

**BOARD OF FINANCE
SALEM, CONNECTICUT
MEETING MINUTES
MARCH 20, 2014**

PRESENT

TJ Butcher
Janet Griggs
Greg Preston
George Householder
David Kennedy
Carole Eckart
Robert Sartori, Alt
Cindy Noe/ Recording Secretary

ABSENT

John Dolan, Alt
Hernan Salas

GUESTS

Kevin Lyden

CALLED TO ORDER

TJ Butcher called the meeting to order 7:04pm

RECOGNITION OF VISITORS

There were no visitors that wished to be recognized in attendance

SEAT ALTERNATE IF NEEDED

No alternates were required

COMMUNICATIONS

None

ADDITIONS TO AGENDA

- 1A, add to agenda, public hearing discussion.
- 3, add to agenda, mil rate projection/ discussion

AGENDA

APPROVE MEETING MINUTES FROM MARCH 13, 2014

Minutes were approve as presented.

M/S/C – Griggs/ Kennedy- to approve March 13, 2014 meeting minutes as presented.

Vote: Approved

Abstaining: Greg Preston

1. AUDIT- REQUEST FOR PROPOSALS 2013/2014 FISCAL YEAR

Eckart gave the Board two papers concerning the information that was compiled regarding proposed auditors (See File Copy). She stated that she feels there is not enough time to elect a new auditor for the 2013/2014 fiscal year. She suggested that a future discussion be added to the November 2014 meeting agenda.

M/S/C- Preston/ Griggs to add discussion of selecting a new auditor to the November 2014 meeting agenda.

Vote: Approved Unanimously

1A. PUBLIC HEARING DISCUSSION

Butcher questioned if the Public Hearing could be held at the Town Hall. Lyden stated that it could not because of limited space. Butcher stated that the Town Meeting will be held at Salem School. Butcher stated he would like to use a PowerPoint presentation similar to the one prepared and presented by Bill Wienschenker last year. Eckart and Griggs will help Butcher prepare the PowerPoint. Householder offered to view the finished product.

2. REVIEW/ACT ON BUDGET REQUESTS FOR 2014/2015 FISCAL YEAR

A. #100 SELECTMAN'S DEPARTMENT

Kevin Lyden presented the Selectman's proposed budget for fiscal year 2014/2015 (See File Copy). He stated that the town budgets overall are down \$8,519.00. Lyden stated that the Selectman's budget is up slightly due to the Public Safety study.

M/S/C- Eckart/ Householder to approve Department #100, Selectman's, appropriation in the amount of \$7,521.00 subject to review/revision/table at the 3/27/2014 Board of Finance meeting.

Vote: Approved Unanimously

B. #126 TOWN COUNSEL

Kevin Lyden presented the Town Counsel's proposed budget for fiscal year 2014/2015 (See File Copy). Lyden stated that this budget has increased \$3,000.00 due to legal fees. Lyden stated there is an ongoing lawsuit, contesting a business's current property value assessment. Householder stated he would like to see line item percentages that would show an increase or decrease over previous fiscal year.

M/S/C- Preston/ Kennedy to approve Department #126, Town Counsel, appropriation in the amount of \$20,000.00 subject to review/revision/table at the 3/27/2014 Board of Finance meeting.

Vote: Approved Unanimously

C. #134 TOWN OFFICE OPERATION

Kevin Lyden presented the Town Office's proposed budget for fiscal year 2014/2015 (See File Copy). Lyden stated this budget is up slightly due to an upgrade in the tax computer software. The upgrade allows for townspeople to pay their taxes online with a debit card/ checking account. Lyden mentioned that the town is working on also accepting credit cards. The townspeople will have to pay the 2.5% credit card fee when using a credit card. The software prompts the townspeople to accept the fee. The cost to the town to upgrade the tax payment software/run program is \$2,100.00 annual. Walsh is the company that will manage this payment computer program. Householder questioned line item #5-134-299, Computer Expenses. Householder wanted to know how many computer were to be purchased. Householder would like the items listed under this line itemized. Butcher questioned line item# 5-134-212, Town/Commission Advertising. Butcher stated if the requested \$8,000.00 is enough due to the fact that the actual for fiscal year 2013/2014 is already at \$7,143.00. Lyden stated he would like to see the requested stay lean at \$8,000.00 and requested a line transfer if needed.

