

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



BEACON FALLS BOARD OF FINANCE
Monthly Meeting
March 11, 2014
MINUTES
(Subject to Revision)

1. Call to Order/Pledge of Allegiance

Chairman Joe Dowdell called the meeting to order at 7:32 P.M.

Board Members present: Joe Dowdell, Jack Levine, Brian Ploss, Marc Bronn, and Joe Rodorigo

Not present: Robert Doiron

Others present: Selectman Peter Betkowski, Tax Collector Maryann Holloway, Town Treasurer Mike Krenesky (arrived at 7:57 P.M.) and 6 members of the public

2. Approval of Minutes

Motion to accept the February 11, 2014 regular monthly meeting minutes:

Bronn/Rodorigo; no discussion; all aye. J. Levine abstained as he was late to the February 11, 2014 meeting.

Motion to accept the February 25, 2014 special monthly meeting minutes: **Rodorigo/Ploss; no discussion; all aye. M. Bronn abstained as he was not at the February 25, 2014 meeting.**

3. Comments from the Public

Gary Komarowsky, 15 Second Street, realizes that the board is just starting with the budget and respectfully asked to find some way to wiggle some money into the budget for purchasing property on North Main Street to fulfill the mission of the townspeople that was approved some years back regarding taking the property and making it commercial. The houses near the post office have flipped time to time again and no one has money allocated to do anything about that.

No other comments from the public at this time.

4. Update from Town Auditors

The auditors were expected to be at the meeting and did not show to the meeting.

J. Levine asked to move the update to the end of the agenda to see if the auditors show up later. J. Dowdell agreed to this suggestion.

J. Levine had emailed Amanda, one of auditors, to see if there was a problem and to why they were not at the meeting. As of 8:36 P.M., no response to the email was received.

5. Finance Manager's Report

There were no reports to distribute to the Board members for review since there is no Finance Manager for Beacon Falls at this time.

J. Dowdell asked Selectman Peter Betkowski if he has any update regarding the position of the Finance Manager and P. Betkowski indicated that he will respond during the First Selectman Report.

6. Treasurer's Report

Reports had been emailed to members for review by Town Treasurer Mike Krenesky.

J. Levine mentioned about the concept of custodial risk of having money up to \$250,000 in a bank under the insurance and anything over that amount, it is subject. One of things that he would like to recommend is the Board of Finance recommend to the Board of Selectmen that they consider breaking up of the amounts of money that we have. J. Levine indicated that it is the Board Selectman's decision to which depository institution is used. The second thing that he would like to recommend is to have a quarterly review by the Treasurer of the financial institution itself. It is mentioned under the audit report under custodial risk.

J. Dowdell indicated that the Treasurer is looking into this now. M. Bronn believes that interest-free checking accounts are insured through their maximum and believes that Beacon Falls' operating account is interest free. J. Levine mentioned that the credit risk amount is significant.

J. Dowdell asked to have the clerk write a request to M. Krenesky to attend the next Board of Finance meeting. *M. Krenesky arrived at the meeting at 7:57 P.M. and J. Dowdell asked for him to attend the next meeting. M. Krenesky indicated that he will do his best to attend the meeting.*

7. Town Clerk's Report

Reports were distributed to members for review.

8. Tax Collector's Report

Maryann Holloway was in attendance at this month's meeting to update the Board. Reports were distributed to members for review.

a. Delinquent taxes

M. Holloway indicated that she has met several times with the marshal/sheriff who handles the accounts. She initially had made a list of the taxpayers who owes \$10,000 or higher. The marshal had some of the names on his list and the ones he didn't have, M. Holloway started making contact with those people.

M. Holloway indicated that she has to do a few things by law. The first thing that she has to do is to send a delinquent notice. In that letter, she indicates that they have 10 days to respond to her. The letter spells out what will happen and stresses to call and meet with her to set up a payment plan. She is currently working with five (5) accounts at this time.

If no response is made, one more letter is sent out and is more forceful by explaining what will happen with the marshal and the severity of the situation. A taxpayer's demand letter has to go out by law. The next step is contacting the marshal to go after the taxpayers.

