

Beacon Falls Board of Finance

10 Maple Ave.

Beacon Falls, CT 06403



**BEACON FALLS BOARD OF FINANCE
Special Regular Monthly Meeting
May 15, 2012
MINUTES
(Draft Copy-Subject to Revision)**

1. Call to Order/Pledge of Allegiance

Vice Chairman R. Doiron called the meeting to order at 7:31.

Members present: Vice Chairman R. Doiron, J. Dowdell, J. Levine, J. Huk, B. Ploss

Members absent: Chairman M. Bronn

Others present: First Selectman G. Smith, Selectman C. Bielick, Treasurer M. Krenesky, Beacon Falls Financial Manager M. Gomes

2. Approval of Minutes – April 2012

Motion to accept the April 10, 2012 regular monthly meeting minutes: Dowdell/Huk; all approved.

3. Comments from the Public – none

4. Appointment of Auditor:

J. Levine asked how long it had been since the town has changed auditors, response: it has been 3 years. He had no objection to hiring M. Zaimaitis as the auditor because of the need to have someone in place now. J. Levine suggested that next time an auditor needs to be hired, approximately 5 months beforehand; put on the Board of Finance agenda to publish a Request for Proposal to hire an audit firm. He noted this would get a more competitive price for the town and thought it is also good idea to change auditors every 3-5 years.

R. Doiron asked if anyone wanted to review the contract from M. Zaimaitis. The auditor will review everything normally done for municipalities. Last year the auditor charged \$18,500. This year the cost was not to exceed \$19,000.

Motion to retain accountant Michael Zaimaitis for a town audit: Levine/Ploss;

Discussion: B. Ploss asked if the Board of Selectmen looked over the contract. J Levine clarified that the Board of Finance has hiring and firing authority of the auditor, and that the Board of Selectman are not involved. All approved.

Motion for the Board of Finance, in January or February 2013, to write a Request for Proposal to go out to auditing firms for the next auditor hiring action for the end of fiscal 2013: Levine/Huk; all approved.

R. Doiron, as Vice Chairman, signed the contract to hire Michael Zaimaitis to perform a town audit.

5. **Treasurer's Report** – M. Krenesky

Reports were distributed to members.

R. Doiron asked about a bank problem with the capitals projects account. M. Krenesky explained that the bank balance may go below the minimum required balance, but any bank fees are waived, and there is not a negative balance. This is only temporary, usually a day, while transfers are processed. M. Gomes added that the problem was that bills to vendors are paid first then the town receives a reimbursement check from the State and that other towns have similar problems.

Motion made to accept the Treasurer's Report: Levine/Huk; all approved.

6. **Tax Collector's Report** – M. Jurzynski

March and April 2012 reports were presented.

J. Levine suggested having a 12-month budget estimate, possibly based on historical numbers, which can be used to project taxes received, to check the status of tax collections at any given point in the year.

M. Gomes said he can create a taxes received report, but delinquent taxes wouldn't be included as they can't be guaranteed to be received. He noted that some towns base their budget on receiving 97% of taxes billed and delinquent collections and motor vehicle supplements are considered a "bonus."

J. Levine disagreed with a town budget based on 100% of taxes collected, and that it should be closer to a realistic number, and not to count on collecting any delinquent taxes.

J. Huk offered to look at the raw data provided from M. Gomes.

Motion made to accept the Tax Collector's Report: Huk/Ploss; all approved.

7. **Town Clerk's Report** – L. Greene - no report available

M. Gomes will mention to him that a monthly report is required for the Board of Finance.

8. **Finance Manager's Report** – M. Gomes

M. Gomes proposed a way to deal with the bulk of deficits by addressing them at the Board of Finance's June meeting, so that the June 30 report is accurate.

J. Levine suggested using standard year-end entries (utilities, benefits, required bills), by authorizing the First Selectman to make transfers, and then report these transfers to the Board of Finance at their next meeting.

Motion to authorize the Finance Manager under authority of the First Selectman to make all standard transactions and payments defined as required payments for any benefits for

legal obligation to pay, salaries already set, utilities (telephone), incurred legal costs for the town, any legally required cost (legal notice in newspaper) then report these transfers to BOF at their next meeting, to avoid paying bills late: Levine/Huk;

Discussion:

M. Gomes noted that bills are paid, and then transfers are made as needed.

J. Huk commented that he would like to see an early warning of bills that will run over budget.

R. Doiron reiterated that bills shouldn't be paid until there is money in the account to cover them.

J. Levine suggested a limit of \$5,000 per transfer transaction for his above motion.

M. Gomes noted that more than one transfer per line item has to go to a town hearing for approval.

J. Levine withdraws the above motion.

M. Gomes commented that any time a deficit shows up in a line item, he gets an email notice and a transfer is automatically generated; he can move money within a department.

J. Huk agreed with idea of the above motion, but doesn't think it would work here.

M. Gomes will estimate any shortfalls in June and get transfers approved.

J. Huk questioned a miscellaneous reimbursement of \$40,000. M. Gomes explained that it was from the cell tower rental which was not anticipated.

Motion made to accept the Finance Manager's Report: Ploss/Dowdell; all approved.

- a. Board Clerk's Invoice: no bill submitted

9. Board of Selectmen

First Selectman G. Smith added under New Business, 5 resolutions specific for the Board of Finance to approve, which the Board of Selectman adopted and approved unanimously at their May 14, 2012 meeting.

- a. Transfers – none for this meeting, will do all at the June 12, 2012 meeting.

10. New Business: Resolutions of Board of Finance

The following resolution was read by Vice Chairman R. Doiron as a motion, seconded by J. Levine, the clerk polled the members, all voted aye; resolution was approved.

