

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



**BEACON FALLS BOARD OF FINANCE
Regular Meeting
January 10, 2017
MINUTES
(Subject to Revision)**

1. Call to Order / Pledge of Alliance

Board Members Present: Joe Rodorigo, Joe Dowdell, Tom Pratt, Marc Bronn, and Jim Huk

Not Present: Brian Ploss

Others Present: Mike VanDeventer and Samantha Thomas, Mahoney & Sabol; Atty. Fred Stanek; Tom Broesler, Finance Manager; Fire Chief Jim Trzaski; First Selectman Chris Bielik; and Selectman Mike Krenesky

Chairman J. Rodorigo called the meeting to order at 7:00 PM.

2. Public Comment

J. Rodorigo asked three times and there were no public comments made at this time.

3. Discussion with Town Auditors

Mike VanDeventer and Samantha Thomas, Mahoney & Sabol, were present at tonight's meeting to present the information from their 2016 Audit Results.

M. VanDeventer explained the Scope of Work in regards to the Audit of Financial Statements performed in accordance with Auditing standards issued by the American Institute of Certified Public Accountants and with Government auditing standards issued by the Government Accountability Office; and the State Single Audit performed in accordance with State of CT, OPM Compliance Supplement to the State Single Audit Act and the Applicable grant and contract agreements.

M. VanDeventer indicated that under the Auditor's Report, the report on Financial Statements showed the following: unmodified "clean" opinions on governmental activities, major governmental funds, and aggregate remaining information. M. VanDeventer also indicated that the report on Compliance and on Internal Control over Financial Reporting reported a significant deficiency in internal control over financial reporting. It was noted that the town does not have appropriate closing procedures to ensure that all accounts are reconciled and properly accounted for in conformity with US GAAP on a timely basis. It was also noted that this was reported as a material weakness in prior years and has been downgraded and the town is showing continued improvement.

M. VanDeventer indicated that under the State Single Audit, the report on Compliance and on Internal Control at the State Financial Assistance Level showed \$4,598,317 expended and \$416,950 nonexempt. The major programs were the Town Aid Road Grant and Local Capital Improvement Program. The report also showed an unmodified "clean" opinion on compliance over major programs and no significant deficiencies or material weakness over compliance were reported.

M. VanDeventer and S. Thomas reviewed the Government-wide Financial Highlights noting that there were no significant changes. There were unfunded deficits in the Capital Nonrecurring fund and the bonded projects fund. S. Thomas indicated that this was due to the Depot Street Bridge project and carried forward from prior year.

M. VanDeventer and S. Thomas reviewed the required Communications noting the significant audit findings. M. VanDeventer then reviewed the Internal Control Matters and Recommendations. The auditors asked if there were any questions by the Boards and there were none at this time.

4. Discussion with Town Attorney

Atty. Fred Stanek was present at tonight's meeting based on the request by the Board. There were two questions that the Board asked for Atty. Stanek to provide a legal opinion, and to submit the legal opinion in writing. The first question was which Board – the Selectmen or the Finance – has the authority to fill a vacancy on the Board of Finance. The second question was in regards to the First Selectman having the authority to enter into an agreement with Green Beacon Falls, LLC pertaining to the Solar Panel project.

Atty. Stanek provided a written copy of the legal opinions that were requested for tonight's meeting. In regards to which Board has the authority to fill a vacancy on the Board of Finance, Public Act 159-1949 Session House Bill No. 1244 is a Special Act which governs the filling of vacancies in the membership of the Beacon Falls Board of Finance. According to Atty. Stanek letter dated 02/18/2016, Section 5 provides, in pertinent part, "If a vacancy occurs in any office provided for under the provisions of this act, the unexpired portion of the term of office shall be filled by the selectmen,...".

Atty. Stanek indicated that it would take an act of the Legislature to overturn the 1949 Special Act to remove Beacon Falls from the list that falls under that Special Act. The State Representative and State Senator would need to be contacted and asked that they initiate the request. Atty. Stanek indicated that he spoke to a Legislative Librarian to research if the Special Act was repealed and she indicated that it had not been repealed.

