenditures and the minutes do not reflect these votes. G. Smith noted that the Beacon Falls BOE members need to understand that they represent the taxpayers of Town of Beacon Falls. He may arrange to meet with the BOE members on this subject. J. Carroll added their role is to first protect the Region 16 children and second to protect the taxpayers of the Town of Beacon Falls. This fiscal year, Region 16 returned their surplus to the town's because they were pushed by the Prospect BOE members. The BOE should recognize that the Region should give money back to the taxpayers when possible.
  - e. Ambulance Report – EMS Report – T. Pratt noted that the Fire Chief and surrounding towns met with the Borough of Naugatuck to specify they will only go to Naugatuck for Class 1 calls. BHC's EMS service was being abused and overutilized by the Borough of Naugatuck. While our equipment was dispatched on Naugatuck calls, our town was at times left short of coverage. Because BHC has a lift stretcher this led

to many calls for geriatric patients. There are costs to the Town of Beacon Falls with every call out of town. BHC has clarified their position with Naugatuck moving forward.

7. **First Selectman's Report –**

- a. Budget Transfers: There are transfers for FY2021 and F2022. Traditionally, the July list of transfers is mostly Wage and salary adjustments. Sick and vacation payouts comprise the bulk of wage transfers and they were high due to COVID, with employees not taking vacation time. There is a large transfer for Morton Salt missed invoices due to late season salt deliveries, which led to miscommunication from public works. The total of 2021 transfers \$107,182.59. The BOS approved all transfers at their meeting last night.
- b. T. Pratt noted that as we move through fiscal year-end, the Finance Office is reviewing policies to avoid budget overages and clarifying expectations with vendors. Purchase Orders will now be sent to vendors by the Finance Office and not by the departments. June 30<sup>th</sup> is the deadline for work to be completed. This will be communicated clearly. Clothing allowances should be distributed by June 15<sup>th</sup> rather than allowing these distributions to take place at the last minute.
- c. FY2022 Transfers: There are several FY2022 transfers, totaling \$18,420.75. In the budget document, when Department 61 was moved to Department 59, these 3 budget lines did not total in the final budget so there is a transfer of \$17,900 out of Contingency to accommodate those lines.
- d. Police Body Cameras: G. Smith noted that the State police have been hosting our body camera footage under the Resident Trooper program. For 2022, the State was removing that benefit. G. Smith has not signed the Resident Trooper contract for FY2022 until this is resolved. He wrote to the State and received a response from the State Police and the hope is that the State will continue to host the town's camera footage.
- e. In the 2023 budget, dash cams will also be required, and they will be a capital budget item. Preliminary figures on body camera storage would include new AXON proprietary cameras and a \$6000 annual storage cost which would double for dash camera footage.
- f. Capital Projects:
  - Alarm Installation – At the Public Works garage, new cameras and alarms were installed and ATP threw out the old alarm equipment that they replaced. We are resolving this issue with Johnson Controls, the former alarm company.
  - Fire Apparatus – The Fire Chief is working on a plan within the next 30 days as to how they want to move forward with the new vehicles.
  - Fire Department Building Ceiling Lighting –The project expanded to replace emergency lighting which caused the work to go overbudget.
  - The group discussed accountability when projects go overbudget. Clear communication to the vendors is needed, so a vendor does not exceed their PO. The vendor should be responsible for overages which are not approved. Often, the Finance Office finds out about an overage after the expense has occurred. The Finance Office continues to improve on accountability for vendors and for staff.
  - The group discussed employees who overspend, and employees have all signed the Finance Policy Manual attesting they will abide by the Town's Finance Policies. G. Smith noted that violations of that policy can go into employee files.
- g. Burton Road Wall – G. Smith explained that design changes were requested by the State now both sides of the wall are being addressed. The application has been



resubmitted for review and at the advice of the engineer, the Town will let the NVCOG drive the process. The State makes their recommendations, and the engineer has responded to the recommendations from the State on widening the road. The State would then appropriate the \$3.5M for the project and then the NVCOG decides how to move forward. At that point, the NVCOG can revise the plan for the road. He expects the Final design to be completed and to hear back from the State.

