

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



**BEACON FALLS BOARD OF SELECTMAN
BEACON FALLS BOARD OF FINANCE
Joint Budget Workshop
June 1, 2022, MINUTES (Subject to Revision)**

1. **Call to Order / Pledge of Allegiance:** First Selectman G. Smith called the BOS meeting to order at 7:02 PM and led the assembled in the Pledge of Allegiance.
2. **Members Present:** G. Smith, P. Betkoski, M. Krenesky, J. Carroll, W. Hopkinson, K. Brennan, S. West, D. Fennell
Members Absent: T. Pratt
Others Present: Finance Manager N. Nau, approximately 12 members of the public
3. **Public Input - Webform:**
 - a. 1 new public input webform (attached). Maureen Carroll asked about the increase for the First Selectman's Secretary which was over 5% and inquired if there is a conflict of interest as D. Fennell is a member of the BOF and his wife is now a town employee. G. Smith explained that there is no pay raise above 2.5% for the position, but 40 hours of overtime was included for the position. (The Finance Office added a line to the budget for clarity to show the overtime separately.) The BOF Chair and First Selectman brought the issue of conflict of interest to the Town Attorney and provided there is no direct conversation about that position specifically, there is no conflict of interest. A written response will be provided by the Finance Office.
 - b. D. Rybinski – 7 Quail Hollow Court has reviewed the budget, and some of changes made last night are good and some of the priorities are wrong. With regard to police cars, we do not need another police car - He recommends purchasing 2 Police cars every 3 years. There are often police cars sitting down at the police station. Taking the ambulance out of the budget is a mistake, and the 2nd ambulance has reached its life expectancy. If we have someone with a heart attack, rest assured, we have police cars but no ambulance. This is a life safety issue. Another item that we took out which he disagrees with, are the 2 UTV vehicles for the Fire Department. The UTV that we have is over 20 years old and it is not safe with no rollover protection. There is a trailer for the UTV available. We should replace one of the UTVs. There was discussion that if we took money from the capital projects that we should put some back, and you can buy one for \$23,000, so you would save half of that amount. He agrees with taking out the extra monies for future firetrucks, plow trucks, the vehicle replacement program in place to replace fire apparatus. He believes it is a good idea to put money aside, but not in this budget when people are hurting. He believes we should add back a Maintainer, a 7th guy, that Public Works has been asking for all these years. If you took the deductions that First Selectman Smith took out including, then you can come up with \$600,000 to bring the budget down a mill.

