

**Beacon Falls Board of Finance  
10 Maple Avenue  
Beacon Falls, CT 06403**



**BEACON FALLS BOARD OF FINANCE  
With the Board of Selectmen  
Special Meeting – Work Shop  
April 2, 2014  
MINUTES  
(Subject to Revision)**

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

Chairman Joe Dowdell called the meeting/work shop for the Board of Finance and for the Board of Selectmen to order at 6:32 P.M.

Board of Finance Members present: Joe Dowdell, Jack Levine, Marc Bronn, Robert Doiron, and Joe Rodorigo

Board of Selectmen Members present: First Selectman Chris Bielik, Selectman Peter Betkowski, Selectman Dominick Sorrentino

Others present: Town Treasurer Mike Krenesky, Lauren Classey

Not Present: Brian Ploss

**2. Budget Discussions**

C. Bielik started by indicated that the highlight of the submission that we have at this point that was approved by the Board of Selectmen projects to a .29% increase in the operating budget from the previous year. This is referenced on page 16 of the budget proposal.

C. Bielik indicated that the union contract for all town employees that are part of the union calls for a starting point of a 2.5% pay increase across the board. All non-union employees would also be submitted for this round for a 2.5% pay increase as well. There will be no increase for any elected officials.

The next big section that C. Bielik referenced was Employee Benefits. Some of the planning figures that are there are just that because some of the final figures have not been received from the insurance adjustors. As far as the medical insurance, one thing known for certain is that the medical plan that the town employees have now will be changing next

year. The one that we have now will no longer be offered by any insurance carriers. We do not know as of yet to what parameters and took a best guess estimate based on the market now. It was recommended to use a 12% increase planning figure over last year's premiums. In addition, the workers compensation line will be a significant increase because of the claims that we had running for the past three years. There have been three significant years in a row of individual or one/two claims being paired in the same fiscal years that each year totaled over \$100,000 just on one/two claims each year. This has put us in an extremely hi-risk category. The planning figure that was recommended to be used by our agent was to take it from \$117,000 to \$150,000. Everything else goes by the standard calculations based on the number of employees that we have, what the percentage payouts are, social security, pension calculations, etc.

Next, C. Bielik indicated that they discussed and reviewed all the wage expenses for all the boards and commissions in town. They are looking to take all the scattered clerk wage lines and put in a central control by the town instead of the boards themselves. If they are all under one line with review at the Board of Selectmen level, then we can see the comparisons and standardize the charges will be. This proposal does not reflect that as of yet but we can adjust it.

Next, C. Bielik indicated that one thing we have in there right now, as recommended by Economic Development Commission, is a \$10,000 line and it hasn't been spent as of yet. According to Jeremy Rodorigo, who is looking at some ideas that will spend that entire \$10,000 line. There is a line item for a consultant on a place holder line. The number may need to go higher but we don't know what that number is now. We may need to get a professional in to try to fill some of those empty storefronts on Main Street or in the industrial park.

Next, C. Bielik referenced Emergency Services. They have been doing a lot of consulting with the fire department. There is going to be a new leadership down there with Mike Pratt electing not to run again as Chief, as well as Jeremy Rodorigo not electing to run under the ambulance side. There are a number of cuts made, some relatively small and some are a little more substantial. This brings us to some substantial savings in that department but doesn't mean that it is going to adversely affect the performance of the department. B. Doiron asked a question regarding the cuts of the emergency department. It has been several years that we have been listening to them about how much money they need at the department and what needs to be fixed. C. Bielik indicated that they have been historically very loose in defining what they consider capital project that should stand out in the budget and what they have been including in their regular maintenance and training. This is why they took a much drilled down approach at the department.

Next, C. Bielik wanted to bring attention to two things to Police. The first is the significant increase in the resident trooper program. This is mandated by the State of Connecticut, who decides what the number will be. The actual number is directed by the State of Connecticut that must be paid if we have a resident state trooper. The number is not padded. The second is the wages, part time patrol. The town of Beacon Falls has been having a very difficult time attracting part time officers to fill out the ranks of 24/7 coverage. There are gaps because we don't have enough officers. This is due to the fact

that we pay the lowest hourly rate of any town in the surrounding area. We are paying \$22.60 per hour and the lowest surrounding town is \$27.00. This proposal increases the rate of pay to \$24.xx making us somewhat competitive.

Next, C. Bielik discussed the Highway Maintenance. A year ago, there were 7 people on the road crew with one retiring. The board's decision was to see the impact of having only 6 active people. At that time, we were out of winter and didn't hire a temporary replacement for the road foreman. After this winter, we have seen the impact of having only 6 people and the amount of overtime hours were astronomical. This proposal refunds a seventh person and puts him back in the road crew. M. Bronn and B. Doiron questioned hiring a subcontractor. C. Bielik indicated that we are prohibited in hiring a subcontractor based on the union contracts. The union contract explicitly has 7 full time bodies assigned to it and would not allow the hiring of seasonal workers with a vacant spot on the union contract. M. Bronn asked what the repercussions and C. Bielik indicated that we lose and pay trouble damages, attorney fees, etc. The contract is good for two more years.

