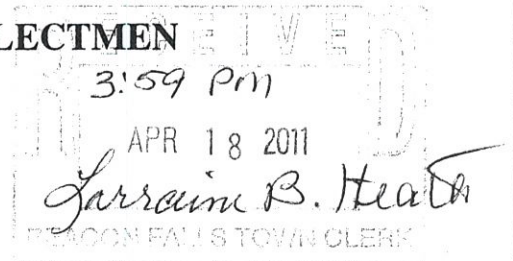


Town of BEACON FALLS
Connecticut

BOARD OF SELECTMEN



**BEACON FALLS
SPECIAL JOINT BOS/BOF BUDGET WORKSHOP
APRIL 12, 2011
MINUTES
(Draft Copy-Subject to Revision)**

First Selectman S. Cable called the Special Budget Workshop Meeting of the Board of Selectmen to order at 9:06 P.M.

PRESENT: First Selectman S. Cable, Selectman M. Krenesky and Selectman D. Sorrentino, BOF members, W. Hopkinson, C. Bielik, J. Dowdell, L. Krepinevich, B. Ploss and R. Doiron.

The meeting began with M. Krenesky asking what the requirements are should we need go to personnel issues; do they need any kind of notice? S. Cable answered that they do not need so many days. M. Krenesky suggested that they go to the next level notifying all union employees that effective with the July 1 fiscal budget that we are looking at layoffs. M. Krenesky noted that this will probably have more impact to union membership then sending a registered letter to the union representative. S. Cable and D. Sorrentino agreed.

S. Cable notified the boards that if they do lay off any personnel, the town has to pay 50% of the employee salary for 3 years. A discussion continued with S. Cable noting that is the information M. Gomes gave her.

A lengthy discussion continued noting that they will need to confirm that statement.

S. Cable wanted to begin discussing revenues. A discussion continued regarding the Fire Department revenue. S. Cable asked if they could put any money in the budget from that account. It was decided from information from M. Pratt that they could put back in \$10,000 from EMS.

S. Cable noted that they were also planning on putting some money back in from Mfg. Machinery equipment. She was told this today. Therefore she suggests they put back in \$39,000 in this line item.

S. Cable also noted they could put back in \$65,000 in fund balance although she will have to verify that with M. Gomes and \$75,000 in Wastewater treatment.

A lengthy discussion continued.

A discussion continued regarding the 100% tax collections. It was noted that if that number was less than 100%, they would have to raise taxes right of the bat to make up for the less than 100%. W. Hopkinson explained that we know there is not a 100% in collections but the difference is made up in back-taxes.

The discussion continued.

S. Cable brought up a "back-tax" line item which would justify the comment a gentleman made at the Public Hearing noting that this will encourage them to be more aggressive in tax collections.

S. Cable noted that they want to see a plan also noting that we have four properties that are going up and she's not sure what they will get for them.

C. Bielik explained that the only portion of the debt sale that goes to the town is the back tax owed. The rest of the money would go to the lien holders.

A lengthy discussion continued. W. Hokinson asked what was owed in back taxes from those four houses and S. Cable noted that she did not have those figures.

It was noted that their goal is to exceed \$250,000 in back tax collections. It was also noted that the new position of the full time Tax Collectors position will not take place until November.

S. Cable noted that she was told by some people to go higher than \$200,000 but she was comfortable going lower. W. Hopkinson asked if they were double dipping by not still including 100% tax collections yet putting in a line item for tax collections.

A tax amnesty month was brought up. It was noted that there are many different scenarios of back taxes. Some are from people who have passed and some are for little pieces of land that have no use which they expect the taxes will never be paid.

B. Ploss noted that if they are going to offer amnesty, they should do it 2 times per year.

A lengthy discussion continued.

M. Krenesky noted that there are many fine lines that have not yet been discussed such as back taxes where the owner is deceased and it has to go through probate. He noted that after probate, there may be nothing left to pay the town and does not want anyone counting on something that

does not exist. He noted that these are some of his concerns about putting in a revenue line item and then plugging in a number when it's subjective.

A lengthy discussion continued specifically on the Thurston property who's owner has been deceased since 2004. S. Cable noted that there is a scheduled auction in June for this piece of property.

S. Cable noted that if we can't get \$200,000 out of this plus, then something is wrong.

It was noted that there is \$480,000 in motor vehicle back taxes. It was noted that there is more of an incentive to not pay taxes then there are incentives to pay them.

