

TOWN OF BERLIN
REGULAR BOARD OF FINANCE MEETING
JULY 11, 2023

John "Doc" McIntosh Conference Room or Remote Meeting
7:00 P.M.

<https://berlinct-gov.zoom.us/j/85616394178?pwd=TVlgWHZqdHJibjhsNFF4eDc1VkI6Zz09>

Call-in Option:	1 929 205 6099 United States Toll
Meeting ID:	856 1639 4178
Passcode:	598129

A. CALL TO ORDER

Chairman Bordonaro called the meeting to order at 7:00 p.m.

B. PLEDGE OF ALLEGIANCE

C. ROLL CALL

ATTENDANCE:

Members Present: Sal Bordonaro, Tim Grady, Mark Holmes, George Millerd, Gerald Paradis

Members Absent: Raul Fernandes

Staff Present:

Kevin Delaney – Finance Director

Alea Piatek – VNA Director

D. PUBLIC COMMENTS

None

E. APPROVAL OF PRIOR MINUTES

June 13, 2023, Regular Meeting

Mr. Paradis moved to approve the June 13, 2023 Regular Meeting minutes.

Seconded by Mr. Grady.

Those voting in favor: Mr. Bordonaro, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 5-0. (MOTION CARRIED)

F. NEW BUSINESS

1. Review VNA quarterly reporting framework.

VNA Director Piatek said she met with Town Manager Jayawickrema and Finance Director Delaney and they created a couple of reporting items for the Board of Finance. The report can also be shared with the VNA Board and staff. It will be created as a monthly report. The first

item is the total number of patients cared for monthly. We have a 60-day lag because when we start somebody, they have a 60-day period, and we don't know what the cost will be until the services are done. Sometimes the reimbursement changes. It can be based on the number of visits. We don't know until after that 60-day period. The total number of patients is shown to see to how many patients we are taking care of. The second part shows how many referrals we received and accepted. It also shows how many we declined and why. A lot of it is they are not in our territory. Sometimes it is an insurance issue, or they are just not a good fit for our agency.

Mr. Millerd asked where are the referrals coming from? VNA Director Piatek said our top three for March were Hospital of Central Connecticut in New Britain, which is one of our largest referrers. The second was UCONN, we have plans to work with them a bit. The 3rd is Autumn Lake, which is a nursing facility in New Britain. We are going to monitor those referral sources and see where we are getting the most referrals. We are also sending thank you cards to our top referral sources for sending patients our way. The number of new episodes of care is shown for any new starts of care and anybody who has finished their 60-day initial period and needs to continue beyond that. That will be broken down to starts of care and recertification.

Reimbursement can decline in some insurances in the second episode. It is good to monitor how many recertifications we do vs. discharges.

A pie chart visual is included to compare the better payers and better reimbursement sources. It also shows the lower paying sources. Mr. Millerd asked can you set the rate on private pay? VNA Director Piatek said we don't charge the full charge and have certain limits based on Medicare regulations as to what we have been charged. They charge \$35 for a home health aide visit and that is the only portion that patients get charged. They do not get charged for the complimentary visit which is the expensive part. They may have to revisit that practice. Mr. Paradis asked what would decide if you revisit that practice? VNA Director Piatek said we have 4 patients who are Berlin residents on private pay and we are not opening it up to anybody else. Finance Director Delaney said some of these folks are at Percival Heights and are very low-income individuals who would otherwise have no resource for basic home health aide elements like bathing, etc. VNA Director Piatek said yes, they do not have another option. The thought from the agency perspective was to keep it affordable for the regular person. Mr. Millerd asked if you can set a rate and make adjustments based on need? VNA Director Piatek said we have the ability to change those rates, but I'm worried about those 4 people. Mr. Millerd asked if there is a mechanism to not cut off that potential source. VNA Director Piatek said we can look at the impact and see how we can make it more financially friendly. These are people that will be on long term with us and it holds up the schedule for other patients. I would rather grow the insurance piece. We received the Marjorie Moore Village grant which effects Kensington only residents. It doesn't effect every patient that we have on private pay, but we will be able to charge the full Medicare rate. The patient will pay \$35 and the grant will pay back the difference. The funds are yours until they are exhausted and should last us quite a while.

VNA Director Piatek said the average monthly patient reimbursement is the average reimbursement for all patients. Chairman Bordonaro asked if that is compared to the average cost you are spending for each patient? VNA Director Piatek said yes, it would be a comparison between the reimbursement and the cost as an average. Mr. Millerd added that you might be doing really well on visiting nurse reimbursement, but doing horrible on other reimbursements. When you lump everything together you don't get a clear indicator on where a specific problem

may be. VNA Director Piatek said that would be a manual process to change that, but I could try it for month to see how long it actually takes. Mr. Millerd said we don't want it to be a full-time job doing these metrics, but we are looking for ways to automate it. VNA Director Piatek said we are limited with the system that we have now. Our therapists are all contracted and the reimbursements are more than what we pay because they are per diem. Finance Director Delaney said we decomposed the reimbursement rates by type and by insurance provider. The challenge becomes the actual revenue coming in.

