

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



BEACON FALLS BOARD OF FINANCE
Regular Monthly Meeting
July 14, 2020
MINUTES
(Subject to Revision)
Meeting held in the Town Hall Assembly Room and via Zoom

1. Call to Order / Pledge of Allegiance

Board of Finance Chairman Tom Pratt called the meeting to order at 7:00 P.M.

Members Present: Tom Pratt (TP), Steve Leeper (SL), Larry Hutvagner (LH), D. Fennell (DF), K. Brennan (KB), J. Carroll (JC) via Zoom

Others Present: Gerard Smith (GS)(7:05 PM), Mike Krenesky (MK) via Zoom and in person (7:45 PM), Chris Bielick (CB), Finance Manager N. Nau via Zoom, Tax Collector J. Bilsky, Assistant Tax Collector J. Peters and 2 members of the public via Zoom.

2. Approval Minutes from Previous Meetings

Minutes from June 9, 2020 regular meeting.

L. Hutvagner made a motion to approve the June meeting minutes, as presented. K. Brennan seconded the motion. All ayes.

3. Comments from the Public: None at this time.

4. Discussion with Tax Collector: T. Pratt welcomed Jennifer Bilsky to the meeting and introduced her to the Board of Finance. He asked about the Tax Office policy for handling cash and J. Bilsky explained that she is developing a policy and improving procedures regarding their cash drawers, which will be incorporated into the Finance Manual. L. Hutvagner asked about a spreadsheet showing the deposits in transit at the end of the month, so that Tax reporting and Finance deposits can be compared and aligned. The deposits in transit reporting should account for any of the differences. J. Bilsky noted that she has discussed a spreadsheet with the Finance Office and will be working on providing that information. L. Hutvagner noted that it should be a joint effort between the offices. J. Bilsky added that her monthly report is directly from the QDS software and she has included a lot of information. L. Hutvagner and T. Pratt noted the report is lengthy and can be refined in the future. J. Carroll asked about appointments for paying taxes and J. Bilsky noted that appointments are currently spaced out by 30 minutes.

5. Reporting

- a. Tax Collector Report – Reporting is lengthy but thorough. J. Bilsky included a lot of information from QDS. Page 1 shows the balancing of the reports and is a summary page.
- b. Town Clerk Report – No questions on this report.
- c. Treasurers Report – L. Hutvagner noted that interest rates continue to drop.

- d. Region 16 Report – First expenditures report provided by Region 16 showing all line items and expenses. Selectman C. Bielik noted that the BOS did not receive a copy of this report and requested an electronic copy be sent to the BOS.
- e. Ambulance Report – Sent to the board via email. Beacon Hose has provided a \$5000 check from this account to the Town, as revenue towards EMS training.

6. Report of the Finance Manager

Finance Manager N. Nau thanked everyone for allowing her to participate via Zoom out of an abundance of caution. She provided a high-level review of her reporting, Finance Policy Manual signature pages are coming in. As we had anticipated, some modifications to the manual will be needed. The Tax Collector will be modifying their cash drawer policy. Our Town Treasurer is also reviewing the document, and we expect to propose amendments in August or September.

RFQs/RFPs – The following RFPs have been posted in the Bonfire system: Professional Auditing, 35 Wolfe Ave Abatement, Revaluation, Financial Accounting Software. Auditing has been concluded, awarded and the contract is being executed. Wolfe Ave submissions are complete and being reviewed. Revaluation responses are also in and we have 3 submissions which are in the evaluation phase. We are moving this quickly to get reval set up with appropriate timing. Financial Accounting Software is still open, and Finance has a Prebid meeting on Thursday via Zoom where we will answer Q&As, in hopes of more accurate bids. The FY21 Budget has been loaded into the system and Finance Office will be using Microfund until 12/31/20, when we hope to convert to new software.

Ambulance – N. Nau is working on completing escrow paperwork for the new ambulance. The vehicle is at Eastford Fire in CT and T. Pratt noted that there are several spec items which are being worked on before delivery can occur. We expect delivery at the beginning of August. There will be a \$262,000 insurance claim paid on the burned-out ambulance once the title process and paperwork has been finalized with the insurance company.

Station 2 - No update on Station 2. T. Pratt noted that plans should be delivered to the building department next week.

Transfers for year-end have been composed and there is a list of 35 transfers totaling \$140,869.91. The majority of the transfers are wage related with Police Overtime accounting for \$36,008.82 of the total. Vacation and sick payouts were higher than usual due to COVID and there were several employees who retired or resigned from Town Hall during the year who also received payouts. There are some utility and telephone line transfers because the lines are budgeted tightly without any breathing room.

The Police Overtime transfer and appropriations from fund balance will need to go to a Town Meeting which is scheduled for next Wednesday - 7/22/20.

FEMA Reimbursement for Tornado - Cat A hit the bank for \$375,661 in June. We have advised Supreme Industries and after funds are appropriated to cover the outstanding invoice of \$58,339, we will make payment.

