

**TOWN OF SALEM
BOARD OF FINANCE
REGULAR MEETING MINUTES
JUNE 9, 2016 – 7:00 P.M.
SALEM TOWN OFFICE BUILDING**

PRESENT

TJ Butcher, Chairman
George Householder, Clerk
Deborah Cadwell
Marshall Collins
Hernan Salas
Janet Griggs
John Houchin, Alternate

ABSENT

Robert Wolk, Alternate

GUESTS

none

ALSO PRESENT

First Selectman Kevin Lyden

CALL TO ORDER:

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

RECOGNITION OF VISITORS: *none*

SEAT ALTERNATE IF NEEDED: *none*

COMMUNICATIONS:

Chairman Butcher reported that he received, signed, and returned the form approving the mil rate.

Board Member Householder presented the final numbers for the budget based on the cuts received from the State as follows:

Property Taxes:	\$ 11,409,000.00
Other Property Taxes, prior year:	\$ 170,000.00
Board of Education:	\$ 3,077,063.00
Other (e.g., MRSA, TAR, PILOT)	\$ 769,635.00
Revenue:	\$ 15,426,495.00
Expenditures:	\$ 15,264,132.00
Remaining:	\$ 162,363.00

Because the Board will be required to hold a Town Meeting/schedule a referendum to place the remaining funds in the Capital Reserve Fund, the Board agreed to place the funds in the Unassigned Fund Balance. Should they receive the Grant for the Fire Truck, these remaining funds will be expended.

ADDITIONS TO THE AGENDA:

The following additions/adjustments were made:

- Item 2: Act on Suspense List provided by Tax Collector
- Item 3: Treasurer's Report
- Item 4: 2016 Year-End Reports

AGENDA:**1. APPROVAL OF MINUTES: MAY 12, 2016 BOF Meeting**

M/S/C: Caldwell/Griggs, to approve the Regular Meeting Minutes of May 12, 2016.

Discussion: None. Voice vote, 6-0, all in favor.

2. SUSPENSE LIST

First Selectman Lyden reviewed the highlights of the Suspense List (attached) with the Board. He will inquire about M&M Excavation, Inc., who has been delinquent for the years of 2008 – 2013. He commended both the Tax Collector and her Assistant on a phenomenal job successfully contacting several of the delinquencies.

M/S/C: Householder/Collins, to approve the Suspense List with the exception of M&M Excavation, Inc. Discussion: It was clarified that the delinquency of M&M Excavation will be included on next year's Suspense List. Voice vote, 6-0, all in favor.

3. TREASURER'S REPORTS

- A. REVENUE SUMMARY**
- B. TRIAL BALANCE**
- C. FUND BALANCE**
- D. OTHER**

The *Revenue Receipts, Budget vs. Actual, Balance Sheet, and Capital Non-Recurring Fund* were reviewed, with no unusual occurrences. Treasurer Pam Henry reported that the audit is scheduled to begin in early September. First Selectman Lyden will inquire with Public Works Director Donald Bourdeau, Jr., regarding the extra funds expended for snow removal supplies.

4. 2016 YEAR END REPORTS

M/S/C: Collins/Salas, to send a letter requesting all Boards, Commissions, and Departments to turn in their year-end reports to Treasurer Pam Henry by July 31, 2016 and to the Board of Education to turn in their year-end reports to Treasurer Pam Henry by August 12, 2016. Discussion: None. Voice vote, 6-0, all in favor.

3. PUBLIC COMMENTS

Salem Volunteer Fire Company Chief Richard Martin reported that unexpected repairs were made to the Engine Tanker, totaling approximately \$7,800.00. As the result, the Fire Company's maintenance budget will be over-budgeted by approximately \$4,800.00 and the line item for equipment will reflect that additional expense. In addition, the batteries for the Ladder truck, which was slated for replacement in July and totaling approximately \$1,000.00, were replaced. Furthermore, it was recommended that the front tires and fuel tank should be replaced for a total of approximately \$3,200.00, which they are planning to have done at the beginning of the new fiscal year in July. Because the tires, which are 12 years old, would pose a safety issue, First Selectman Lyden will request an additional transfer request for the repairs. It was noted that additional appropriations should go through the Board of Selectman.

