

**BEACON FALLS BOARD OF FINANCE  
PUBLIC HEARING  
2012/13 MUNICIPAL BUDGET PROPOSAL  
APRIL 10, 2012  
MINUTES  
(Draft Copy-Subject to Revision)**

M. Bronn called the meeting to order at 7:04 with the Pledge to the Flag.

M. Bronn introduced himself and then asked the rest of the members to introduce themselves.

Present:

J. Levine – BOF, G. Smith – First Selectman, J. Huk – BOF, M. Gomes – Finance Manager, D. D’Amico - Selectman, B. Ploss – BOF, R. Doiron – BOF, L. Classey – Clerk, C. Bielik – Selectman, J. Dowdel – BOF

Also present, approximately 50 members of the public.

M. Bronn began by explaining that they will be discussing the municipal budget only and they will explain the budget process and how they arrived at the numbers they are proposing.

He explained that they are all volunteers and that there is not glory, no pay and no benefits to what they do.

He explained that the budget process starts in January. The BOS issue a document to all the boards and the departments. The Finance Manager puts everything together for the BOF / BOS review. This is what is referred to as the first draft of the budget (wish lists). They meet with the major departments and ask them what they need to maintain the same level of service as was provided in the previous year.

The BOF/BOS then all sit down and have meetings upon meetings to review, discuss, debate and reduce the budget where they can and then they vote on it. He explained that the document they are looking at is about 60 hours of work per person noting that a lot of work goes into this entire process.

M. Bronn explained that after the review of the proposed budget, they will have public comment and asked all to let the Boards know their opinions on what they are being presented with.

M. Bronn explained that there are a lot of challenges facing Beacon Falls right now and there is a lot to do to keep up public services. One of the items needing attention is the ambulance. He

noted that the ambulance is in disrepair and needs a major overhaul which is in the budget. The Public Works pay loader which is 40 years old needs to be replaced noting that we're at a point now where we are spending good money after bad. The waste water treatment plant was built in the 70's and a lot of the equipment is original and has to be replaced. M. Bronn noted that if some of the equipment at the waste water treatment facility should fail, it would be a town wide emergency.

There are projects that need funding that are not optional such as the Streetscape and Blackberry Hill; there's a portion that the town needs to fund for completion.

The radio system was discussed noting that in cases of emergency, the town is unable to communicate with each other efficiently such as fire personnel and ambulances.

The BOF has very little say in personnel wages, insurance, pension and benefits in that they are negotiated by the union. The only way this number can be reduced would be to cut staff but at this point, that is not something we want to do.

M. Bronn referred to the pie chart as to how much of the budget we actually have control over. He discussed that overtime can be controlled until there's an emergency situation.

This year's budget proposal is approximately \$165,000 increase or 2.8% which is a little bit below inflation.

At this point, the hearing was open to public comment and M. Bronn asked that comments be limited to 3 minutes.

J. Pavlik, Fieldstone Lane, He explained that he has no political affiliation and that he is totally independent. He explained that he observed something at a meeting a couple of weeks ago regarding the town's Tax Collector. He said that something came out in that meeting that he was unaware of and asked for someone to provide him with the exact dollar amount of uncollected taxes noting that he has heard it is at 2 million dollars of uncollected taxes. G. Smith responded by saying that he does not have the exact number as he was not prepared for that but he noted that he and the BOS as a group are currently addressing some issues in the tax department and are in the process of revamping the procedures.

J. Pavlik noted that if the uncollected taxes are in fact at 2 million then even if we collected 10% of that, we would be able to cover the \$165,000 increase. He noted that more importantly, several things came out of that meeting that he almost couldn't believe. Potential tax money is rolled off the books every year and is deemed not collectable and lost forever. He also noted that there are times that no one is in the Tax Collectors department to collect taxes. He noted that there are times when people are cross trained and they refuse to work in the department. J. Pavlik noted that would be insubordination. He noted that there are also people who refuse to learn new systems, computers, etc. He noted that he even heard at that meeting that letters were supposed to go out to people who owed back taxes but they couldn't send the letter out because we ran out of stamps.

M. Bronn interjected that all of his concerns are valid but he would like to keep the meeting focusing on the budget for tonight and that his concerns are being addresses.

J. Pavlik responded that what he's talking about is budget related. J. Pavlik asked how much money has fallen of the books as non-collectible in the last 5 years or 10 years. He noted that all the town has to do is collect back taxes and we wouldn't have budget increases.