At the end of February/beginning of March, other delinquent notices went out to the other accounts. Those included new homeowners who didn't know that they had a payment due in January. She received a good response to those notices.

J. Dowdell asked if you have to go through all the steps and have to go to the marshal, what will then happen. M. Holloway indicated that a warrant is issued and the marshal still tries to work with us and communicates with us. The marshal has the right to take the property or go into the checking/saving account and take the money. The marshal will come back to her and provide information that the taxpayer responded and would like to make a payment plan.

J. Dowdell asked M. Holloway what the figure is for back taxes. She indicated that she doesn't want to figures today because the delinquent report shows that the accounts with \$10,000 and higher is approximately \$1,400,000. She wanted to get started with those accounts. The motor vehicle taxes are backed with the Dept. of Motor Vehicle since people cannot register their cars without paying the town taxes. The difficulty is with people who move away. She would like to find out how you find someone's address to help track these people. When you go onto the internet, you have to pay for the information.

We do have liens on real estate. It may take some time to get the money this way since we have to wait until the land is sold. Person property is different because once they're gone, they're gone. She considers it unsecured and wants to zero in on that and make sure it gets under control. Trailer parks are separate all of its own and going to leave it off for a little bit.

M. Holloway started complying different reports showing how much is for motor vehicle taxes, real estate taxes, property taxes, etc. She wants to be able to submit a more precise report at some point in time. She has been collecting paperwork from July 1, 2013 and start with this budget year to give more information.

M. Holloway indicated that she has attended her first meeting of the Taxpayers' Association and she is learning the Quality Data software. In April, there is a "road show" taking place in Woodbridge that she, as well as the Assistant Tax Collector Linda Holt, will be attending. It is an all-day learning experience that many tax collectors have indicated it is very helpful to attend. She has been talking with many other towns' tax collectors and has been getting a lot of help from the area.

J. Dowdell asked if any of the board members have questions for M. Holloway. M. Bronn first asked if she is obtaining written agreements from the taxpayers. She is going to have a form for the taxpayer to sign. M. Bronn asked if it will be notarized and she indicated yes. M. Bronn then asked if the taxpayer is not responding after her process and the marshal goes out and uses his tactics and a lien is placed on the property, what is done to enforce that lien. She indicated that liens can only be place on the property a certain month of the year but she doesn't remember which month at this time. If the marshal is not getting anywhere, then the property can be sold. M. Bronn asked if there are any now in foreclosures and she indicated that there are none at this time that she knows of since there are no files in a special place.

M. Holloway indicated that the delinquent taxpayer pay for the marshal as well as for the expenses. She also indicated that payment goes towards the oldest amount first. M. Bronn asked if she is looking at motor vehicle taxes that are 10 years or older. She indicated that it is better to write off any delinquent taxes more than 10 years old because you are never going to get paid. She is going to do it properly and not just writing off accounts just because they are older than 10 years.

J. Rodorigo asked how long will the process take by giving a ballpark time. M. Holloway indicated that she can to about 10 letters a day. She is hoping to have a better handle in about 2 weeks. The marshal could not pursue since he is didn't have contact for a year before and he slowed down in Beacon Falls. Now, since there is a contact, he is able to move and she is starting to see paperwork from the marshal.

J. Dowdell asked for M. Holloway to attend at least one meeting per quarter.

M. Holloway wanted to ask a question at this time since she was in front of the board. Maryann Holloway, 14 Dolly Drive, wanted to know how much money is left in the waste water treatment fund. J. Rodorigo indicated that the fund has \$80,296.28 and she commented that it went down so much. J. Rodorigo indicated that he doesn't know the history and she indicated that it bothers her as a taxpayer. She indicated that the state would leave us alone if we had \$x.xx in that fund to cover emergency expenses. M. Bronn indicated that that's the general fund and J. Rodorigo indicated that they used to have a number that they wanted you to have. J. Levine indicated that he has seen the number \$800,000 at one time. M. Holloway mentioned that if the number was not kept up then we have to charge a sewer tax and has concerns over that.