- h. Beacon Valley Road – The first half of the road drainage and reconstruction has been awarded and work will begin within 30 days. The BOS officially made their award last night to Grasso Companies. This is the STEAP portion of the work from the Beacon Valley Bridge to the condominiums.
- i. DeCarlo & Doll is working on the LOTCIP portion of project. The State has two pieces of this project (LOTICIP and STEAP) and the LOTCIP arm is not accepting the engineering work completed for the STEAP portion. The engineer is fighting with DOT and NVCOG to give the State what they need to get the LOTCIP side moving. LOCIB is the third piece of State funds for the bridge portion, which we are sharing with Naugatuck. T. Pratt asked G. Smith to keep residents advised and aware of the process.
- j. Station 2 – No update.
- k. Road Projects – Back Rimmon Road is waiting for the topcoat which has been delayed due to weather. There will be new school zone signs on Back Rimmon. Cook Lane drainage work is STEAP monies, and the program manual is forthcoming from the State. G. Smith is hopeful that Cook Lane will be done by the end of 2021.
- l. Matthies Park House – There were funds remaining for the Matthies House which were not utilized by June 30<sup>th</sup>. The capital project for the house for FY2022 is \$5000, the project may need a budget transfer to accomplish the balance of the project. Selectman Krenesky is working to put the Matthies Park house on the State's Historic register. The Sluiceways are historic and by listing the house as a historic site on the State registry, then there is a potential for historic grants.
- m. WWTP Update – SLR Engineering is now working on WWTP upgrades, and the digester project and the electrical upgrade will move forward. We have 50% of the engineering from the former engineer and now we need to pursue the balance of the engineering from DPC Engineering. The change in engineers has been good, and while Dave Prickett was good for the town for a time, he got frustrated as a smaller engineering firm. It was a bad fit and now that we have a much larger firm with a wastewater division and G. Smith is pleased with how it is going. The plant is a work in progress, so new engineers can run with it.
- n. Drone Show – M. Krenesky noted the total cost of the event is \$38,000 and there are \$25,000 in funds set aside in the budget this fiscal year. Parks & Recreation will help the town pay for the show with \$13,000 coming from Special Activities (\$4,000 which was transferred to that fund and \$9,000 voted on by Parks & Rec). The plan is a 9/25 show and a rain date of 9/26 with 30-day window for rescheduling.
- o. Last night, the BOS discussed the future of the Wolfe Ave property. G. Smith noted that we have owned it since 2004 and there has not been a clear plan. The Town has been sited with a Blight complaint from the P&Z commission on the property. If we raise the building for \$160,000, the lot would be worth much less than what the Town would spend on the remediation and raising.
- p. The BOS decided to get 3 competitive market analysis to see what the property is worth. G. Smith believes it is in the town's best interest to divest itself, as any project there would be a 7-figure project. G. Smith has investigated HUD as a Senior housing complex, but then a town housing authority would be needed. The building is not



salvageable and if the Town has offered it for sale, we would have some funds recovered and someone may take it out of our hands and handle it.

8. Finance Manager's Report

- a. Finance Policy Manual: N. Nau has submitted revisions to the Finance Policy manual for discussion and review by the BOF. Changes include a more defined fund balance policy and debt service policy. She is also looking at adding SBE, MBE, WBE procurement goals,
- b. The Interns are doing well, and they are helping with a lot of backburner items.
- c. Finance Modules – The Finance Office is working through kinks and getting AR and PO requisition modules rolled out. AsseTrax will be tackled next.
- d. Beacon Valley Road Bid – 7 submissions were received, and the bid was awarded to Grasso Company today. Grasso was not the low bid; however, the low bid did not have positive references.
- e. OPEB – We are moving forward with OPEB actuarial valuation for FY2022 at a total cost of \$8000. It is a full disclosure year.
- f. New Bid Opportunities – More information forthcoming.
- g. Pent Road – Fencing is what is delaying the project from completion. This fence vendor was willing to honor the State bid pricing and therefore, the Town saved over \$10,000 using them. Material availability may be the main reason for the delay, but work is scheduled for this week.
- h. Revenue was well ahead of where we needed to be for FY2021 at 102%. Tax collections, ambulance insurance claim, Region 16 surplus are all reasons for positive revenue numbers. There are several large Expenditures which still need to take place for FY2021.
- i. Public Works and Fire Generators – Cummins came on site and specked the generators for these departments. They will be purchased under the HGAC consortium pricing which provides the equipment, and a local vendor will install.
- j. Trailer and Excavator – This requisition is moving forward under Source well contracts.
- k. ARP – The \$920,000 first disbursement took place and is booked to our Grants Fund.
  - The Fire Department has asked for 2 EKG machines with these monies.
  - The Town will have until FY2024 to spend all of it.
- l. AFG Grant – We are still awaiting a decision on the Compressor through AFG.
- m. FEMA Grant – Finance meet with our FEMA representative on Storm Isaias and this FEMA application is being finalized.
- n. K. Matthies Grant – N. Nau received decisions awarding 2 K. Matthies Grants for a Town Hall patio and benches for Pent Road Recreation Complex.

