

Beacon Falls Board of Finance
10 Maple Ave.
Beacon Falls, CT 06403



TOWN OF BEACON FALLS
Board of Finance Public Hearing
Wednesday May 22, 2013
(Draft Copy-Subject to Revision)

1. Call to Order/Pledge of Allegiance

Chairman Jim Huk called the Beacon Falls Board of Finance Public Hearing to order at 7:05 at the Beacon Falls Fire House, 35 North Main Street.

Members present: Joe Dowdell, Jack Levine, Robert Doiron, Brian Ploss, Marc Bronn

Others present: First Selectman Gerard Smith, Selectman Dave D'Amico, Selectman Chris Bielick and about 75 members of the public.

2. Introduction and Administrative Details

Chairman Jim Huk announced there was a signup sheet for people who wish to make a public comment which will be limited to 3 minutes so that everyone has a chance to speak. People may sign up for additional speaking opportunities.

The clerk read the call for the public hearing.

Mr. Huk explained that this hearing was the public's opportunity to comment on the town budget before it goes to a vote. Comments will be timed with a limit of 3 minutes.

He stressed that the Region 16 budget is not under the control of the Board of Finance and that the school budget cannot be discussed at this hearing. There will be a separate meeting on May 29, 2013 with Board of Education.

He noted that 69 cents of every Beacon Falls tax dollar goes to the Board of Education budget.

The tax dollar balance of 31% goes to the town's operating budget. Of that amount, 27% was from department budget lines which provide services to the town. Only this budget is under Board of Finance control and showed an increase of .54%. He explained further that 3% of the town operating budget was debt service to pay bills the town had already agreed to, which the Board of Finance cannot control. Finally, 1% of the operating budget was for capital projects or one-time expenditures. The BOF has the most control over department lines and the services provided to the town.

Mr. Huk reviewed the town budget process: town departments submitted requests to the Board of Selectman for approval who then forward a recommended budget to the Board of

Finance for approval. Department heads were invited to BOF budget workshops to explain their requests.

He explained the bond proposal was to refinance current debt to take advantage of better interest rates and to include the purchase of a fire truck. A bank representative attended the BOF budget workshops to explain the town's refinancing options.

Mr. Huk commented that the BOF examined the town budget line by line and questioned all department requests based on the actual funds spent in the previous year.

Mr. Huk explained core services versus non-core services in the town budget. The \$11,000 for a library study was a non-core service item. He noted that the Park & Rec department proposed a negative budget which cut the town fireworks and concert series, but the BOF felt these were important items to leave in their budget.

Mr. Huk noted that the current fire truck was 25 years old and at the end of its service life. The fire department has requested a ladder truck for many years which was always rejected. The current proposal will replace the truck with a ladder capability, essentially killing two birds with one stone. He noted that the manufacturer of the fire truck went out of business and parts are unavailable for the current truck. The fire house roof needs to be replaced and there was discussion of using part of the cell tower sale to pay for part of it or else bond the entire truck and include the interest payment in the proposed budget. The fire truck bond would be a separate town vote however the interest for the bond was included in the budget.

Mr. Huk noted the \$11,000 under special projects for a new library study was to give direction for the future of the library. He quoted from a letter received from SaraJane Weinstein, 35 Jones Road requesting the library study remain in the budget. He noted that he had a total of 17 letters, sent to the First Selectman. With no request to read each individual letter, Mr. Huk provided a summary statement of the other letters which had similar sentiments from: Lisa Sizer, 45 Hockanum Glen Drive; Jennifer Fencil, 330 Pines Bridge Road; Wanda Mulinski, 42 Fairfield Place; Mary MacEachern, 171 Munson Road; Carol Erlingheuser, 16 Old Sawmill Drive; Joanne Pelkey, 113 Foxton Court; Jennifer Recalde, 10 North Main Street Apt 203; Vincent and Isabelle Culotta, 8 Coventry Lane; Melissa Boyce, 451 Rimmon Hill Road; and, Paula Pelletier, 12 Old Sawmill Road.