9. First Selectman's Report – Peter Betkowski

First Selectman Chris Bielik was not present at tonight's meeting and Selectman Peter Betkowski had some notes for the Board of Finance.

a. Software training

The new accounting software training started on Monday and will complete on Friday. Denise and Lori from the Town Clerk are participated in this training.

b. Update on hiring of new Finance Manager

The position is still on the website and the ad is running again in the paper for a week. There are 2 more candidates, 1 more on the way, and interviews will start next week.

c. Bonding

The bonding is going out for bid tomorrow.

M. Krenesky indicated that based on the reports given today, the rates are very good. The coupons rates towards the end of the bonding are up over 4%. Naugatuck went out yesterday and they did not sell all their bonds. He indicated that, if everything plays out as it is today, the net savings to the town of about \$205,000 over the current bands.

J. Levine asked what the town's bond rating and M. Krenesky indicated Double A minus and that's from Standard. J. Levine asked what the equivalent to Moody's and P. Betkowski indicated that we are working on the rating. M. Krenesky indicated that the last bond package that we have done to since 1997 when the Rimmon Hill Sewer Project. He also indicated that since we haven't bonded anything in recent history, having a Double A category is huge for us.

M. Krenesky indicated that the bond company has the draft of the audit. There are some changes of the text, not the numbers, in an email that went today or yesterday.

10. Unfinished Business

a. Update on Region 16 budget

J. Rodorigo indicated that Tim James had sent out an email about full day kindergarten. As a private citizen, J. Rodorigo responded by stating that we did not plan on the construction with that in mind. The team is in a very small space and space is limited. With all day kindergarten, you would need two (2) additional classrooms and that wasn't part of the original plan. The concern is that we can ill-afford go to that model without exceeding some numbers. J. Rodorigo indicated that the decision was already voted on for in 2015 to make full day kindergarten.

Sue Dowdell indicated that they did say that when Laurel Ledge is completed, there would be full day. J. Rodorigo responded that that was their expectation with the board's vote and taxpayers approve it.

J. Rodorigo indicated that out of the 164 school districts in the state of Connecticut, Region 16 ranks 91 in total education standards. We are in the lower 50% in education compared to the other towns in the state of Connecticut. They are produced a list of the 16 cheapest cost per pupil districts in the state of Connecticut and there are 6 of them higher than us. The highest cost per pupil is \$12,7xx.xx and ours is \$15,2xx.xx.

11. New Business

a. Senior Center

J. Rodorigo mentioned that the Senior Center is out of money according to budget transfers since they exceeded all their money on some line items. He indicated that the Senior Center has never handed in a budget for the past 3 years since Kevin Swann. A physical document has never been handed in for the budget. J. Rodorigo indicated that they were not aware they were supposed to produce a budget. The Senior Center is in charge of six (6) line items – fuel, gas, electricity, phone, building maintenance, and driver's pay. J. Rodorigo looked into the AT&T line and found out that for three (3) phone lines – the mini bus line, the center line, and the nurse's line – we were paying \$412.58 a month.

He contacted AT&T and Comcast to look into the pricing. He found out through the state negotiated program, you can lock in for \$25.00 a line until September 30, 2016. If you want services per line, then there is an additional charge of \$5.00 a line. Now, we are paying \$157.xx.

J. Rodorigo also found that they don't have a supplies line item. Either they buy them through their own fund or have them delivered from town hall. A supplies line item is being put in for the new budget process.

J. Rodorigo indicated that last night, after the Board of Selectman's meeting, he handed over the information from Denise to Chris Bielik every AT&T line that we have in the town of Beacon Falls, which he believes is twelve (12). Since he went through the Senior Center, then one of town employees go line-by-line and make sure we are under this government program and only paying for the services that we need. C. Bielik indicated that he will have someone do this.

J. Rodorigo suggested that, as we work through the process, each of the Board of Finance members takes one department and go through their budget. J. Dowdell mentioned that some of the selectmen sat with the departments as they did their budgets either last year or the year before. They went line-by-line and asked questions as they were going through their budget. J. Dowdell will contact C. Bielik tomorrow and ask for all the budget requests and distribute them to the board. He asked that the board let him know which one they want to do.