M. Gomes explained that the uncollected taxes do not fall off the books – they are still logged but after fifteen years, they are deemed uncollectible. He also noted that every May, the BOF receives a list of uncollected taxes.

J. Pavlik asked why he never sees foreclosures in the Town of Beacon Falls noting that he sees them in every other town.

J. Levine addresses that the purpose of tonight is to discuss the municipal budget increase of 2.8%. The BOS and BOF will be meeting at a later date to set a mil rate and one of the issues that effects the mil rate is determining revenues and one of the issues of determining revenues is how much back taxes can be collected. He noted they will be discussing back taxes at that time. He noted that the issue of administration regarding the tax department is being addressed by the First Selectman.

J. Pavlik's final comment is that 2 million dollars in back taxes does not happen overnight. He noted that this had to have accumulated for years.

M. Bronn thanked him for his comments.

R, Clemmons, Diana Lane, asked about the 8% increase in Parks and Recreation and how the board could justify this increase. M. Bronn responded by saying this is maintenance related and we are doing what we can to maintain our assets explaining that a lot of the buildings and facilities are getting older and maintenance costs are going up. J. Levine explained that \$11,000 or 8% is a drop in the bucket compared to what they would really need for Parks and Rec noting that a lot of work has been put off for years.

R. Clemmons asked how they could justify \$45,000 increase in police overtime. It was explained that this line item off-sets revenues and that the town is actually reimbursed for this line item.

G. Komerowsky, 2<sup>nd</sup> Street, explained that he has attended the budget meetings/process for 5 different administrations and knows that they always try and reduce the budget. He noted that he supports this budget 100%. He asked why the line item for flood insurance had been reduced to 0.

The answer was that the Grange was sold and also that the new insurance policy has its own flood coverage.

S. Pavlik, 21 Fieldstone, commended the boards on their hard work noting that it's obvious that they worked hard on this budget. She noted that they knocked down lots of capital projects. She suggested that the boards look again at privatizing trash pickup explaining that they looked at it last year and it will probably in the long run save money to each resident. B. Ploss responded by saying that they looked closely at this last year and found that it was not a significant savings if a savings at all. He noted that they can revisit it but he remembers looking at this long and hard last year.

S. Pavlik also commented that there are things that are controllable regarding employee benefits. She suggested that they ask the employees to contribute to their co-pays and their insurances noting that she believes it's out of control.

G. Smith responded by saying that the employee benefits are union contracted and negotiated. He noted that the previous administration was able to negotiate reductions during the last negotiations however the next time the contract can be renewed is a year from now.

D. Rabinsky, Quail Hollow, noted that the ambulance and radio communications were taken out of the budget (M. Bronn noted that they have not been taken out and will be explained in a minute). D. Rabinsky noted that the budget for the fire department is less than half of the Public Works, Police and Sewer Treatment noting it costs \$10,000 to clothe and train 1 new member. He noted that they always have in place a plan to maintain and replace older equipment but the BOS and BOF continually remove them from the budget. He continued explaining why they should keep this money in the budget and what they will need to replace equipment noting that in the next 5 years, Beacon Falls will need \$2,000,000 to replace equipment and there is currently no money in the budget for the Fire department. He explained that they can't communicate with ambulances in emergencies and they need that money. He noted that if they add an aerial truck and an ambulance, as it stands right now, his taxes will be decreased by \$40.00 per year. He continued talking about how the Fire Departments needs keep being put off and that the maintenance costs are high due to equipment being old.

G. Smith addressed all the capital projects as follows:

When we first received all the budget requests, the increases added up to almost 18%. He realized that they couldn't possible put through a budget of with an 18% interest so they had no alternative but to cut the budget and some capital projects. They then can up with a solution to include a lot of the items on a short term (10 year) low interest loan. He referred to page 16 of the budget. G. Smith went down the list of Town Clerk Seats (computer terminal station) explaining that when the server goes down, town hall is closed – these are all items that we will be going for a short term loan in the next 30 – 90 days – Defibrillators (shock your heart back ) need to be replaced, Ambulance (way past its 10 year life), Fire House Hood system (Fire Marshal will shut the fire house down in an emergency if the hood is not replaced), Radio system (need to communicate), new financial software (accounting software just doesn't work right), Computer equipment (server fails), Public Works Truck (1999 truck needs to be replaced), Police Vehicle (will be rotating existing vehicle to wastewater treatment facility, Wastewater Treatment study (the biggest item we have to pay for – it's over 40 years old and we need to

come up with phosphorous and nitrogen study in addition to a number of other items but we need to have a comprehensive study to determine the needs – if we were to lose the facility due to flooding of the river, it could be a 30 million cost plus fines for each day), flow meter, pay loader (30 years old and have an opportunity to buy a demo for a good price), Streetscape (unanticipated over run – drainage issues – this is not an option but contracts we have to pay), Blackberry Hill (did not have enough money to cover the project). Tally these projects and it comes to 1.1 million dollars.