Grants: EMPG Communications Grant – N. Nau working with Jeremy Rodorigo under the state EMPG program, our 2019 award includes \$5000 reimbursement plus a grant for a radio for our Emergency Operations Center.

N. Nau attended a FEMA Webinar on the AFG Grant and in 4-6 weeks we will know if we received the AFG air compressor grant for \$80,000 and the Fire Prevention and Safety Grant, which is for a Smoke alarm/carbon monoxide detector campaign.

COVID spending to date is just shy of \$36,000. BOS/BOF have appropriated \$19,999 and will need to appropriate an additional \$30,000, for a total of \$50,000. The Board received details on the COVID expenses up to this point.

K. Matthies Grant – We have not heard anything on the new 2020 Application. Park Signs have not been installed from the 2019 grant and extensions have been granted. COVID delayed the process, which is now moving forward. There was also a delay in holding the Computer Classes at Senior Center associated with their new computer center. We have advised the grantor.

WCAA – Application for Minibus for FY20/21 is pending and Finance will hold a call with WCAA and connect with them on the COVID challenges to minibus operations.

HVA Stream Crossing – HVA is moving forward with this infrastructure study.

Bulletproof Vest Grants – The Resident Trooper is now acting as Police Admin. and point of contact with the BVP grant and will make our reporting deadline on the 5 vests we have ordered.

K. Brennan asked about the town's anticipated surplus for fiscal year 2019-2020. Currently General Fund Revenue is \$331,000 more than budgeted revenue and from the EE&A, the Town has unexpended \$642,000 from the FY20 budget. There are still FY20 expenditures which will be paid in July and August, but we anticipate a surplus in the \$800,000 range.

J. Carroll asked if the Board of Education has provided surplus information from Region 16 for their FY20 year and we do not have an estimate at this time.

Mahoney Sabol is executing the contract and engagement letter for the upcoming audit. They did have an exception to 4 items on the insurance requirements which were reviewed, and the town is agreeable to. Auditors will be in house the last week of August.

7. First Selectman's Report

a. Budget Transfers:

First Selectman Smith noted that the Nitrogen Credits is the largest department transfer and the remaining transfers are mostly wage related. L. Hutvagner noted that regarding Hydrants, the town does not even know if the hydrants are working before, we vote on the transfer. T. Pratt got involved with hydrants and spoke with Kevin Lott from Aquarion and discussed the hydrants. Every hydrant is

functioning and every time a hydrant is not functioning and flowing water, Aquarion is alerted. The hydrants may not flow with the force that the fire service prefers, but they are working. The State does not regulate hydrant flow rates. Municipalities dictate what is acceptable by ordinance and Beacon Falls does not have these regulations. When Aquarion puts in a new hydrant in town, they are accepted day of installation.

M. Krenesky entered the meeting – 7:43 PM.

TP continued that Aquarion has agreed to test 4 hydrants and he is meeting with the Fire Chief and Asst Fire Chief to arrange this testing. If the Fire service and Fire Marshal find water supply inadequate with new construction, they need to put in a proposal with the contractor to correct this issue from the onset. Presently Aquarion has no down hydrants. The water company will supply flow test results.

Also, regarding the credit for Skokorat Road paving, Aquarion has no documentation on file that they would accept a portion of the cost of paving.

K. Brennan made a motion to approve the FY19-20 Budget Transfers #1-35, with the exception of #26 Police Overtime. Transfers totaled \$104,861.09. S. Leeper seconded the motion. T. Pratt, S. Leeper, K. Brennan, D. Fennell, J. Carroll voted aye. L. Hutvagner voted Nay. The motion passed 5-1.

K. Brennan made a motion to approve FY19-20 Budget Transfer #26 – Transfer To \$36,008.82 to Police Overtime 10.90.53.1049 – Transfer \$21,775 from Part Time Patrol 10.90.53.1041 and \$14,233.82 from Contingency 10.90.83.1170 for a total of \$36,008.82 and move the Transfer request to Town Meeting for public approval. S. Leeper seconded the motion.

Discussion: D. Fennell asked for clarification on why the Police Overtime exceeded the budget. First Selectman G. Smith explained that our Resident Trooper was shared with Bethany this past year and the Overtime is a result of both full time and part time officers filling his vacant shifts. Full time officers have first option to fill the shift and then Part time officers can work a double shift to fill the daytime vacancy. Both situations resulted in increased overtime.

Regarding the above motion to approve the Police Overtime transfer of \$36,008.82 from Part Time Patrol and Contingency and move to a town meeting for approval. All ayes.

- b. S. Leeper made a motion for an Appropriation from Unassigned Fund Balance of \$58,339 for payment to Supreme Industries for expenses related to the 5/15/18 tornado and move the transfer request for approval at Town meeting. \$58,339 will be transferred to Non-Recurring Capital Projects Debris Removal and Clean Up of 5/15/18 storm line 45.90.90.2197. D. Fennell seconded the motion. All ayes.**

S. Leeper made a motion for an Appropriation from Unassigned Fund Balance for Covid expenses in the amount of \$30,000 to be transferred to Non-Recurring Capital Projects COVID expense line 45.90.57.0019, contingent upon BOS approval and subsequent approval at a Town Meeting. K. Brennan seconded the motion. The BOS/BOF have already appropriated \$19,999 for Covid expenses. The additional \$30,000 appropriation brings the total appropriated amount for Covid expenses to \$49,999. All ayes.