Mr. Huk addressed the increase in the First Selectman's salary by stating the facts that no town in the state of Connecticut compensates this position as low as Beacon Falls. In looking at towns of similar size with similar budgets, when comparing the compensation for the similar position of First Selectman, BOF analysis arrived at a figure of \$52,000 per year to compensate the First Selectman. Mr. Huk commended the current and prior First Selectmen who donated much of their time to serve the town in this position at the current salary of \$34,000 per year and that they were not adequately compensated. [Round of applause]

Mr. Huk explained that the BOF decreased the part time shift in the police department and eliminated a position in the public works department.

Mr. Huk explained that the BOF took a scalpel to the budget, trying to maintain the level of services to the town while cutting the budget responsibly which may change based on public feedback at this hearing.

Mr. Huk estimated that the current Board of Education budget proposal will likely increase taxes by 1.3 mill.

3. First Selectman's Comments – Gerard Smith

Mr. Smith explained that the Board of Selectmen forwarded an approved operating budget to the BOF on March 11, 2013 for review. Public comments showed him that the townspeople were not happy with this proposed budget. He noted that the First Selectman's salary increase had been discussed for years but was met with push back. Mr. Smith had recommended some additional cuts to the BOF but the BOF didn't accept them all.

He encouraged the BOF to send a budget to the tax payers that will pass the first time as we are in a time crunch; a budget must be approved so tax bills can be sent out.

Mr. Smith respectfully requested removing all proposed wage increases for elected officials including the First Selectman and keep them all flat to move this budget forward.

Mr. Smith noted some additional information became available after this budget proposal was printed: a reduction in the proposed health insurance line but warned that this would most likely increase significantly next year. He also stated that the public works snow plow can be acquired through a different package in 2013-2014.

4. Public Comment

Karen Ambari, 17 Bonna Street: expressed her complete support for the \$11,000 library study, and that the town needed to start somewhere.

Sue Dowdell, 32 Wolfe Avenue: expressed her support for the new library study budget item and that size of the current library was only 1,200 sq ft. She asked the public to compare its size to your house in relation to the number of townspeople who use it; we would have to put 5 people in each square foot of the library. She commented that going digital was not the answer, space is still needed. She cited the Bailey study written several years ago which called for a 19,000 sq ft library for a town the size of Beacon Falls. The Community Media Center Committee downsized that requirement. She noted that currently, a plan for a 7,500 sq ft library was doable which would also free up space in the town hall. She explained that space was needed for tutors and computer instruction as some are conducted in the hallway or in front of stacks in the library. She explained that there was no space to come in and read in the library and there are no meeting rooms noting the Town Hall Assembly Room and Senior Center calendars fill quickly.

Robert Spear, 14 Lakeview Rise: questioned the large increase in debt service which has gone up over 50% in this budget. He asked what the interest rate was and what the amount of the new bond issue.

J. Huk responded that this was to refinance existing debt at a lower interest rate and to include the purchase of the new fire truck. The \$72,000 line item under debt service was for the proposed new fire truck and fire house roof replacement and the \$91,000 was to pay for commitments the town has already made.

Jack Levine explained that 3 USDA loans needed to be paid off. For the past 7 or 8 years, in bond anticipation notes only interest was paid and now the principal must be paid, and the BOF was looking to take advantage of lower interest rates.

Joe Pavlik, 21 Fieldstone Lane: asked about the back taxes owed to the town, does anyone know how much of those were automobile property taxes? He shared articles from the April 5 and 15, 2013 Republican American newspaper about the City of Waterbury hiring a service for booting cars on which taxes were owed. He suggested the town go after car taxes as Waterbury did to collect a windfall in back taxes. He suggested the town actively go after collecting back taxes. He also questioned the budget shortfalls on paving Blackberry Hill Road and the Streetscape project and was concerned about another shortfall on the Depot Street Bridge. He asked why the contractors were not honoring their contracts and why the town should have to cover an underestimate of a bid.

J. Huk responded that cost overruns and change of design were the cause of these shortfalls and that only the Depot Street bridge project falls within this budget. He explained that the BOF asked the same questions at the budget workshops and were still waiting for answers.

Robert Doiron responded that all facts were not available for the bridge project shortfall. The construction portion came in under or at the contract price but additional costs were in the engineering fees portion as problems were discovered once they started the project.

LeRoy DeGraw, 29 Chatfield Drive: asked about reimbursement monies and questioned what was the difference between the Elderly Tax Relief and Property Tax Relief line items.