9. Old Business:

- a. Finance Policy Manual – N. Nau presented her revisions to the Finance Policy Manual for review and consideration.
  - a. Pages 32-37: Debt Management Chapter – This is a new addition to the Finance Policy Manual, how do you forecast, how can we take on new debt, policy objective, discussion about tax increment financing (TIF) borrowing against future revenue. Page 34 addresses bonding for Sewer and Water debt.
  - b. There is language on refinancing of debt and when the town would consider this option with a minimum of 2% improvement to refunding of debt. The Town is going to do its best to get as much savings as possible on debt. Credit rating criteria have added to the policy.

- c. W. Hopkinson asked if it is important to name the town's credit rating specifically and advised that the language should be as general as possible, so as not to paint the town into a corner.
- d. N. Nau noted that she has added language for project thresholds for debt financing. Item 7f – Projects less than \$250,000 would not be financed by long term debt. Item D – Retiring old debt and aligning with new debt. W. Hopkinson suggested that we remove mention of mill rate.
- b. N. Nau also revised the section on Debt Structure with a potential threshold 15% of the general fund budget of the town. The members debated the specifics of a threshold, as our debt percentage will be climbing in 2022.
- c. N. Nau noted that she used Newtown's plan as a guideline which connects their CIP with their Debt Management plan and allows the town to look forward at Capital to consider the next times we bond again.
- d. State of CT OPM also publishes a 200 –page document comparing every town with different debt management ratios. Town will evaluate State documents as resources to have good financial planning. She suggests using these ratios as a median.
- e. N. Nau also looked at the Fund Balance policies for each Fund.
- f. She refined the General Fund Unassigned, Undesignated Fund Balance language. X.I.V. page 37.
- g. Page 39 – Special Funds Fund Balance: She looked at the Minimum threshold of 9.25% Undesignated Fund Balance. Do we want to reevaluate it? Do we want to increase it? Do we want to reserve 3 months of expenditure?
- h. One suggestion involves transferring funds to the Debt Service fund if we are over 9.25% Undesignated Fund Balance. J. Carroll noted that as members of the BOF we need to balance the obligation to the Town and to the taxpayer, so language which automatically commits surplus funds does not balance those 2 roles.
- i. Special Funds – N. Nau included descriptions of each fund and minimum fund balances for funds such as debt service, bonded and SWWT Fund.
- j. In the Budget section, N. Nau would like to pursue a multi-year operational budget as a future goal.
- k. K. Brennan added there is a way to strike a balance between limits and numbers while keeping the language palatable. The BOF agreed to continue to review the revisions for discussion at future meetings.

b. Naugatuck YMCA – Surveys have gone out to seniors and youth and the Y is compiling the results as they come back.

#### 10. New Business:

- **Budget Transfers for FY2021: K. Brennan made a motion to approve \$107,182.59 in budget transfers for 2021 as presented. W. Hopkinson seconded the motion.**
- **Budget Transfers for FY2022 – S. Leeper made a motion to approve the \$18420.75 transfers to set the FY2022 budget where it belongs. J. Carroll seconded the motion. All ayes.**