- c. Beacon Valley Road – G. Smith noted that progress on Beacon Valley Road is dependent on approval of the Bond Resolution at a Town Meeting, so that the Town has funds proceed with the \$1.8M project. Beacon Valley is a total road reclamation and drainage repair. The 2 engineering firms working on the road have been moving forward with their design. \$500,000 in STEAP monies are the only funds that the Town currently has secured, and it will be applied to the portion of the road west of the condos. Decarlo & Doll is also applying for LOTCIP funds for their portion of the road. In addition, Beacon Valley Bridge will be repaired with Naugatuck assuming ½ of the cost. Once the bond funds are appropriated, we anticipate that paving will happen mid-summer 2021. KB understands the confusion because the prior Town engineer led us to believe the road could be completed for much less money. G. Smith has looked at drainage, sewers and to be done properly the road will cost almost \$1.8M

T. Pratt noted that CT Water should be involved in the process to look at water lines while the road is being reconstructed and G. Smith will get them involved. The sewers are owed by Naugatuck. If the Bond Resolution is approved next week, we can continue to move forward.

G. Smith also has his attention on Rimmon Hill and West Road for the next LOCIP application and Decarlo & Doll will make that application. The town needs to pay for all the design and engineering and these applications, and the bond funds are needed for engineering the project.

G. Smith has been working with Milone & MacBroom and the Public Works Foreman and we have the Streetscan data to prioritize roads. The collector/feeder roads such as Rimmon Hill and West Road are good candidates for LOTCIP funds. Patricia and Dolly Drive have been reviewed and they require complete engineering of drainage systems which do not currently exist on those roads. We are looking at Hillside Drive for paving as catch basins there have been replaced. Roads at the top of Rimmon Hill, along with the Hill section of town and Cook Lane are on the list. Our engineers are putting plans together and with the bond funds they can complete design work.

MK noted that new STEAP grants coming out and N. Nau noted that she is looking into the new round of street and we will apply.

- d. Hydrants were discussed already.

- e. Clerk Status Update – G. Smith wanted to bring the board up to speed on the clerk situation. The town has had issues getting clerks for meetings and with consistency among the clerks in many areas. Recently the town was sued for a costly FOI claim, and the claim was deemed indefensible. With employees serving as clerks, there is control, uniformity, timeliness, and accountability, that the Town did not have with clerks who were independent consultants. Our HR firm recommended this solution to reduce liability for the town. Employees receive \$80 per meeting and they have pension and social security costs, so they are more expensive than the independent clerks. However, there is accountability and consistency with employees that did not exist before and G. Smith notes that plan this should fix many of the town's clerking issues. D. Fennell added that if increased costs produce a better result, then it is worthwhile.
 - f. Station 2 update was covered.
 - g. Other road projects were discussed above.
 - h. Other – L. Hutvagner confirmed the Town Meeting has been scheduled for next Wednesday 7:00 PM at Firehouse. G. Smith confirmed with Bond Counsel and the Health Dept that the meeting is allowed if social distancing is observed.
8. Finance Policy Manual – Departments have been reviewing the manual in detail and we have received many sign-off forms back. Public Works has made some good points about following the cash drawer policy for the transfer station. This brings up an ongoing discussion on transfer station fees and stickers, and the potential for seasonal public works help.
9. **Old Business:** None at this time.
10. **New Business:**
- T. Pratt noted that there was an email from the Fire Departments regarding Rescue 4. The Fire Department submitted a last-minute June Purchase order for \$9440 for work to be done on this vehicle, which was declined. The amount of the repairs qualifies this as a capital project which could have been addressed at budget time. Rescue 4 is 16 years old and the Fire Department has been acquiring equipment which does not fit in the vehicle. G. Smith noted that while he did not support this last hour request, he has no problem going to bat for the Fire Department for projects that need to be done. The departments need to go through the proper channels.

It remains to be seen how the town will fair in this pandemic, but we did not receive many tax deferrals requests, indications are positive, and people are paying their taxes. G. Smith and T. Pratt noted that both BOS and BOF have been working well together on all these issues with politics aside.

K. Brennan noted that the Fire Department asked to be included on a BOF agenda as they have concerns about future of apparatus replacement. They may have a need to replace a lot of vehicles in short amount of time and would like to discuss a plan for getting this done. The BOF is open to adding them to the agenda for the August meeting.

11. **Executive Session:** Not needed.

12. **Comments from the Public:** None at this time.

13. **Adjournment**

K. Brennan made a motion to adjourn at 8:43 P.M. S. Leeper seconded the motion. All ayes.

Respectfully submitted,

Erin Schwarz
Finance Office