Next, C. Bielik discussed the Refuse. The original budget amount of \$288,700 has been there, as the same amount, for the past five years at least and never came close to spending that number. Winter Brothers is the contracted company who does the curbside pickup. Winter Brothers' share of this amount is \$140,xxx and the rest of the cost is broken down into two other costs. The first is the Connecticut Resources Recovery Agency, who actually gathers up the trash and reclaims a portion of it. It is a small revenue source for us, getting \$10.00 per ton for what they can process. Their charge is \$64.00 per ton for what is deposited with them. The second is the transfer station. Every time we open the transfer station, there are two payments – one for the bulky waste transfer line and the other one for refuse collection line. With the actuals for the past three years not come close to the amount in the budget and with what Winter Brothers is projecting as their cost increase, the proposal of \$270,000 seems like a good number.

Next, C. Bielik discussed the Waste Water Treatment. The one big cut is under the line for equipment replacement. Only \$30,000 out of the \$108,xxx was spent that was given for this year. We are in the process of starting a significant upgrade project to that waste water treatment plant. It seems likely that there are saving to be had in that line item if we are doing an upgrade on the plant. We can invite them in to discuss and plead their case as to why it should be higher.

Next, C. Bielik indicated that the big discussion is on the Debt Service – Interest and on the Debt Service – Principle. A couple of weeks ago, we issued actual bonds and we maintained \$1,000,000 band for the waste water treatment plant. We issued the bonds in December 2013 with a three month maturity period, and it matured in March 2014. We rolled it over with the issuant of the bonds with the idea that there will be grant money coming in to support the waste water treatment plant. We may be able to pay off that band directly using grant money that coming in. If it runs all the way to maturity to March 2015, the interest payment is scheduled to be just under \$10,000. The Debt Service – Interest for the \$5.8 million in bonds issued is projected to be \$180,000 for next year and eliminates all the other interest payments.

J. Levine asked a question about the bonds changing to bonds. He was wondering if, as of June 30<sup>th</sup>, the interest and principle relates specifically to the bonds and the USDA sewer bonds. C. Bielik indicated yes, all the rest of the bonds that we have had excluding the \$1,000,000 that was authorized in the spring of 2011 to be allocated towards the study of the waste water treatment plant.

Next, C. Bielik discussed the Capital Projects. We carried forward, from the previous several years of budget discussions, any capital project that was proposed but not funded. We did not include any of those particulate items. We left those as a point of discussion among the Board of Finance and the Board of Selectmen to see if any of those we would like to resurrect and include in this year. What were included were five new capital projects. The first was the mini bus replacement. The mini bus that we now have is at least 10 years old or more and is deteriorating. There was a grant program that was available for purchasing a new replacement bus and the process was started. The request looks like it's going to be approved and the cost share is 80/20 of a \$60,000 van. M. Bronn asked if we have to lay out the money first and C. Bielik as well as J. Rodorigo believes that we get the check goes to the supplier. The second was the cholesterol machine. The town nurse has requested this previously and has been turned down. M. Bronn asked who this will benefit and C. Bielik indicated everyone in town with no age or financial requirements. The third is police department radio. The police last year asked for \$42,000 for radio and we gave \$22,000. This year, the final payment is \$20,000 and is in there. The fourth is the public work truck lease purchase. There is a work truck which the frame is rotting out. They have been trying weld and there is no metal left to salvage. Using LoCIP money, we collected several "wish list items" from the public works department for 2 plows, a snow blower vehicle, and a stainless steel rail truck body. It was suggested that they budget it for a rotating lease in the amount of \$27,000 per year for 4 years with a \$1.00 buy-out. The fifth was the town computer upgrade. C. Bielik indicated that the MicroSoft Windows XP operating system support ended last Wednesday. All the computers in town run on XP and asked our computer support IT person, Suzanna, look at all the computers in town and identify any shortfalls that we may have. We need to purchase licenses to upgrade to Windows 7 Professional and hardware upgrades that are needed. There are some older desktops that won't survive the transition. J. Rodorigo indicated that there are 5 or 6 computers. M. Bronn asked if servers were in this and C. Bielik answered it is just the workstations.

Next, C. Bielik indicated that on March, 28, 2014, we received from the State Legislature the projected revenue streams are going to be this year. Those numbers received were incorporated into this budget. There has been very little movement in either direction with any of the funds as to how they were funded last year. Nothing has been removed this year and still in full force as they were funded last year.

C. Bielik wanted to bring to everyone's attention was Property Taxes. The reevaluation of the grand list was done recently showing .05% increase in the grand list. The collection rate was not adjusted based on discussions last year. What was done was to use the proposed collections from last year and multiple it by the .05%. The prior year taxes number for this year's budget is a conservative figure in the budget. He sees that the number of \$400,000 should come in higher but used a conservative number for this budget.

**3. Adjust Budget Calendar (if needed)**

The Board of Finance and the Board of Selectmen agreed to meet on Tuesday, April 8, 2014 at 6:30 P.M. to continue the work shop for the budget. The boards will continue discussions until 7:30 P.M., when the Board of Finance starts its regular monthly meeting, as well as the Board of Selectmen. Once the regular monthly has adjourned, both boards will continue the work shop.

The following work shop is scheduled for Wednesday, April 16, 2014 at 6:30 P.M. and then each Wednesday after that, as needed. The decision to bring the department heads in for the work shop on April 16, 2014 will be decided at the next work shop on April 8, 2014.

**4. Public Comment**

No public comment made.

**5. Adjournment**

Motion to adjourn the meeting/work shop for the Board of Selectman at 8:47 P.M.:  
**Betkowski/Sorrentino; no discussion; all ayes.**

Motion to adjourn the meeting/work shop for the Board of Finance at 8:47 P.M.:  
**Rodorigo/Doiron; no discussion; all ayes.**

Respectfully submitted,

Marla Scirpo  
Board of Finance, Clerk