A lengthy discussion took place regarding the collection rate. W. Hopkinson noted that if our collection rate was 95%, then if we take 5% of the collections which is 14.4 million, it's about \$700,000 that we are not collecting on the front page. She noted that we will then have to collect a million to make it up and asked if she thought we were going to collect a million because she thinks \$700,000 is a lot to collect.

The discussion continued. S. Cable noted that is why we need a full time tax collector. M. Krenesky noted that we have a Tax Collector today that should be doing this. It was noted that we don't have a tax department.

J. Dowdell asked if there is any advantage to selling our debt. A discussion continued.

W. Hopkinson asked for a list of the back taxes owed. The list is currently being verified because there are people on the list that are paying \$500 per month in back taxes. S. Cable noted that this list they have is of everything. M. Krenesky noted that these are the numbers that are outstanding and whether they are deceased or not it is still owed to the town. S. Cable noted that she hesitates to publish a list with people's names on it when they have already worked out a payment plan of \$500 per month. M. Krenesky noted that there are several names on the list that he hopes have a payment plan going.

W. Hopkinson noted that what was heard at the Public Hearing was that there cannot be wage increases; there has to be some type of union concessions. She noted that was heard over and over.

A discussion continued.

S. Cable said they are looking to see what they can do and if they have to do layoffs, they will have to do layoffs. A lengthy discussion continued.

It was noted that the BOE was going to a referendum in May.

It was noted that the raises are contractual so they have to remain in the budget. M. Krenesky noted that once July 1 gets here, that can change.

It was noted that the issue with the pay raises will not be settled before the vote. R. Doiron noted that they could put each personnel number back to what they were and if then they have to lay someone off, then they will.

Furloughs were then discussed. A lengthy discussion took place and it was noted that if the employees took a \$1.00 per hour pay cut, it would result in a \$50,000 a year savings.

The discussion continued.

M. Krenesky noted that they have only asked them not to take their raises.

M. Krenesky noted that he is concerned about putting in a revenue line item that we really don't know what the number will be. He noted that we are picking a number just to make the budget look good and he thinks that's the wrong approach. W. Hopkinson noted that there is some validity to this in that with a full time tax collectors, the tax collections should increase.

W. Hopkinson noted that she will need to get comfortable with the tax collections.

M. Krenesky pointed out that the full time tax collector position will not be taking place until November.

S. Cable noted they are working with the bookkeeping department and this is the first time ever that calls are being made.

R. Doiron noted that each year when the list came up and they would excuse taxes, every year he would vote against it. He never understood how they could be excused as uncollectable taxes.

The discussion continued.

W. Hopkinson asked where we are on the back taxes and revenues. L. Krepinevich questioned whether we should be putting in a revenue that we know we will be getting.

C. Bielik noted that they have historically collected back taxes and folded into the regular tax line. He thinks that now, it has to be broken out.

S. Cable noted that the worst scenario of not getting back taxes is again looking at layoffs.

C. Bielik asked if we are ready to vote amongst the Boards if those are the steps needed to be taken.

M. Gomes was called on the phone and put on speaker phone.

M. Hopkinson reviewed with M. Gomes the feedback that was received from the meeting noting that they are looking for 0% raises, union concessions, back taxes and a back tax line item.

W. Hopkinson asked about fund balance. Is it reasonable to have \$65,000? M. Gomes noted the audit will have to be looked at for the fund balance.

M. Gomes noted that he will run the numbers when he is in the office on Thursday.

A lengthy discussion continued.

S. Cable asked M. Gomes if they can put a line item for tax collections at \$250,000. M. Gomes noted that as long as they are comfortable that it is going to occur.

W. Hopkinson noted that there needs to be a revenue line item for Parks and recs. W. Hopkinson noted that there is going to be a meeting on that and C. Bielik would like to attend that meeting if he is available.

The Boards continue page by page on reviewing the budget and making changes.

On page 6, the tax collector line items will be reduced by \$3,500.

A lengthy discussion continued regarding the tax collector line item.

It was noted that the electricity line item will be brought down to \$95,000.

Page 15 - Senior Center - After discussion, it was decided that the line item will be reduced by \$1,500 bringing the line item down to \$2,200.

Mini-Bus Driver and Town Nurse - lengthy discussion continued.

S. Cable noted that the Town Nurse does all of the workers comp. in that we have no one in human resources. S. Cable noted that she does a lot more than just a town nurse. S. Cable noted that she has received numerous emails regarding keeping the town nurse. J. Dowdell pointed out that her title is "town nurse" and he thinks it should be categorized properly if she does more than just town nurse.