11. Adjournment: **K. Brennan made a motion to adjourn at 9:16 PM. S. Leeper seconded the motion. All ayes.**

Respectfully Submitted,



Erin A. Schwarz

Finance Office



**TOWN OF BEACON FALLS  
TRANSFERS FOR 7/1/21 BOS & 7/13/21 BOF MEETINGS**

REVISED: 7/9/21

**YEAR-END MISC. TRANSFERS**

**FY2020-2021 BUDGET**

TRANSFER FROM:				TRANSFER TO:			
#	Amount	Line	Description	Line	Description	Amount	Explanation
1	\$	(200.01)	Contingency	10.90.03.1078	Legal Notices	\$	200.01
2	\$	(254.02)	Contingency	10.90.03.1090	Office Supplies	\$	254.02
3	\$	(974.13)	Contingency	10.90.03.1120	Town Hall - Electricity	\$	974.13
4	\$	(52.23)	Contingency	10.90.44.1123	Fire - Water	\$	52.23
5	\$	(2,350.00)	Contingency	10.90.44.1435	Fire - Building Maintenance	\$	2,350.00
6	\$	(96.24)	Contingency	10.90.44.1552	Fire Dept Supplies	\$	96.24
7	\$	(1,056.76)	Contingency	10.90.44.1553	EMS Supplies	\$	1,056.76
8	\$	(35.83)	Contingency	10.90.53.1220	Police Department Supplies	\$	35.83
9	\$	(425.21)	Contingency	10.90.59.1700	Public Works - Vehicle Fuel	\$	425.21
	\$	(16,985.00)	Contingency	10.90.59.1685	Snow Removal Materials	\$	16,985.00
10	\$	(1,875.55)	Contingency	10.90.67.1121	WWTP - Electricity	\$	1,875.55
12	\$	(79.59)	Contingency	10.90.67.1140	WWTP - Supplies	\$	79.59
13	\$	(569.69)	Contingency	10.90.67.1765	WWTP - Equipment Replacement	\$	569.69
14	\$	(981.25)	Contingency	10.90.71.1121	Parks - Water & Electricity	\$	981.25
15	\$	(40.36)	Contingency	10.90.77.1055	Mini Bus - Telephone	\$	40.36
16	\$	(1.00)	Contingency	10.90.88.2001	Region 16 School District	\$	1.00
	\$	(25,976.87)				\$	25,976.87
TOTAL DEPARTMENT LINES						\$	25,976.87

**\*Please see attached transfer sheets for account details.**

**YEAR-END SALARY TRANSFERS**

**TRANSFER FROM:**

**TRANSFER TO:**

**Note: COVID continues to contribute to some substantial vacation and sick payouts this year, which represent a large part of the transfers. For context, the vacation and sick payroll was \$62,000 this year.**

#	Amount	Line	Description	Line	Description	Amount	Explanation
17	\$	(382.04)	Wage Salary Adjustments	10.90.01.1020	Wages - First Selectman's Secretary	\$	382.04
18	\$	(746.09)	Wage Salary Adjustments	10.90.03.1040	Wages - Custodian	\$	746.09
19	\$	(131.25)	Wage Salary Adjustments	10.90.03.1049	Wages - Custodian Overtime	\$	131.25
20	\$	(1,560.00)	Wage Salary Adjustments	10.90.03.1070	Boards & Commission Clerks	\$	1,560.00
21	\$	(4,077.08)	Wage Salary Adjustments	10.90.05.1020	Wages - PT Asst. Town Clerk	\$	4,077.08
22	\$	(231.00)	Wage Salary Adjustments	10.90.07.1010	Wages - Tax Collector	\$	231.00
23	\$	(1,014.00)	Wage Salary Adjustments	10.90.07.1020	Wages - Asst. Tax Collector	\$	1,014.00
24	\$	(1,502.54)	Wage Salary Adjustments	10.90.11.1020	Wages - Building Inspector	\$	1,502.54
25	\$	(8,078.28)	Wage Salary Adjustments	10.90.13.1240	Social Security	\$	8,078.28
26	\$	(2,240.38)	Wage Salary Adjustments	10.90.13.1250	Pension	\$	2,240.38
27	\$	(4,215.78)	Wage Salary Adjustments	10.90.15.1041	Wages - Finance Manager	\$	4,215.78
28	\$	(3,883.02)	Wage Salary Adjustments	10.90.20.1046	Wages - Finance Clerk	\$	3,883.02
29	\$	(857.40)	Wage Salary Adjustments	10.90.20.1044	Wages - IWWC Enforcement	\$	857.40
30	\$	(2,286.10)	Wage Salary Adjustments	10.90.23.1041	Wages - Zoning Enforcement	\$	2,286.10
31	\$		Wage Salary Adjustments	10.90.25.1040	Wages - Zoning Enforcement	\$	2,286.10

