

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



**BEACON FALLS BOARD OF FINANCE**  
**Monthly Meeting MINUTES**  
**December 10, 2013**  
**(Subject to Revision)**

**1. Call to Order/Pledge of Allegiance**

Chairman Jim Huk called the meeting to order at 7:30

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

Others present: First Selectman Chris Bielik, Selectman Peter Betkoski, Town Treasurer Mike Krenesky, 8 members of the public

**2. Approval of Minutes – November 13, 2013**

Motion to accept the November 13, 2013 regular monthly meeting minutes:

**Dowdell/Doiron; no discussion; all aye. M. Bronn and J. Levine abstained as they were not at the November 13, 2013 meeting.**

**3. Comments from the Public**

Ed Groth, 13 Laurel Ridge: commented that at the beginning of the campaign season when the Democratic slate was announced, it was noted that some candidates were in arrears of property taxes in the amount of \$22,000. He commented that town leaders should set an example and asked if there was an ordinance preventing someone for running for office if they owe taxes. He also asked if the Board of Finance has any authorization to change or oversee such an ordinance or collect taxes. He suggested establishing an ordinance stating that if you owe taxes you cannot run for elected office.

J. Levine noted that he abhorred political comments such as this and that the Board of Finance does not oversee town ordinances, but was the responsibility of the Board of Selectmen.

E. Groth raised another question about when the state bought building lots in town it was to pay the town, but no money was available.

J. Dowdell suggested E. Groth raise this issue with local legislator Joe Crisco.

C. Bielik explained that when this property was forcibly obtained for the fire training school, some payment was to be made to the town, but it was unfunded and the state had no money. The town has no recourse other than to continue to raise the issue with our legislators to try and get some payment from the state.

**4. Treasurer's Report – Mike Krenesky**

Reports were distributed to members for review.

J. Huk asked M. Krenesky if the balance was where it should be; M. Krenesky replied yes.

M. Krenesky noted that Naugatuck Valley Savings & Loan asked if they are to continue to collect taxes in January, based on a letter from the previous tax collector. The bank requested another letter from the current tax collector with this same information. C. Bielick will follow up with the M. Holloway to provide a tax collection letter to the bank.

**5. Tax Collector's Report**

Reports were distributed to members for review.

a. Delinquent taxes reporting

C. Bielick explained that work was initiated several months ago to identify the delinquent tax list. J. Huk asked if this information would be available including identifying which taxes were collectable versus uncollectable.

C. Bielick noted that the current system was cumbersome and can't be streamlined. M. Holloway was getting training to manipulate the system to get usable information. She will also receive training help from Mrs. Crisco.

**6. Town Clerk's Report**

Reports were distributed to members for review.

**7. Finance Manager's Report – Manny Gomes not present at meeting**

- a. Explanation of line 10-39-1415 of Regional Council of Gov'ts bill
- b. Update on finance software – C. Bielick reported that it was still being installed and should be completed by the end of 2013
- c. Update on trial balance - tabled
- d. Update on audit – C. Bielick noted that the audit was still in progress but the auditors were not in this week due to inclement weather.
- e. Board Clerk's Invoice: Motion to accept clerk's invoice requesting payment for the \$98.75 for the October 8, 2013 meeting and associated administrative work and pay the bill as submitted: Doiron/Dowdell; all aye.

**8. First Selectman's Report-**

a. **Delinquent taxes** – see comments under Tax Collector's Report

b. **Update on FEMA grant for fire truck**

C. Bielik commented that he had had a discussion with the Board of Finance chairman who received an email from the FEMA Northeast regional coordinator informing him that due to the public vote to amend the resolution approved at the September 3, 2013 Special Town Meeting appropriating \$700,000 for the acquisition of a fire truck on September 23, 2013 made the town ineligible for FEMA grant money, based on the legal language suggested by the former First Selectman.

J. Levine suggested the lawyers who worked on this resolution put into writing what their instructions were from the former First Selectman.

C. Bielik noted that he got information from the attorney and provided it to grant writer Lisa Lowe for her to begin the FEMA grant application process. She requested background information from past grant applications which was not provided. He talked to Kevin Peott, a representative from the FEMA grant national help desk, who suggested going forward with the grant application. C. Bielik stated the town may have received bad advice from the regional FEMA representative and may have missed the grant application deadline.

J. Levine asked C. Bielik to check with the town attorney to verify that the town has a legal obligation to pursue a bond for the fire truck given the vote at the September 23, 2013 Special Town Meeting.

C. Bielik recommended continuing with the grant application until there was a definitive answer about eligibility and to begin the bond process at the January Board of Finance meeting, if necessary. He suggested delaying the fire truck purchase and to apply for the grant next year if there was no chance to apply for the grant this year.