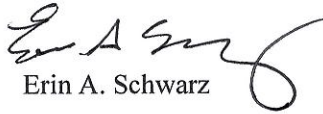
- c. Alan Carredu - 32 Lasky Road – I think you need to bring the budget down more than 1 mill. I think you need a 2 mill drop. I have been asking the Town for a listing of businesses and I have not received it. Finance Manager N. Nau sent the list of businesses by email to Mr. Carredu 3 times. A hard copy will be made available for Mr. Carredu tomorrow morning.
4. **Budget Discussion:** G. Smith asked the BOS if there is anything that you wish to add to the cuts that were made yesterday. PB asked about the police car versus the ambulance. N. Nau explained that the purchases are from two different funding sources. The police car is being purchased from the Private Duty fund, which is all the revenue that we get from traffic jobs, and that self-sufficient fund has absolutely no impact on the mill rate. The police car is replacing a car at the end of its life cycle. The \$50,000 for Ambulance was from fund balance as a Non-Recurring Capital project. P. Betkoski added loud and clear that we are all here for the Town of Beacon Falls. He asked how much of a necessity the UTV is for the Fire Department. G. Smith responded that everything that we put in the budget was defended and justified by the departments as a necessity. We are cutting as a response to the budget. 2 mills is \$1.2M coming out of this budget. P. Betkoski would be in favor of adding back the ambulance, as an emergency vehicle which we need. The \$50,000 funds a future purchase of an ambulance – not necessary this year. P. Betkoski also asked about the Public Works Garage, repainting and siding the garage which is a \$60,000 project split between LOCIP and using fund balance. G. Smith noted that if we don't do it, the building will not fall down, but we are kicking the can down the road.
5. G. Smith moved the discussion to the BOF. J. Carroll pointed out that after the changes were made last night, using fund balance from the capital project deductions, this will bring the mill rate down to 1.6 mills. N. Nau summarized included in this budget draft, cuts from the First Selectman and the non-contractual increases for the Fire Marshal and the Library. This was what is reflected; \$294,000 in First Selectman's cuts and \$20,000 in wage reductions.
6. The question remains how much fund balance do the boards want to use? N. Nau has reflected \$471,000 which represents 2% of the fund balance. The budget is now at 8.5% budget increase and Capital Projects have been decreased. The GFOA recommendation for a minimum undesignated fund balance is 16%. N. Nau noted that she feels a little uncomfortable using 2% of undesignated fund balance to balance the budget. With the projected surplus for year-end, there would still be \$500,000 in undesignated fund balance funds available for next year's capital projects. The revenue suggestions have been addressed. Building permits, conveyance and interest lines were increased. J. Carroll understands that the GFOA wants 16% for all towns and cities, but the BOF discussed this and brought the threshold up to 12% this year.
7. He has concerns about the non-contractual wage increases, reopening a contract, and can this be done in the middle of a contract? G. Smith noted yes, we have and yes, we can. We can't drop the rates, but we can raise the rates with union approval. G. Smith added Beacon Falls is one of the lower paying municipalities, everyone is trying to make more money and replacing these people is very difficult. His admin left to make more money and the Assistant Tax Collector just resigned to make more money. We cannot post positions at rates above the budgeted numbers. J. Carroll is fine with the increases, if we are allowed to do it, as the Town is low on the wage scale. In this budget draft, N. Nau stated the Fire Marshal stipend, and the library raises were the only wage increases removed from this draft of the budget totaling \$20,000. G. Smith's interpretation was that those wages are to stay but this is up for discussion.
8. W. Hopkinson asked about protocol that we want to follow for the future, with wage requests presented directly to the BOF? Her position is that these requests should go before the BOS, and BOS should bring it to the BOF. This is a personnel matter which should be handled by the BOS. G. Smith's original position was to decline the requests, but he sent them to present to the BOF. W. Hopkinson's concern is that BOF has enough on their plate and her issue is with the protocol. J. Carroll agreed that discussion surrounding the library presentation was the BOS makes the decision, and BOF put the funds in the budget so that BOS has the monies available to make that decision. J. Carroll would like to see the monies for the increases back in the budget and then it will be up to the

First Selectman to proceed from there. J. Carroll noted that if we put these wage increases back in, then the mill rate drops 1.34 mills which is significant. It is important to retain good staff and he is pleased with the budget numbers. The remaining members of the BOF agreed to put the \$20,000 for wage increases for Fire Marshal and Library staff back in the budget. WH noted that the BOF is not in the personnel business, and these increases are with the caveat that it has to be with the approval of the BOS. JC agreed that BOF can make the funds available, and it is up to BOS to make the decision. WH stated again that she did not agree with the procedure, and this was not the right protocol. The requests should have come from the BOS directly. G. Smith and the BOS agreed in the future, the proper protocol will be followed. S. West seconded WH's sentiments on this topic.