VNA Director Piatek said the next page has the monthly in town vs. out of town cost of care vs. revenue. Then there is staff utilization, are we being as productive as possible. Certain visits take more time. We will see how we do based on the 5 day work week and will make notes on why we are short on productivity, vacations, etc. The last part is our outreach efforts. We will track any marketing that we do and the outcome from it. We received 5 or 6 calls since we sent out brochures with the taxes. There is also a school in Berlin called Prism that is not part of the regular school district and they want us to provide nursing services. It is expected to bring revenue and we would use a per diem nurse.

Mr. Paradis asked if the number of patients cared for is going to be broken down into in town and out of town? VNA Director Piatek said yes, I can do that. Mr. Paradis asked if it is coming off your system? Finance Director Delaney said yes, we can see year to date how we are trending. Chairman Bordonaro said going forward we can meet quarterly with VNA Director Piatek. VNA Director Piatek added that there will be a two-month delay in data. Mr. Paradis asked if we could get one of these reports before our September meeting to see if there are any tweaks we would like to make. VNA Director Piatek said yes.

2. Move to transfer \$57,500, as detailed on the accompanying spreadsheets, to cover higher than budgeted expenditures in identified accounts.

Mr. Paradis moved to transfer \$57,500, as detailed on the accompanying spreadsheets, to cover higher than budgeted expenditures in identified accounts.

Seconded by Mr. Grady.

Those voting in favor: Mr. Bordonaro, Mr. Holmes, Mr. Grady, Mr. Millerd, Mr. Paradis

Vote being 5-0. (MOTION CARRIED)

3. Review capital project funding list.

Finance Director Delaney said last year there was an appropriation of 50% of the fire vehicle, Percival Field renovation funding and police station renovation work. In the middle of the year \$1M was appropriated to purchase the Atkins St. property. We ended up with \$5.3M in surplus. The biggest driver was interest earnings. We also had the ARPA money which the feds allowed interest to remain with the municipality. \$5M was given to the town as pre-funding of the LOTCIP road project. We had been collecting about 60% of our taxes in July and August. We made about \$2M in interest and had a successful tax sale. On the expenditure side we had savings in the police department, some town wide electricity savings and a range of other items. We are not assuming any surplus from the Board of Education.

There will still be some more invoices coming through that could affect the ability to fund some or all of the items discussed. Finally, \$743k was appropriated in the FY24 budget for the closed pension plan.

There was a question about incorporating one of the playgrounds. Parks and Recreation Foreman Wood is leaning towards Little People's Playground because it is off school grounds to allow more people access. Getting a second track snow machine is also on the list. If you did everything on the list, it would still leave \$13.2M and address several critical needs.

Chairman Bordonaro said that the grant money did not go through for the police station. Mr. Grady said that we had discussed the possibility of having to bond that. Chairman Bordonaro asked if we need to worry about the two other schools this year for the HVAC? Finance Director Delaney said we heard from the Department of Federal Energy and the town did not get the grant. The state is supposed to be opening up a second round of grants in August. We may need to do additional consulting work. Chairman Bordonaro added that it would be good to layout a schedule for all three schools. Also, where do we stand with the police station? Finance Director Delaney said that we cleared out the old Board of Education storage area. The drawings are still in the works and they are reviewing the specs. Mr. Paradis asked if there is no target for getting the RFP out? Finance Director Delaney said he has not heard of one. The plan had someone to oversee the project, but not manage it. There will be further discussion on that. Chairman Bordonaro added that Town Manager Jayawickrema should be overseeing it until we get somebody.

Mr. Grady asked about the block slab at the high school. The courtyard has been there for 70 years and we have not had a water problem until now. We need \$200k worth of block slabs to fix the water problem that just appeared. I don't want to put that money into it until somebody from the Public Building Department looks at it and says this is what is causing the problem. Mr. Paradis asked if the groundwater was caused by the new construction? Finance Director Delaney said he would have to look into it with Facilities.

Mr. Grady said the ballast blocks at Willard have been in place for 7 years. Are we expected to spend \$70k to fix the solar system every 7 years? Finance Director Delaney said no, there were defects with these blocks causing them to deteriorate. Facilities received a letter from the manufacturer and are working through that piece. There are set-up costs involved. The expectation is once these are replaced we will not have this problem.

Mr. Grady said there are probably some used vans available with under 50k miles. Fleet Manager/Fire Administrator Simons said the Board of Education had previously purchased vans from Hertz and they had been rental vehicles. Finance Director Delaney added that sometimes buying new is less than buying used. Fleet Manager/Fire Administrator Simons said you have to look around. Chairman Bordonaro said if they have surplus, before they go out and spend it, they have a right to tell us how they are

going to spend it. Mr. Grady said we are spending a lot of money above and beyond the Board of Education budget and nobody seems to take that into account.