M/S/C- Householder/ Griggs to approve Department #134, Town Office Operation, appropriation in the amount of \$101,880.00 subject to review/revision/table at the 3/27/2014 Board of Finance meeting.

Vote: Approved Unanimously

D. #135 MUNICIPAL BUILDING MAINTENANCE

Kevin Lyden presented the Municipal Building Maintenance's proposed budget for fiscal year 2014/2015 (See File Copy). Lyden stated the HVAC contract cost has increased this year; the first time in five years.

M/S/C- Preston/ Griggs to change line item #5-135-210, Grounds/ Building Maintenance, description to Building Maintenance.

Vote: Approved Unanimously

M/S/C- Preston/ Griggs to approve Department #135, Municipal Building Maintenance, appropriation in the amount of \$46,590.00 subject to review/revision/table at the 3/27/2014 Board of Finance meeting.

Vote: Approved Unanimously

E. #140 UTILITIES

Kevin Lyden presented the Municipal Building Maintenance's proposed budget for fiscal year 2014/2015 (See File Copy). Lyden stated that the request is the same as the 2013/2014 fiscal year. Preston stated that the trend in the actuals for this department is a steady decrease. Preston asked Lyden could the budget be decreased. Lyden stated that he feels the budget request reflects the current and possible future increases in gas costs and electric costs.

F. # 152 TOWN SERVICES

Kevin Lyden presented the Town Service's proposed budget for fiscal year 2014/2015 (See File Copy). Lyden stated that the budget increase is due to joining the Uncas Health District. Lyden stated he reduced the request in line #5-152-812, Senior Services, from \$9,000.00 in the 2013/2014 fiscal year to \$7,000.00 this fiscal year because of the lack of use. Householder suggested the amount be lowered to \$5,000.00. Lyden agreed that the reduction would be fine.

M/S/C- Householder/ Kennedy to change line item# 5-152-812, Senior Services, budget request to \$5,000.00.

Vote: Approved Unanimously

M/S/C- Kennedy/ Preston to approve Department #152, Town Services, appropriation in the amount of \$45,875.00 subject to review/revision/table at the 3/27/2014 Board of Finance meeting.

Vote: Approved Unanimously

G. #157 REGIONAL SERVICES

Kevin Lyden presented the Regional Service's proposed budget for fiscal year 2014/2015 (See File Copy). Lyden stated that line # 5-157-826, Planning Services, is increased because of the planning services provided by the Southeastern Counsel of Governments. He stated that although there is a \$35,000.00 increase on this line that there is a decrease of about \$59,000.00 under the salary budget from the absence of a full time Town Planner. Lyden feels using hourly planning services saves the town money. Lyden stated that Richard Serra, Town Planner, is a master planner and is doing an excellent job. Lyden also stated that P&Z is very happy with Serra's work. Householder questioned line # 5-157-822, Adult Ed. Householder questioned why Adult Ed is on both the Town budget and the BOE budget. Lyden stated he would have Pam Henry research this line item to see where the money goes and how much it is.

M/S/C- Eckart/ Griggs to approve Department #157, Regional Services, appropriation in the amount of \$48,045.00 subject to review/revision/table at the 3/27/2014 Board of Finance meeting.

Vote: Approved Unanimously

H. #310 PUBLIC WORKS

Kevin Lyden presented the Public Work's proposed budget for fiscal year 2014/2015 (See File Copy). Lyden stated this budget request is about \$350.00 less than last year.

M/S/C- Householder/ Preston to approve Department #310, Public Works, appropriation in the amount of \$245,500.00 subject to review/revision/table at the 3/27/2014 Board of Finance meeting.