J. Huk noted that the agreement with the townspeople was to seek the grant first then the Bond, if necessary. He questioned why no work had been done by the former First Selectman on the FEMA grant application between the September 23 Special Town Meeting and early November. He pointed out that his was not the agreement made with the Board of Finance.

J. Levine commented that the bonding approval was contingent upon submitting a grant application and then bonding if the grant was turned down. The townspeople gave the town the authority to bond for the fire truck. He suggested the Board of Selectmen talk to the fire department and perhaps hold another town meeting to request approval for bonding.

C. Bielik agreed to seek a legal opinion from the town attorney to ask if the town is ineligible for this grant, was it legal to pursue a bond.

### **c. Transfers**

The First Selectman requested a transfer within the Parks & Recreation Department for \$1,400 to be transferred from line item 10-71-1815 Fertilizer/Clay to line 10-71-1121, Electricity, Water & Fuel to pay an outstanding bill that was due in the 2012-2013 fiscal year. He explained that this was overlooked due to faulty software. If the funds were not transferred, it would put this line item into a deficit.

J. Levine suggested that the auditor can make a post closing adjustment with no need to make a transfer.

J. Levine again raised the question of why the Regional Council of Govt's bill was paid making that line go into a deficit and why there was a budget transfer of \$860 in line 10-39-1415 from the contingency account. He asked why these transfers were occurring without approval from the Board of Finance.

J. Levine stated that the Board of Finance is the only board that has the legal right to make Transfers and questioned the legality of the transfer shown in the report without approval.

J. Huk noted that Finance Manager M. Gomes has not attended recent Board of Finance meetings and hasn't returned his phone calls. He also said that he had reviewed the minutes of the Woodbury Board of Finance and confirmed that M. Gomes was in attendance for all of those over the last 3 months.

Motion for the Board of Finance to send a letter to Finance Manager Manny Gomes requesting explanations for transferring a total of \$18,735.00 from the contingency fund, to provide the purposes of transfers and by what authority these transfers were made, to the Board of Finance by December 20, 2013; and the Board of Finance requested that if he can't attend their meeting to give 24 hour notice to the Chairman and First Selectman: Huk/Levine; all aye.

*Discussion:*

*J. Levine requested that C. Bielik use his authority to inform M. Gomes that he cannot make any transfers without the approval from the Board of Finance.*

*B. Ploss suggested that if M. Gomes cannot attend the Board of Finance meeting to ask that he dial into the meeting. He agreed that the Board of Finance needed to be notified if the Finance Manager can't be at the meetings.*

*C. Bielik offered to contact M. Gomes during this meeting via phone to see if he can answer questions, but was unsuccessful.*

*J. Levine commented that the Board of Finance hadn't had one town financial report that added up.*

*J. Huk stated that he would like to review the Finance Manager's contract to understand what his obligations are.*

*J. Levine asked C. Bielik the status of the bond and bands.*

*C. Bielik explained that the town conducted the sale of bans last week and got a good rate. These bans will now will expire in March 2014. The previous rate was .48% now it went down to .374%. There was a minimal cost to roll these bands over for 3 months. The total of \$4.6 million, included \$1.7 for the waste water treatment plant. The existing bonds will*

*be rolled into bans in March 2014.*

*J. Levine asked what the year end balance in reserves was; that amount was still unknown.*

*C. Bielik raised the question of a town check not being signed by Town Treasurer M. Krenesky for a purchase order for a desk chair for the First Selectman's Office. He explained that the original desk chair has been given to the administrative assistant and the former First Selectman was using his personal chair for the office. Once the administration changed, his chair was removed from the First Selectman's office. C. Bielik researched and ordered a replacement chair. When it came time to cut a check for this purchase, M. Krenesky refused to sign the check.*

*M. Krenesky commented that this purchase order was made in the last week of previous administration, after the election but before the installation of the new administration. He questioned the \$680.00 appropriation for a desk chair for the First Selectman's office, which was not originally budgeted for. He explained that he didn't sign the check as he didn't think it was a proper use of town money.*

*J. Huk commented that this expenditure would be covered under the department's office supply line item.*

*C. Bielik explained that he was purchasing a chair that would last.*

*J. Levine commented that the First Selectman-elect did not have the authority to make a purchase before he was formally sworn in as First Selectman.*

*J. Huk commented that the Town Treasurer was not allowed to make a judgment call on how money was spent if the money was available in the department's budget line. He asked if the Town Treasurer overstepped his authority and whose role was it to stop a town check. He stressed the need to have clear procedures in place and asked to see the purchase order procedure and signature authority documents.*