Item 1 (Various Road and Streetscape Improvements Project).

RESOLVED, That the Board of Finance recommends that the Town of Beacon Falls appropriate \$206,700 for costs related to various road and streetscape improvement projects, consisting of streetscape improvements along Main Street in Beacon Falls (estimated cost of \$45,000), installation of guard rails on and reconstruction of portions of Blackberry Hill Road (estimated cost of \$150,000), and for related bond and note issuance and other financing costs (estimated cost of \$11,700); and that the Town issue bonds or notes and temporary notes in an amount not to exceed \$206,700 to finance the appropriation. This appropriation is in addition to prior appropriations for these projects.

The following resolution was read by Vice Chairman R. Doiron as a motion, seconded by J. Dowdell, the clerk polled the members, all voted aye; resolution was approved.

Item 2 (Various Public Safety Equipment Acquisitions, Refurbishments And Facility Improvements Project).

RESOLVED, That the Board of Finance recommends that the Town of Beacon Falls appropriate \$294,356 for costs related to various public safety equipment acquisitions, refurbishments and facility improvements, consisting of acquisition of a Lifepack defibrillator for use by the Beacon Hose Company No. 1 Volunteer Fire Department (estimated cost of \$12,456), refurbishment of a 1999 Fire Department ambulance (estimated cost of \$130,000), acquisition and installation of a kitchen hood at the Beacon Hose Company No. 1 Volunteer Fire Department fire station at 35 North Main Street in Beacon Falls (estimated cost of \$10,000), acquisition and installation of a radio system for the Beacon Hose Company No. 1 Volunteer Fire Department (estimated cost of \$85,000), and acquisition of a Chevy Tahoe for use by the Police Department (estimated cost of \$40,000), and for related bond and note issuance and other financing costs (estimated cost of \$16,900); and that the Town issue bonds or notes and temporary notes in an amount not to exceed \$294,356 to finance the appropriation.

The following resolution was read by Vice Chairman R. Doiron as a motion, seconded by B. Ploss, the clerk polled the members, all voted aye; resolution was approved.

Item 3 (Various Sanitary Sewer System Projects).

RESOLVED, That the Board of Finance recommends that the Town of Beacon Falls appropriate \$427,660 for costs related to various sanitary sewer system projects, consisting of a sewage treatment system upgrade study (estimated cost of \$290,000), acquisition and installation of a sewage treatment flow meter for the Pinesbridge Road sewer (estimated cost of \$30,000), and acquisition of an eight-inch in-trailer mounted pump with accessories for use by the Water Pollution Control Authority (estimated cost of \$82,960), and for related bond and note issuance and other financing costs (estimated cost of \$24,700); and that the Town issue bonds, notes or other obligations in an amount not to exceed \$427,660 to finance the appropriation.

The following resolution was read by Vice Chairman R. Doiron as a motion, seconded by J. Dowdell, the clerk polled the members, all voted aye; resolution was approved.

Item 4 (Various Information Systems Projects).

RESOLVED, That the Board of Finance recommends that the Town of Beacon Falls appropriate \$61,034 for costs related to various information systems projects, consisting of acquisition and installation of financial software for the Town Hall and Finance Department computer systems(estimated cost of \$39,560), acquisition and installation of hardware upgrades of the Town Hall computer system (estimated cost of \$12,224), and the acquisition and installation of two additional public access work stations in the Town Clerk’s Office (estimated cost of \$6,000), and for related bond and note issuance and other financing costs (estimated cost of \$3,250); and that the Town issue bonds or notes and temporary notes in an amount not to exceed \$61,034 to finance the appropriation.

The following resolution was read by Vice Chairman R. Doiron as a motion, seconded by B. Ploss, the clerk polled the members, all voted aye; resolution was approved.

Item 5 (Various Public Works Department Equipment Acquisitions).

RESOLVED, That the Board of Finance recommends that the Town of Beacon Falls appropriate \$152,450 for costs related to acquisition for use by the Public Works Department of a dump truck and related equipment (estimated cost of \$57,000), and a loader and related equipment (estimated cost of \$87,000), and for related bond and note issuance and other financing costs (estimated cost of \$8,450); and that the Town issue bonds or notes and temporary notes in an amount not to exceed \$152,450 to finance the appropriation.

Comments:

J. Levine suggested an item to consider at the next Board of Finance meeting: to possibly spend some funds in the contingency account to hire an accountant to help M. Gomes with documenting account managing procedures.

First Selectman G. Smith stated that this has already been started, an assistant was hired and was already going department by department to document the town’s account managing procedures which addresses a previous audit issue.

11. Old Business – none

Vice Chairman R. Doiron thanked everyone for their work on the town budget which passed on the first vote.

B. Ploss revisited a comment J. Levine brought up a couple meetings ago, about having several Board of Finance members work with the Board of Education to be intermediaries

when the Region 16 educational budget options are discussed. He would like to see a future discussion to make recommendations on budget issues.

J. Levine pointed out that a non-voting Board of Finance member can go to Region 16 meetings during all negotiations.

J. Huk noted that Killingworth was looking into a state law to address this.

12. Correspondence

An anonymous letter dated March 21, 2012 was received requesting the Board of Finance look into the bookkeeping at the fire department. Vice Chairman R. Doiron read this letter.

Discussion followed and it was determined not to be related to town funds or the responsibility of the Board of Finance and to forward this letter to the Board of Selectman.

13. Adjournment

Motion to adjourn the meeting at 8:50 PM: Ploss/Huk; all approved.

Respectfully submitted,

Martha Melville
Clerk