Mr. Millerd asked who made the decision that these are the right items? What level of analysis goes into saying these are cost effective things to do? Mr. Paradis said he agrees on the last four items, but we did make a decision on the first \$1.8M. Finance Director Delaney said we always start out with last year's capital plans. Every department head seeking capital puts their items on the list. You take that whole list together and the group comes together and talks about the element. Then we try to prioritize. The highest element would be safety, police or fire vehicles, or something that is broken. Education is also very high on the list. We also look at availability, but there is a lot of back and forth to figure out the best way to spend it. We put the items into 4 groups and there is a scoring spreadsheet. The staff goes through the process in October or November. Maybe we need a joint Town Council and Board of Finance meeting in advance of budget season. Mr. Millerd said I want to know we are doing the right projects. Mr. Grady added that it is better to have a joint meeting where everybody is on the same page. Chairman Bordonaro said even if we put two of our people at the meetings. I don't think all of us have to be in it. They will give us your recommendations or opinions. We need more information on the first item. For the school vans, we would like to ask the Board of Education to fund it.

Mr. Millerd asked about Timberlin. How does their capital surcharge work for paying for stuff like this? Finance Director Delaney said it is typically for handling smaller capital items such as clearing tree areas. It does not cover the bigger items, but potentially could down the line. I received approval from OPM to use LOTCIP money and we could supplement some of the town money and take care of all 7 bridges at Timberlin. The cost is about \$250k, plus engineering costs. Mr. Paradis added that the two greens mowers are very old and there is a 1.5 year lead time for ordering new mowers. They are having problems getting parts. I know that they will be coming to us with that request.

Fleet Manager/Fire Administrator Simons said the dump bodies on the trucks were built in 2006 and 2007. They are Peterbilt heavy duty trucks with an aluminum construction truck cab. My plan is to put stainless steel bodies on them. They will then last until 2035 and the components are readily available. It is smarter to re-build trucks.

Finance Director Delaney said the other items are district wide cameras upgrades, bridges, resurfacing the BHS basketball and tennis courts, ballast blocks at Willard, highway pick up truck, police modems, police vehicles, Town Clerk Accessor office renovations, replacing equipment at Little People's Playground, and a tractional machine for clearing sidewalks. Mr. Grady said he is in favor of taking the tractional machine to clear sidewalks with off the list. Mr. Paradis asked if this list has to go to Town Council? Finance Director Delaney said yes.

4. Move to approve the transfer of \$40,000 from General Fund Parks and Grounds accounts Electricity, Fencing, Maintenance & Repair and Blue-Collar Personnel to the Percival Soccer Field Improvement account in the Capital Non-recurring Fund.

Mr. Paradis moved to approve the transfer of \$40,000 from General Fund Parks and Grounds accounts Electricity, Fencing, Maintenance & Repair and Blue-Collar Personnel to the Percival Soccer Field Improvement account in the Capital Non-recurring Fund.

Seconded by Mr. Grady.

Those voting in favor: Mr. Bordonaro, Mr. Holmes, Mr. Grady, Mr. Millerd, Mr. Paradis

Vote being 5-0. (MOTION CARRIED)

5. Move to approve a transfer of \$30,000 from the Storm Related Overtime Account in the General Fund to the Snow Equipment account in the Capital Non Recuring Fund to purchase Fisher Poly Caster Sanders.

Mr. Paradis moved to approve the transfer of \$30,000 from the Storm Related Overtime Account in the General Fund to the Snow Equipment account in the Capital Non Recuring Fund to purchase Fisher Poly Caster Sanders.

Seconded by Mr. Grady.

Those voting in favor: Mr. Bordonaro, Mr. Holmes, Mr. Grady, Mr. Millerd, Mr. Paradis

Vote being 5-0. (MOTION CARRIED)

6. Finance Director Update.

Finance Director Delaney said it is a good year from a receipt's standpoint. Tax revenue continues to be strong. Expenditures are coming in under budget. Both the health insurance and general insurance funds are solid. The pension fund is solid. We are down to 12 retirees or beneficiaries and it is 93.5% funded. There are a number of ongoing projects in town ranging from bridge rehab work, sidewalks and the final phases of 55 Steel Boulevard.

The next meeting to approve transfers will be remote only and held on August 15.

G. ADJOURNMENT

Mr. Paradis moved to adjourn at 8:18 p.m.

Seconded by Mr. Millerd.

Those voting in favor: Mr. Bordonaro, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 5-0

Submitted by,
Alina Brown

RECEIVED FOR RECORD
BERLIN TOWN CLERK

2023 JUL 24 AM 11:43

Katlynn Wall

BERLIN, CT.