*C. Bielik noted the Board of Selectmen had requested budget information from town departments to be ready for January BOF meeting.*

*J. Levine asked if the Boards of Selectmen and Finance would work together on the budget or if the Board of Selectmen would work on it first before presenting it to the Board of Finance. C. Bielik indicated that he would advise the Board of Finance on the recommended approach.*

## **9. Unfinished Business**

### **a. 3-5 Year Capital Plan**

*J. Huk reviewed his approach to this plan and reiterated the importance of having a 3-5 Year Capital Plan in place. He requested that a 3-5 Year Capital Plan subcommittee with 2 members from the Board of Finance be formed to work on a 3-5 year capital plan with the First Selectman and Finance Manager.*

Motion to form a 3-5 Year Capital Plan subcommittee with 2 members from the Board of Finance to work on 3-5 year capital plan with the First Selectman and Finance Manager: Huk/Levine; all aye.

*Discussion:*

*J. Huk commented that the statement of assets held by the town was out of date and that the end of life dates were not correct and that it needed to be refreshed which would require cooperation from all department heads. He suggested that it be done along with budget cycle and stressed the importance of it being in digital format. He noted that once a capital plan is set up it would be easier to maintain as long as policies were put in place to ensure the information was kept current.*

*J. Levine expressed his concern that a future plan may negatively impact the short term operating budget.*

*R. Doiron commented that over the years the town has had 3-5 year plans from multiple departments, but that having a plan was great, but was useless if it can't be implemented.*

*M. Bronn agreed that the hard part will be paying for a 3-5 year capital plan.*

*J. Huk noted that Region 16 projections would need to be included in this plan.*

*J. Levin suggested calling it a forecast rather than plan.*

Motion to nominate Jim Huk as a Board of Finance representative to the 3-5 Capital Plan subcommittee: Levine/Doiron; all aye.

Motion to nominate Joe Dowdell as a Board of Finance representative to the 3-5 Capital Plan subcommittee: Levine/Bronn; all aye.

**10. New Business - none**

**11. Correspondence - none**

**12. Comments from the Public -**

Dave Rybinski, 7 Quail Hollow Ct: commented on the FEMA grant. He noted that the townspeople voted to buy a piece fire apparatus either through a grant, or by bond if no grant money came through. The town hired a grant writer for \$3,000 to write the application. He was reluctant to share fire department financial information with the grant writer. He added that part of the grant application was to show financial need and questioned why the grant application wasn't written in a timely manner. He disagreed with information received from FEMA about the town's eligibility for this grant.

J. Huk noted that the Board of Selectmen hired the grant writer not the Board of Finance,

so his comments could not be addressed at this meeting. He also stated that the Board of Finance was not responsible for the grant process once it approved the financing for the truck with the contingency of the FEMA grant, and that the work to obtain the grant was the sole responsibility of the Board of Selectmen.

When asked by J. Dowdell if he would help the towns grant writer write the grant for the fire truck he replied "No".

B. Ploss stressed the need for a fire truck and requested a legal opinion from the town lawyer be obtained to advise the Board of Finance if it has a legal right to authorize the purchase of a fire truck or the town must apply for the FEMA grant.

Beacon Hose Fire Chief Mike Pratt, 25 Avenue B: noted that he received an email on October 30, 2013 from former First Selectman G. Smith to grant writer Lisa Lowe that the grant application would be opening on November 4, 2013. He said that no reply was received by either Lisa or the First Selectman for 4 weeks and that progress was only made when J. Huk brought everyone onto a phone call to try to drive the process further.

J. Levine commented that the lawyer should be chastised for any potential bad advice given to the town on this matter. He believed the town should apply for the FEMA grant and that if it was turned down, to then seek bonding for the fire truck.

R. Doiron commented that legal firms usually carry insurance should they provide incorrect advice.

E. Groth agreed with R. Doiron that the town should be protected if the lawyer was incorrect. C. Bielik will pursue.

Paul Brennan, 13 Highland Ave: commented that the more the purchase of a fire truck was delayed the more the cost will go up. He suggested the grant writer be paid a percentage of grant money received rather than a flat fee.

Sue Dowdell, 32 Wolfe Ave: commented that she was previously advised that it was not ethical for a grant writer to work for a percentage payment for a grant writer's fee versus a flat fee.

### **13. Adjournment**

The next regular monthly meeting will be Tuesday, January 14, 2014 at 7:30 PM.

Motion to adjourn the meeting at 9:24 PM: Doiron/Bronn; all aye.

Respectfully submitted,  
Martha Melville  
Board of Finance, Clerk