In regards to the question of the First Selectman's authority to enter into an agreement with Green Beacon Falls, J. Huk asked Atty. Stanek if the First Selectman, on his own accord, can take on risk at any amount on behalf of the town without approval from the Board of Selectman and no review by the Board of Finance. Atty. Stanek and C. Bielik both indicated that there was a vote by the Board of Selectmen in March 2016. C. Bielik noted that there was a discussion at three meetings and a unanimous vote by the Board of Selectmen which gave the authority to C. Bielik, based on the Town Ordinance, to execute the contract. J. Huk asked if the Board of Selectmen could take on financial risk for the Town of Beacon Falls of any amount on the own accord without review by Board of Finance. Atty. Stanek noted that his legal opinion is based solely on the Green Beacon Falls project and J. Huk's question is on a broader view.

After a brief discussion, J. Rodorigo indicated that he will be sending this out for a secondary review by another municipal attorney.

5. Approval of Minutes

Motion to approve the minutes from the December 21, 2016 regular meeting as submitted for tonight's meeting: Huk/Dowdell;no discussion; allayes.

6. Correspondence / Payment of Bills

a. Board of Finance Clerk's Invoice

Motion to approve and pay the clerk's invoicedated December 21,2016 in the amount of \$87.50 as submitted for tonight's meeting: Pratt/Dowdell;no discussion; all ayes.

7. Reports

a. Ambulance Service Report

The Ambulance Report was electronically submitted for tonight's meeting. The Board reviewed and there were no questions.

b. Town Treasurer's Report

The Treasurer's Report was distributed and reviewed by the Board.

There were no questions from the Members in regards to the Town Treasurer's Report.

c. Town Clerk's Report

The Town Clerk's Reports for August and September was distributed and reviewed by the Board.

There were no questions from the Members in regards to the Town Clerk's Report.

d. Tax Collector's Report

The Tax Collector's Report was distributed and reviewed by the Board.

There were no questions from the Members in regards to the Tax Collector's Report.

e. Liaison Report

J. Rodorigo indicated that this report was all set.

8. Financial Manager's Report

The Finance Manager's Report was distributed and reviewed by the Board.

a. Update to Capital Plan

T. Broesler indicated that OPM has stopped accepting new requests for LoCIP funding. T. Broesler also indicated that all bank reconciliations are current; they are reconciling W-2's to the 941's; and the 1099's will be mailed this week.

9. First Selectman's Report

a. Proposed Budget Transfer Requests

C. Bielik indicated that he is only presenting one of the two budget transfer requests that the Board of Selectmen approved last night. C. Bielik indicated that Ambulance #6 is in need of major repairs and the Fire Dept. is requesting a budget transfer.

Motion to approve the budget transfer request of \$10,000.00 from Line Item 10.90.90.2500, Non-Recurring Projects, and transfer \$10,000.00 to Line Item 10.90.44.1472 in the amount of \$10,000.00: Huk/Dowdell;no discussion; all ayes.

The other budget transfer request was recorded backwards and voted on as presented. The Board of Selectmen need to go back and correct the from and to line items and then present it to the Board of Finance.

The Boards of Selectmen and Finance are both looking to hold another meeting this month and would be able to address the second budget transfer request at that time.

b. Nafis & Young Report

J. Rodorigo indicated that JD Paving was working on the road and asked if there was an estimate of cost, a change order, are bonds being pulled for the company, is there a contract and a scope of work. J. Rodorigo noted that these needs to be received prior to the work being assigned. C. Bielik indicated that he needs to look into these.

c. Update on Outcome of Building Inspector's Time Card

J. Rodorigo indicated that this agenda item could be removed from next month's agenda.

d. Discussion of the Organization of the Police Department

J. Rodorigo indicated that a meeting needs to be scheduled.

10. Old Business

There was no old business discussed at tonight's meeting.

11. Action Items

a. Policy to Review and Approve Grant Administration

b. Revision to Purchasing Policy – Discuss & Possible Action

There was no discussion on the two action items at tonight's meeting.

12. New Business

a. Pay Rate for Boards/Commissions Clerks

C. Bielik indicated that he received wrong information last night and the Board of Selectmen will be rescinding the motion that was made and voted on at last night's meeting.

13. Adjournment

With no further business to discuss, J. Rodorigo asked for a motion to adjourn tonight's meeting.

Motion to adjourn tonight's meeting at 8:18 P.M.: **Bronn/Pratt**; *no discussion*; all ayes.

The next Board of Finance meeting will be held on Tuesday, February 14, 2017, starting at 7:00 P.M.

Respectfully submitted,

Marla Scirpo
Clerk, Board of Finance