J. Huk commented that these revenues come from state reimbursements, he then deferred to Town Finance Manager, Manny Gomes who explained that one was a town program, one was state program. One is reimbursed by the state, the other is not.

G. Smith noted that the Local Option Tax Relief was determined by an ordinance addressed at a separate BOS meeting and will be discussed at a separate public hearing and town meeting and it will be up to the townspeople to cut it or not.

Kevin McDuffie, 2 Haley Ridge Road: read a letter from Sheryl Feducia, 2 Bonna Street, member of the Board of Education: suggested areas in budget to trim, and to lead by example, she respectfully requested the First Selectman salary increase be removed and to reduce expenses from each department, however she supported the \$11,000 for the new

library study to remain in the budget. This project has been needed for years and should be supported to move forward.

David Rybinski, 7 Quail Hollow Court: commented on the townspeople's non-support for a fire truck in past years. He noted that as a member of Beacon Hose since 1980, he had been involved in numerous apparatus purchases. He commented that there will never be a better time than now, with interest rates so low, to purchase a fire truck. He said that in the future the equipment will cost more and the town will have to buy a new fire truck eventually. He commended the BOF on their fine job on the budget, holding the municipal budget increase to \$33,918. He shared his calculation that that would amount to an additional \$20 in annual taxes on a house valued at \$200,000 and he expressed his support for this budget.

Susan Cable, 196 Blackberry Hill Road: commended the BOF and Chairman Jim Huk on an excellent presentation. She attended some of the budget workshops and thought the BOF raised good questions. She expressed her concerns about the cuts in highway maintenance and the part-time police patrol, but trusted the BOF's judgment. She also commented on cell tower sale, she didn't see it in the budget and thought some of that money from the general fund was going toward the fire truck purchase. J. Huk noted that \$172,000 from the cell phone tower sale was coming into the operating budget from general fund. She noted that she was upset about the Depot Street Bridge shortfall and that the town should have received more grant money. She was concerned that engineers on that project were paid without being questioned about the overruns and offered her help in finding out why more grants weren't given for this project and about the overruns which were discovered in the audit. She expressed her support of the new library study and suggested it be brought to the people to vote on it.

Joann Overby, 129 Highland Ave: commented that she and her husband attended a few BOF workshops were confused about the explanations on some of the line items. She questioned why the increase for the building inspector wages was so high and why the Planning & Zoning Commission budget was increased so much after being through an economic crisis.

J. Huk explained the Planning & Zoning Commission increase was due to state regulations and unfunded state mandates, and the same was true for the building inspector. The required time spent per inspection has gone up; the building inspector's hours will increase, it was not a raise in his salary, but to accommodate the increase in regulations.

R. Doiron explained that there is a major national building code revision and the costs will go up for inspections for any new projects. The budget increase was made with the anticipation of an increase of new structures being built in Beacon Falls, plus the Laurel Ledge Elementary School construction. However, if the building inspector doesn't work the budgeted hours, the money won't be spent.

C. Bielik noted that the building inspector's budget increase was to cover the potential increase in building construction and the Laurel Ledge Elementary School project, but even with a flat rate of building projects, more inspections will be required under the new codes which will increase the building inspector's hours.

J. Levine noted that all BOF members received all the department budget requests, reviewed them and called the building inspector in twice to justify this increase.

Len D'Amico, 57 Maple Avenue: commented on the audit increase of \$13,000 and that no one likes to pay more taxes. He commended the BOS and BOF for presenting a straightforward budget and for their hard work on this budget proposal and expressed his support of this budget.

J. Huk noted that some money would be transferred from the general fund to offset the expenses while keeping the majority in the general fund.

J. Levine explained the budget increase for a town auditor was due to a number of serious concerns raised in the management letter from the last audit. The BOF felt to make needed changes, it was necessary to have an open bid for the quality service of an auditor and implement all the proper procedures, and thus the budget line item needed to be increased.

Mr. Huk made a last call for public comment. With no more comments,

6. Adjournment

Motion to adjourn the Board of Finance Public Hearing at 8:08 PM: Doiron/Dowdell; all aye. [Round of applause]

Respectfully submitted,

Martha Melville
Clerk for the Board of Finance