

Beacon Falls Board of Finance

10 Maple Ave.

Beacon Falls, CT 06403



**BEACON FALLS BOARD OF FINANCE
Regular Monthly Meeting
August 14, 2012
MINUTES
(Draft Copy-Subject to Revision)**

1. Call to Order/Pledge of Allegiance

Chairman Marc Bronn called the meeting to order at 7:33

Members present: Robert Doiron, Joe Dowdell, Jack Levine, James Huk

Members absent: Brian Ploss

Others present: First Selectman Gerard Smith, Selectman Chris Bielik, Selectman David D'Amico

2. Approval of Minutes – June 2012

Motion to accept the June 12, 2012 Regular Monthly meeting minutes: Doiron/Dowdell; all approved. James Huk abstained as he was not at the June 12 meeting.

Note: The July 10 regular monthly meeting was cancelled due to a lack of quorum.

3. Comments from the Public - none

4. Treasurer's Report – provided by Mike Krenesky

Reports were distributed to members.

Beacon Falls payment was made to Region 16.

Selectmen Chris Bielik noted that the financing for \$1.1 million in capital projects is included in the total on the report and not spent yet, making the numbers appear high.

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

5. Tax Collector's Report – none

6. Town Clerk's Report – Len Greene, Sr.

Motion made to accept the July 2012 Town Clerk's Report: Dowdell/Doiron; all approved.

7. **Finance Manager's Report** – provided by Manuel Gomes

This topic was deferred as the report distributed was not accurate. **The Board of Finance will hold a special meeting on Tuesday August 21 at 5:30 PM** in the Beacon Falls Town Hall Assembly Room to make transfers and go over the latest finance manager's report.

a. Board Clerk's Invoices:

Motion to accept clerk Martha Melville's invoice requesting payment of \$106.25 for the June 12 meeting and associated administrative work and pay the bill as submitted: Levine/Doiron; all approved.

Motion to accept clerk Lauren Classey's invoice requesting payment of \$255.00 for the April 10 meeting, public hearing and associated administrative work and pay the bill as submitted: Levine/Doiron; all approved.

8. **Board of Selectmen** - First Selectman Gerard Smith

At the August 13, 2012 Board of Selectmen meeting the sale of the cell tower was approved and will close at the end of the August. The proceeds of this sale will go towards paying down debt and into the general fund to increase that balance. Where and when to transfer the proceeds of this sale will be made after the money is received.

Comments:

Selectman Chris Bielik suggested using the cell phone tower proceeds to first raise the fund balance up to the minimum level, in order to get the town more favorable borrowing power in the future, and then put the rest towards paying down the debt.

First Selectman Gerard Smith commented that the towns' two USDA loans, currently at 4.875% interest rate, will be refinanced at 1.25%.

First Selectman Gerard Smith shared a concern within the Public Works Department. The Public Works Department requested funding during the budget process for two trucks to be refurbished. This money was not approved nor appropriated, however through a miscommunication one truck was already sent out for repairs which will cost the town a minimum of \$9,800.

First Selectman Gerard Smith reiterated that the purchase order procedure was discussed at a previous Board of Finance meeting and that department heads are not to spend money that hasn't been approved and is not in their budget. A town purchase order procedure is in place to prevent this from happening.

Discussion ensued about where the \$9,800 payment should come from, either the contingency fund or the vehicle maintenance line item was suggested.

Comments:

Selectman David D'Amico stated that he had presented three options for refurbishing the

two trucks with three different prices at a previous Board of Finance meeting.

Jack Levine suggested not immediately approving the expenditure of funds to pay for the truck refurbishing but to put this payment on hold and request that the Board of Selectmen investigate what happened, what corrective actions will take place in the future ,and asked that the First Selectman meet with all town department heads to make the town's purchasing procedures clear. The Board of Finance would requested a report of exactly what happened, when funds were assumed to be in the budget and weren't.