A lengthy discussion continued.

C. Bielik noted that he personally thinks that the town nurse is worth keeping and fighting for. J. Dowdell noted that he does not think we need a town nurse. He noted that we may need someone to do the other things she does but does not think the town needs a nurse. S. Cable noted that she has no intentions of doing anything with the position.

A lengthy discussion continued and a poll was taken to keep the town nurse.

The Mini-Bus driver line item was moved back to \$13,057

A lengthy discussion continued regarding the first and 2nd car and how much money was already spent out of this line item..

Trash removal was discussed

S. Cable noted that with no disrespect, most of the people at the meeting have to pay for their trash pick-up in the 55 and older housing.

Part time Police Officers were discussed - a lengthy discussion continued. It was pointed out that it will save money by giving the police officers a raise in that it will cost more money by giving the full time police the over time. W. Hopkinson noted that she understands all that but noted that they are asking for concessions from the town employees and at the same time, giving the part timers a \$3.00 increase.

D. Sorrentino noted that if you give a full timer the overtime as opposed to the part timer, we will be paying an extra \$20 per hour for the full timer.

At this point, the municipal budget is at \$559,171.

M. Gomes was on the phone again and it was confirmed that if positions are eliminated, the town would have to pay 50% of their pay for 3 years because it's a municipality and the town doesn't pay an unemployment tax.

It was noted that if positions are eliminated, they will also save in medical benefits.

Furlough days were discussed.

It was noted that furlough days would be a better way to go but they cannot take anything off the table at this point.

A lengthy discussion continued.

Board members ran number scenarios if positions were laid off and how many furlough days would equal a 3.2% increase.

It was calculated that 10 furlough days would equal \$30,000. It was noted that with the 10 furlough days the 3.2% increase would be covered.

It was noted that union concessions will not bring the budget down to what it needs to be.

A lengthy discussion continued and it was noted that if you need to eliminate many positions to get the budget to where it needs to be.

The discussion continued.

The vehicle replacement line item was discussed and it was decided to take out the vehicle replacement line items of \$100,000.

It was noted that there is nothing else they can take out. If this budget is not accepted then the trash pickup will be next.

At this point, the budget will reflect a 1.2 mil increase.

It was noted that they will take out wage increases for all employees.

It was noted that if the employees do not give up their wage increase, then there will be furlough days.

The discussion continued.

The summary of reductions taken at this workshop are as follows:

Tax Collector \$3,500

Waste Water Treatment \$10,000

Senior Center Phone \$1,500

Mini Bus - \$4,000

Vehicle Replacement \$100,000

Pay increases or furloughs \$35,000

C. Bielik noted that he thinks they are making a responsible reaction to the crowd at the public hearing.

S. Cable looked at the calendar to schedule a vote. A discussion continued regarding a town meeting for a vote or a referendum. M. Krenesky would prefer a referendum and there will be no discussion at the meeting to vote.

Discussion: L. Krepinevich noted that it was cheaper to go to a town vote.

W. Hopkinson noted that they cut the increase by 50%.

S. Cable motioned to go to a town meeting to vote on the proposed 2011/2012 Municipal Budget. D. Sorrentino 2nd the motion. D. Sorrentino and S. Cable voted aye. M. Krenesky voted against the motion. Motion passed.

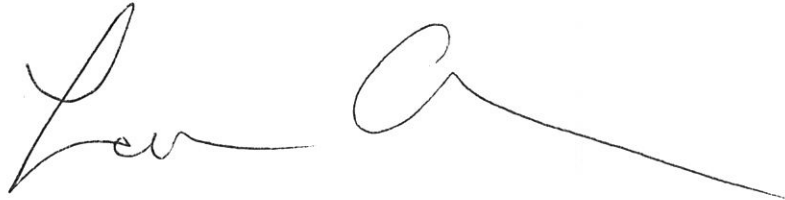
W. Hopkinson motioned to go to a town meeting to vote on the proposed 2011/2012 Municipal Budget. L. Krepinevich 2nd the motion. All from the Board of Finance voted aye.

S. Cable asked if L. Classey was responsible for getting the call in the paper. L. Classey responded by saying that she thinks the task belongs in the first selectmen's office in that all the information, fax machine and personnel were there to do it.

M. Gomes would get the numbers to the town hall before the end of tomorrow.

Meeting was adjourned at 11:35 P.M.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Lauren Classey', written in a cursive style.

Lauren Classey
Clerk for the Board of Selectmen, Special Budget Workshop March 15, 2011