4. SELECTMAN'S REPORT

The Board of Selectman voted to endorse the appropriation of \$21,000.00 for the Board of Education's line item for Special Education. He stated that the Board of Education's unencumbered funds were reviewed and Cheryl Miller, CPA, who met with Salem School Superintendent Joseph Onofrio and Business Manager Kim Gadaree, verified their need for the additional appropriation. The annual dues for the Uncas Health District will remain the same. A number of positive comments have been received from contractors, residents, and business owners regarding the service they have received from the Uncas Health District, who provides more consistent coverage and thorough service and decreases the liability to the Town. He attended an impressive D.A.R.E. Graduation for 5th and 8th graders. Both Troopers LaRue and Pariseau, who have been with the Town for less than a year, have been very involved with the community. The D.A.R.E. Program is offered to Kindergarten, 5th, and 8th graders. He was happy to announce that former resident of Salem and coach Vanessa Bunnell has joined the staff as the new part-time Recreation Coordinator.

In response to Board Member Householder, he reported that, though the search for a Librarian is continuing, Rachel Gaithers, who had continued to work for the Library on a limited basis, was temporarily re-hired. He commended the Library staff, which did a great job, during the interim. Salem Feed & Grain was sold to Colchester Construction, who plans to utilize the location as their main headquarters. The Department of Motor Vehicles is charged with ensuring that Sid's Auto is compliant with an (minimum) eight-foot fence around the property in order to maintain a junkyard license.

Board Member Collins reported that \$20 million is still outstanding in the State's budget and it is unknown from where the funds will derive.

First Selectman Lyden commended the Board on the budget for the next fiscal year and keeping the unassigned fund balance healthy and encouraged them to continue doing so, adding that the amount of debt the Town is currently carrying is, relatively, low.

The Board thanked the First Selectman for his report.

5. FIRST SELECTMAN TRANSFER REQUESTS

First Selectman Lyden commended the Board on this year's Capital Plan and noted that two items were inadvertently excluded from the Capital Plan. These two items will be covered as part of his Transfer Requests (attached). Chairman Butcher stated that, aside from unexpected expenses, he would like to ensure that all of the line items are adequately funded in the future. The following additional transfer request was requested, as previously discussed:

Amount: \$3,200.00

From: 5-710-571 (Municipal Insurance) To: 5-222-618 (Salem Fire Department,
Repair/Maintenance of Equipment)

M/S/C: Householder/Griggs, to approve First Selectman Kevin Lyden's Transfer Requests, as presented. Discussion: None. Voice vote, 6-0, all in favor.

Board Member Householder noted that the GLVFC/SVFCO Hydraulic Rescue Tools/Exhaust System, that was inadvertently excluded, should be returned to and included in the Capital Plan for the next three (3) years.

6. EXECUTIVE SESSION – *none*

7. ADDITIONAL APPROPRIATION FOR BOARD OF EDUCATION

M/S/C: Griggs/Cadwell, to approve the transfer of \$21,000.00 from the Unassigned Fund Balance to the line item for Special Education Expenditures. Discussion: Business Manager Gadaree stated that the funds allocated to the Special Education Expenditures line item were spent for Special Education and the issue arose due to an unanticipated and, thus, unbudgeted, tuition bill for \$65,000.00 that was received in February 2016. While they were able to fund part of the tuition, they are short \$21,000.00. Due to the constant in- and out-flux of students, it is difficult to gauge with certainty whether their budget for Special Education will be adequate for the following year. CPA Miller stated that she has met with the School, Superintendent Onofrio, and Business Manager Gadaree and has projected that, at this time, they will be short \$21,000.00. She supports and recommends the approval of the additional appropriation. Voice vote, 6-0, all in favor.

OLD BUSINESS: *none*

ADJOURNMENT:

Motion made by Board Member Collins, to adjourn the meeting at 8:02 p.m. Discussion: None. Voice vote, 6-0, all in favor. Meeting adjourned.

Respectfully Submitted by:

Agnes Miyuki, Recording Secretary for the Town of Salem