G. Smith explained that this will be covered by a short term 10 year loan with an annual payment of \$130,000 per year and an initial \$28,000 interest only payment in this fiscal year (first \$130,000 will be due in 2013/2014). G. Smith explained that on each anniversary of the note, we can change the note such as change it from a 10 year to 5 year note. He noted that the interest rates are extremely low right now.

G. Smith didn't want everyone to think we are cutting these items out of the budget noting that with this short term note, we will be taking care of our capital process.

He explained that this is not a done deal in that it still has to go before a town vote. This is a two-step process noting that if the public approves the budget they are putting out today, they are approving a comprehensive budget- if they turn it down, we will have to add things back into the budget such as Blackberry Hill, and Wastewater Treatment will probably go back in. He noted that this solution covers a lot of issues. He does not want everyone to think that we took all these things out and we are taking advantage of interest rates that are lower than they will ever be. Best case would be a 1.6% interest rate; worst scenario would be 2.6%.

C. Feducia, Bonna Street, announced that the BOE meeting will be held on 4/11 at 7:00 Laurel Ledge School – she noted that her concern is that next year the budget will automatically be increased by \$30,000 with no options and wanted to know what will be put in the budget to offset that \$130,000.

G. Smith noted that yes there will be other increases but some of the trucks will be falling off the budget but with this plan we have addressed most of our immediate issues.

C. Feducia noted that she's concerned about next year and that no matter what; we will need an extra \$130,000 for next year's budget.

C. Feducia asked if they went to each department asking them to reduce their budgets by a certain percentage.

M. Bronn noted that they asked each department what they needed.

C. Feducia asked about a 5.8% increase in Public Works noting that is a lot. M. Bronn explained that the maintenance budget won't be as high with new equipment.

J. Levine explained that there's \$28,000 in this year's budget therefore next year it will be an increase of \$104,000. He also noted that these items considered for a short term loan are critical items. The idea would be to not let it go to 10 years and work towards getting the money.

The discussion continued.

C. Feducia asked what the Fire Life Insurance is.

Fire Life insurance is for the volunteer fire fighters.

S. Cable, Blackberry Hill understands firsthand how hard it is to put a budget through and asked if the loan would be a separate vote and if so would it come before the budget or after. The answer was that yes it would be a separate vote but due to timing and how long it takes to process the loan it will come after the budget vote.

J. Levine noted that what they are asking for is critical and they are trying to make it clear to everyone.

S. Cable asked that if the budget goes through and they vote no to the loan.

J. Levine explained that this is a creative way of doing it – getting things done and spreading out the payments. J. Levine noted that they are hoping both get passed in that these are critical items. They will try hard to get the point across that these are very critical items. This is also with the intention of working hard at collecting taxes.

S. Cable explained that she has some concerns regarding other monies that are out there for Streetscape over runs, etc. noting that she will share this information with the BOF and BOS at a later date.

S. Pavlik noted that she thinks the point was made very clear but she thinks they have to take a vote on the loan first before they try and pass the budget noting that the budget is dependent on that.

G. Smith noted that timing will not allow for that.

S. Pavlik asked how they could put the cart before the horse.

E. Pierson, Blackberry Hill, kudos to everyone who worked on this document and to the Fire department for helping with his father. He noted that the maintenance of the town is more than adequate, library is lovely and he even enjoys going to the town dump but he wanted to comment on the statement that the re-imburement from the police overtime is covered by the state – he wanted it clear that he pays the state so as an end result, he's paying one way or another.

E. Pierson also asked why there are over-runs on the Streetscape. It was explained that this is due to drainage problems, etc.

E. Pierson also noted that when he runs his household, he does not run it with over-runs and the town should not either also noting that he doesn't get any raises and doesn't think the town should either.

D. Rabinsky noted that he thinks this is a very good plan and people would be really foolish not to support this. He explained that people are here because of their taxes and he began speaking about mil rates – M. Bronn interjected stating that it's very premature to discuss anything about the mil rate at this point. D. Rabinsky continued saying that he thinks with this plan, they should consider adding even more items to this loan. He explained that the way this plan is proposed as of right now, his own taxes would go down \$144.00.