9. Regarding the Police Private Fund, DF asked is we can we use police private duty funds for uniform purchases? The Private Duty fund contributes \$15,000 in revenue to the General Fund annually, so essentially the fund is providing monies toward the police budget.
10. K. Brennan concurred with WH on her thoughts overall regarding personnel matters. He is on board with putting the wage funds back and turning it over the Selectman to make that decision. In the future, BOF will not allow employees to come in and speak without it coming through the Selectman's office.
11. KB asked if we could scan the capital projects to see what we can put back into the budget? Regarding the older ambulance, if it is not replaced in the next couple of years, then we will need to sink \$20,000 to keep it on the road for the next couple of years. JC asked how much BOF comfortable using from fund balance to put back into capital projects. What projects would you put back in, if we were to use \$200,000 from fund balance for capital? For the record, GS left the projects in which are most critical. He added there was a lot of opposition to the Vehicle Replacement Fund, but he would put back the monies for the ambulance and the replacement of the other vehicles, which will soften the blow in the future when we need to make these large vehicle purchases. We have to listen to the public.
12. N. Nau noted that the cuts to the fuel lines will be an issue in the FY2023 budget, unless inflation trends change. JC was in favor of taking the Vehicle replacement fund. Based on the numbers presented tonight, it appears that we can put money back into capital. It would be prudent to put some of fund balance back into capital, based on the projected mill rate and cuts made last night.=. KB noted that \$50,000 is close to a down payment for a new ambulance, which would be put in the Vehicle replacement fund. KB views the ambulance as #1 priority and he would like the senior center projects move forward, as they are important. WH and DF supported putting \$50,000 back for the ambulance. N. Nau noted that you also had another large vehicle replacement for Public Works. This plow truck is also at the end of its useful life. The decision was in favor of putting \$100,000 back to the Vehicle Replacement fund for the replacement of the ambulance and plow truck. This leaves \$400,000 in the undesignated fund balance.
13. In conclusion, JC stated we are leaving the wages alone, adding \$100,000 back for vehicle replacement fund. The mill rate would be 28.31 and we are using \$471,000 from fund balance to balance the budget. This leaves \$400,000 in fund balance for next year's capital projects. N. Nau made a note in the Current Revenue line, that this line is artificially low due to use of fund balance.
14. WH is looking at legal fees, associated with the O&G Data center. These legal fees are upfront expenses, which will have big payoff for the next few years. The increase in the legal fees operating budget is misleading because of this project. Would it make sense to put the Data Center legal fees as a capital project? G. Smith noted the legal fees are front loaded and we may need to transfer more funds for these fees as we proceed. Moving these legal fees to a special project, will reduce the operating budget increases to 7.5%. WH noted when the legal fees go away, we will see a drop in expenses. The \$100,000 for Legal expenses was moved to capital projects, increasing the capital project total, and then the amount used to balance the budget was reduced to \$371,000. JC concluded these are significant changes moving the operating budget down to a 7.5% increase, and further decreasing the mill rate by an additional 1.33 mills.

15. **J. Carroll** call for a motion to approve the Town budget at \$8,535,517 with the changes made tonight, for a total budget of \$23,683,029. **W. Hopkinson** made the motion to approve the budget. **K. Brennan** seconded the motion. All ayes.
16. **Adjournment:** **PB** made a motion to adjourn the Board of Selectmen at 8:10 PM. **MK** seconded the motion. All ayes. **DF** made a motion to adjourn the Board of Finance at 8:10 PM. **SW** seconded the motion. All ayes.

Respectfully Submitted,



Erin A. Schwarz

Finance Office

Form submission from: 2023 Budget - Public Input Webform

Beacon Falls CT via Beacon Falls CT <cmsmailer@civicplus.com>

Wed 6/1/2022 1:52 PM

To: Erin Schwarz <eschwarz@beaconfallsct.org>

Submitted on Wednesday, June 1, 2022 - 1:51pm

Submitted by anonymous user: 73.219.124.106

Submitted values are:

Name: Maureen Carroll

Address: 90 Burton Road

Email: maureencarroll720@gmail.com

Comments on Budget Issues:

I will be attending tonight's meeting but thought submitting this question/issue prior to the meeting may be beneficial.

I have 2 concerns:

1. First selectmans Secretary raise is approx 5%- while I don't disagree this isn't needed - wondering why is it higher than others, especially taking into consideration that she just started this position?

And,

2. I've been made aware that Mr Fennell, who is on the board of finance department is the husband of Lauren Fennell, Secretary to first selectman. Please note, I am not looking for anyone to get penalized. I am simply trying help, by being 2 steps ahead of the public. When the public hears about this, I believe they will immediately think as I did; conflict of interest having him on the board of finance, when ultimately his vote could benefit his wife, and in return benefit his household. While it may be difficult for him to excuse himself when talk of the budget pertaining to wife is going on - as it's not necessarily a separate thing, rather a whole budget - I believe disclosure is needed. Has Mr Fennell, or is he planning on, perhaps disclosing this information to the public? Perhaps something along the lines of acknowledging the fact that he is on BOF and wife is employed by town but that his opinion/vote is not biased towards his wife's position/gain/loss from the budget.

The results of this submission may be viewed at:

<https://www.beaconfalls-ct.org/node/25546/submission/5081>