32	\$	(89.21)	10.90.13.1235	Wage Salary Adjustments	10.90.45.1011	Deputy Fire Marshal	\$	89.21					
33	\$	(2,210.73)	10.90.13.1235	Wage Salary Adjustments	10.90.53.1040	Wages - Police Clerk	\$	2,210.73	Vacation & Sick Payout				(40,792.83)
34	\$	(2,616.46)	10.90.13.1235	Wage Salary Adjustments	10.90.63.1010	Wages - Nurse	\$	2,616.46	Vacation & Sick Payout				(43,004.90)
35	\$	(4,314.79)	10.90.13.1235	Wage Salary Adjustments	10.90.67.1011	Wages - WWTP Assistant Superintendent	\$	4,314.79	Vacation Payout				(1,828.40)
	\$	(43,004.90)					\$	43,004.90					
36	\$	(5,701.13)	10.90.69.109	Library - Part Time Wages	10.90.69.1010	Wages - Library FT	\$	5,701.13	Vacation & Sick Payouts				
37	\$	(5,493.58)	10.90.59.1049	Public Works - Overtime	10.90.59.1010	Wages - PW Foreman	\$	5,493.58	Vacation & Sick Payout				
38	\$	(10,361.75)	10.90.59.1049	Public Works - Overtime	10.90.59.1013	Wages - Highway Maintainers (3)	\$	10,361.75	Vacation & Sick Payout				
	\$	(21,556.46)					\$	21,556.46					
39	\$	(2,307.62)	10.90.83.1170	Contingency	10.90.59.1011	Wages - PW Asst Foreman	\$	2,307.62	Vacation & Sick Payout				
40	\$	(5,264.11)	10.90.83.1170	Contingency	10.90.59.1012	Wages - PW Maintainer/Mechanic	\$	5,264.11	Vacation & Sick Payout				
41	\$	(6,491.92)	10.90.83.1170	Contingency	10.90.67.1010	Wages - WWTP Supervisor	\$	6,491.92	Vacation & Sick Payout				
42	\$	(1,828.40)	10.90.67.1049	WWTP - Overtime	10.90.67.1042	Wages - WWTP Maintainer	\$	2,580.71	Vacation & Sick Payout				
43	\$	(752.31)	10.90.83.1170	Contingency			\$						
	\$	(16,644.36)					\$	16,644.36					
TOTAL WAGES TRANSFERS \$ 81,205.72													
TOTAL TRANSFERS \$ 107,182.59													





TOWN OF BEACON FALLS

FY22

TRANSFERS FOR 7/12/21 BOS & 7/13/21 BOF MEETINGS

7/8/21

#	Transfer From	Transfer To	Amount	Description
1	10.90.83.1170	Contingency	10.90.47.1530 - Emergency Notification System	250.00 Onsite increased their fees by 5%
2	10.90.83.1170	Contingency	10.90.13.1245 - Fire Group Life & AD&D	50.75 Invoices is higher than budgeted amount
3	10.90.83.1170	Contingency	10.90.44.1500 - Service Award Program	220.00 Service Award Program Administrative Fee and Base Policy Cost had a slight inflationary increase that was not previewed.
4	10.90.83.1170	Contingency	10.90.59.____ - Propane	2,300.00
5	10.90.83.1170	Contingency	10.90.59.____ - Telephone/Internet/Alarm	5,600.00
6	10.90.83.1170	Contingency	10.90.59.____ - Town Garage Building Maintenance	10,000.00 Budget Formula Error in combining Town Garage with Public Works
Total			\$	18,420.75

FY22

LINES TO MONITOR

#	Line	Description	Budgeted Amount	Description
1	TBD	Police Body Camera Cloud Storage	\$ -	The FY22 Resident State Trooper contract was distributed to the Town following the passing of the budget. We were made aware that the State was cutting off the video cloud storage service previously provided to the Town. This could mean paying our IT provider to store/manage it or a third party provider. We have contacted the State requesting an