Discussion:

Bob Doiron noted that a decision needs to be made and that the bill must be paid, he suggested taking the funds from the Public Works Department vehicle maintenance line item.

Selectman Chris Bielik noted that the bill will be due in 60 days since work on truck is not completed. He stressed the importance that the purchase order policy procedure be followed and that other town departments need to be aware of this situation. A procedural error was made, and this could be considered a last warning to adhere to the policies in place. This should satisfy any issues that may arise from an audit.

Jack Levine suggested a review of the purchase order process to identify where it failed and make sure all the department heads know the proper procedure policy.

Selectmen David D'Amico noted that he was under the assumption that the \$22,000 the Public Works department requested to refurbish the two trucks had been approved and budgeted.

Motion that the town truck refurbishing bill not be paid until the Board of Selectmen can investigate this matter and report back to the Board of Finance and what actions will be taken: Levine/Huk; all approved.

- a. Transfers – tabled until the Special Board of Finance meeting on Tuesday August 21, 2012 at 5:30 PM

9. New Business -

Jim Huk shared that he attended a meeting in Killingworth concerning the idea of making town Boards of Finance regional. This group will meet again in September.

Jim Huk suggested that the Manny Gomes provide a list from all departments of their capital items that depreciate to the Board of Finance for a long range look at what items will need to be replaced and when for future financial planning. He requested that this discussion continue at the September meeting.

Marc Bronn received a request from Region 16 to send a Board of Finance representative to the Region 16 Board of Education budget negotiations meetings.

Motion for Joe Dowdell to attend the Region 16 Board of Education budget negotiations meetings as the Beacon Falls Board of Finance representative: **Bronn/Levine**; all approved.

Joe Dowdell reported that as a member of Connecticut Conference of Municipalities (CCM) he attended a workshop and received a data CD listing salaries of elected town officials. He provided a report of data for the surrounding towns and pointed out the Beacon Falls Selectman is the lowest paid. Joe Dowdell brought this to the Board of Finance's attention and recommends that a bipartisan committee or sub-committee of the Board of Finance be formed to further investigate this issue.

Discussion:

Jack Levine suggested forming a subcommittee to review the salary numbers, bring it to a public discussion or town meeting, keep it non-political and that any increase not to go into effect until after the next election in November 2013.

Motion to form an exploratory committee to research if increases in the salaries of elected town officials of the Town of Beacon Falls are warranted; **Huk/Bronn**; all approved.

Motion to name Joe Dowdell as the chair and Jim Huk as the vice chair of the exploratory committee to research if an increase in the salary of the First Selectman of the Town of Beacon Falls is warranted; **Bronn/Doiron**; all approved.

10. Old Business

- a. Clarification on the legality to transfer funds with Board of Finance approval.

This topic was tabled until the September regular Board of Finance meeting when the Beacon Falls Business Manager will be available.

Jack Levine requested that future Board of Finance meeting agendas include more details especially under New and Old Business items.

Jack Levine requested that the Board of Finance receive monthly updates on the progress and timelines of addressing any town audit concerns including tracking any actions. He suggested this be covered under the Finance Manager's report.

11. Correspondence

- June 12 First Selectman's memo stating that any attorney or other paid consultant is prohibited from taking phone calls from board, commission, committee members or residents of Beacon Falls without prior authorization from the First Selectman (with an attached list of firms)
- Letter from the Northwest Regional mental Health Board requesting a donation
- June 27 informational memo from the Beacon Falls Public Library about an anticipated deficit in the copy machine line item as the copier line was funded, but not for additional fee for the number of copies

12. Adjournment

The next regular meeting will be Tuesday September 11, 2012 at 7:30 PM.

A special meeting of the Board of Finance will be held on Tuesday August 21 at 5:30 PM.

Motion to adjourn the meeting at 8:50 PM: Bronn/Levine; all approved.

Respectfully submitted,

Martha Melville
Clerk