J. Levine asked if the First Selectman was going to get the budget put together, bring to the Board of Selectman, and then that would become the recommended budget. P. Betkowski indicated that C. Bielik was going to get together with Denise and try to put it together. J. Rodorigo stated that that would be their budget but the Board of Finance needs to create or have an idea of what we are dealing with.

J. Levine suggested in having the department heads come to the Board of Finance and then have the Board of Selectmen give their budget, having the Board of Finance better informed. J. Dowdell indicated that he will talk with C. Bielik and find out the latest information.

J. Rodorigo commented that the Board of Selectman would be putting together a budget and this Board should be able to ask specific and understandable questions to how they came up with their numbers. He suggested that we should have a LoCIP line item, which is 100% reimbursement of that number usually within 90 days. He indicated that most of the other communities do have LoCIP line items. That number changes because you don't get the same amount of LoCIP money every year. Beacon Falls does have it but it's in the town garage. J. Rodorigo indicated that it should be set in the budget on its own line item.

J. Levine made a suggestion to use the LoCIP money for road repairs. Under the State Statute 106, the Board of Finance can establish to the intent of the LoCIP money once the budget has been set. J. Rodorigo indicated that there is approximately \$160,000 in LoCIP money to spend, at no cost to the taxpayers. The money can be used to purchase snow removal equipment or get our equipment improved at a 100% state reimbursement under LoCIP, but the opportunity ends on June 30, 2014. Then the remaining money can be used for road repairs. J. Rodorigo indicated that as we go into the future, we have to come up with a roads plan. Until we have that plan, we need to get snow removal equipment.

J. Rodorigo indicated that the other concern that he has is the clerk line item. Once it gets passed by the public, the chair of that board can make a motion to have the clerk paid 100% on July 1st. If it kept in that it has to be passed by the board and then submitted to the First Selectman, then signed off for approval by the First Selectman, there should be one clerk line item for the line. J. Levine believes that the control is there but needs to be implemented. The First Selectman can refuse to sign it and deem it too much to pay. J. Rodorigo indicated that once it gets passed by the public, there are no legal controls left. J. Rodorigo suggested that it made as having one line item with subcategories and still has to go through the Board of Selectmen. The authority would not be with the Chair of that board, but the board would vote on paying the clerk. It would be for protection for the town of Beacon Falls.

M. Bronn asked where we stood with getting the budget. P. Betkowski indicated that it is probably about a couple of weeks away. C. Bielik has had his hand full with trying to hire a Financial Manager. J. Levine asked where we stood with the fire truck. P. Betkowski indicated that we are going to bring it to the people but we do not have a date as of yet.

12. Correspondence

a. Board of Finance Clerk's Invoice

Motion to accept the two invoices from the Board of Finance Clerk and pay the total of \$91.25; Levine/Bronn; no discussion; all aye.

13. Comments from the Public

Ed Groth, 13 Laurel Ridge, asked about the new accounting software. He wanted to know if there is anything built into it to help the department managers know where they are in their budget. Also, he was wondering if there are built-in letters to help the tax collector such as auto-generated letters. J. Dowdell indicated there are some problems with the auto-generated because they can start doing things without our knowledge. E. Groth wanted to know about it helping to speed up the process for the tax collector. J. Dowdell indicated that M. Holloway seems to be getting a good handle on things and we are better than we have been in many years.

Sue Dowdell, 32 Wolfe Avenue, responded by saying that the department heads do get a printout from the Finance Dept. and it is their choice to look at it. J. Roderigo indicated that as a former department head, he did get an Excel spreadsheet from Denise for what the town appropriated from Day 1. S. Dowdell responded that the library does check it every month.

14. Adjournment

The next regular monthly meeting will be Tuesday, April 8, 2014 at 7:30 P.M.

Motion to adjourn the meeting at 9:03 P.M.: **Bronn/Levine**; *no discussion*; all aye.

Respectfully submitted,

Marla Scirpo
Board of Finance, Clerk