J. Levine interjected explaining that with the revaluation and the assessed value going down, the mil rate has to be raised so while he understands what D. Rabinsky is saying, it's not calculated that way.

P. Hinman, Burton Road, noted that when they are talking the mil rate, they are referring to the town budget only as they do not know what Region 16 budget will be.

Mr. Molluer, Back Rimmon Road asked what the \$45,000 in over run on the Streetscape is. G. Smith answered that it is a drainage problem as well as an upgrade to LED lights. G. Smith also noted that he did try to get the engineers to pick up the cost.

J. Pavlik, Fieldstone Lane – noted that 90% of small towns have private trash pickup.

E. Groth, Laurel Ridge, asked if with the revaluation, commercial property went down at the same rate as residential. M. Bronn answered yes that the tax base went down equally.

E. Groth also noted that he thought we bonded the wastewater treatment plant last year. It was explained that was for nitrogen and phosphorous. G. Smith noted that the \$230,000 is for a study to bring the plant into compliance. E. Groth asked why this was not considered last year – why did we not bond enough money at that time. M. Bronn noted that he appreciates his concern.

It was noted that if this budget were to fail, they would add back in Blackberry Hill and the Streetscape and that they would have to go back to the drawing boards. M. Bronn noted that there is no wiggle room with this budget. E. Groth responded by saying that there is wiggle room you just have to find it.

J. Levine noted they could cut back on parks and contingency and hope we don't have snow. He noted we could cut police but he wouldn't recommend that and they would have to address cutting back town services although he noted this was not a threat.

H. Wienzel, Lakeview Drive, asked if there are any plans to increase the assets in town, are they expecting any new businesses.

G. Smith explained that he spoke with a couple of businesses that are considering coming in to town today. It was noted that we are not looking to expand residential as that doesn't bring revenue to the town.

C. Feducia, Bonna Street, asked if the \$28,000 is in the budget. Yes the \$28,000 is in the budget but the Streetscape and Blackberry Hill are in the loan. She also asked if the street sweeping was farmed out –yes it is and it was noted that the machine costs \$150,000.

Contingency was discussed and J. Levine noted that he had motioned to reduce contingency by \$20,000 but noted it is really necessary in case anything happens.

C. Feducia asked how much would equal a 1% increase. It was noted that \$60,000 would equal 1% and she asked that if the budget didn't pass, how we could get to 1%.

D. Scott, Cedar Lane, asked about the white elephant on Wolfe Ave.

G. Smith responded by saying they don't have any plans for it yet noting it may be used as a municipal building.

Mr. Molluer asked about the education number in the budget – it was explained that they used last year's numbers and that they can't talk about the mil rate as it's too premature at this point.

S. Pavlik noted that she thinks the loan should be voted on first and also noted that fire and police should not be touched but do we really need a mini bus and softball uniforms.

B. Dione, Naugatuck – President of the Mini Bus responded by saying that yes the mini bus is important to get people who don't drive back and forth to their appointments.

Edward, Fieldstone Lane noted that he doesn't get the mini bus or the town nurse because if his wife needs to go to the hospital, he takes her.

Pricilla Cretella, West Road, noted that asking for the loan after the budget is approved does not make any sense. She asked why they didn't get the loan approved before presenting the budget.

G. Smith answered that it's a 30 – 60 day process – we will not get the loan until July or August.

G. Smith also noted that if the boards hear that this isn't going to work from the public, then they need to know.

Martha Bird, Laurie Lane – explained that the nurse is very important as there are many shut ins in town and the nurse regularly checks on them.

C. Feducia, Bonna Street, asked what would happen if we pass the budget but the loan gets voted down.

J. Huk responded by saying we will go back to the drawing board.



L. D'Amico, noted that he sat there and listened to everyone's comments all night and said that they were all good questions and comments. He noted that trash collection is important. The mini bus is more than just transportation – it is there for the elderly who do not have any other transportation and wants to continue to live independently.' He noted that Blackberry Hill was much needed. He noted that the BOS and BOF are taking on as many problems as they possibly can to be fiscally responsible. He congratulated the board on the job they did on this budget and noted that he has a small income but he is still willing to pay more taxes than vote no on a budget that would not cut services.

M. Bronn thanked everyone for coming to the meeting and sharing their comments and questions.

**B. Ploss motioned to adjourn the meeting at 8:30 P.M. R. Doiron 2<sup>nd</sup> the motion. All voted aye.**

Meeting was adjourned at 8:30 P.M.

Respectfully Submitted,

Lauren Classey  
Clerk for the Board of Finance