Vote: Approved Unanimously

I. #410 TRANSFER STATION

Kevin Lyden presented the Transfer Station's proposed budget for fiscal year 2014/2015 (See File Copy). Lyden stated that the budget request is down about \$7,000.00 from fiscal year 2013/2014. Lyden stated that line item# 5-410-628, Water Testing, is required by DEEP not DEP as written in the description. Preston question line item # 5-410-937, CFC Evacuation. Preston wanted to know if this is the actual cost or does the amount reflect the money collected by townspeople dropping off the items that need this service. Lyden stated that he followed the cost trend over the last few years and that money collected goes straight to the General Fund and is not reflected on this line number.

M/S/C- Griggs/Eckart to approve Department #410, Transfer Station, appropriation in the amount of \$169,824.00 subject to review/revision/table at the 3/27/2014 Board of Finance meeting.

Vote: Approved Unanimously

J. #105 SALARIES

Kevin Lyden presented the Salary's proposed budget for fiscal year 2014/2015 (See File Copy). Lyden stated the budget is down slightly. Lyden stated that the elected officials took a larger increase last year which was a two year bump so there is no increases to their salaries this year. Lyden stated that everyone else, excluding the library, is a 2.5% increase. Lyden stated that while the Head Librarian's salary is at a 2.5% increase; the other staffing salary increase is about a 16% increase. Lyden stated that the 16% increase is the standard 2.5% increase plus additional amounts to cover the library being open on Fridays during a three day weekend and another staff member on Saturdays. Householder stated he would vote for the increase this fiscal year but vote no on another increase in the following fiscal year. Discussion took place about if increasing the First Selectman's salary would be appropriate. Householder suggested a comparison study be done with similar sized towns to make sure Salem is competitive. Householder offered to do the comparison study after budget season. Householder questions why the town has hired assistants over the last few years. He believes elected officials should have to record their working hours to make sure they are reaching the suggested 37 hours weekly. Lyden stated that he spoke with the elected officials and told them that if they are not working at least 30 hours weekly, then they are not eligible for benefits. Householder and Preston felt certain elected officials should be hired and not elected; such as the Treasurer and Tax Collector. They feel that if those positions are hired you can make sure the candidates are

qualified for the job. They suggest a charter revision be looked into to change those positions to be hired and not elected.

M/S/C- Preston/ Griggs to approve Department #105, Salaries, appropriation in the amount of \$1,079,538.00 subject to review/revision/table at the 3/27/2014 Board of Finance meeting.

Vote: Approved Unanimously

K. #138 EMPLOYEE BENEFITS

Kevin Lyden presented the Salary's proposed budget for fiscal year 2014/2015 (See File Copy). Lyden stated the budget is down a couple of hundred dollars. Satori questioned line item# 5-138-802. He questioned why amount exceeds actuals over the last few years. Lyden stated that the amount covers employees that may decide to take benefits. Householder suggested the amount come down slightly from the loss of the Town Planner.

M/S/C- Householder/ Preston to change line item# 5-138-802, Insurance (PHS & BC Dent), amount from \$263,500.00 to \$240,000.00.

Vote Approved Unanimously

M/S/C- Householder/ Kennedy to approve Department #138, Employee Benefits, appropriation in the amount of \$393,584.00 subject to review/revision/table at the 3/27/2014 Board of Finance meeting.

Vote: Approved Unanimously

L. #925 CAPITAL RESERVE

The Board discussed tabling this budget until they are the sure how much is currently in this account.

M/S/C- Preston/ Griggs to table Department #925, Capital Reserve, appropriation till the 3/27/2014 Board of Finance meeting.

Vote: Approved Unanimously

M. #926 OPEN SPACE LAND

M/S/C- Preston/ Kennedy to approve Department #926, Open Space Land, appropriation in the amount of \$1.00 subject to review/revision/table at the 3/27/2014 Board of Finance meeting.

Vote: Approved Unanimously

3. MIL RATE PROJECTION/DISCUSSION

Householder stated he wanted to have this discussion because he feels the highest possible mil rate increase that he would support is 1.5-1.6. He wanted to hear from the Board their thoughts on the mil rate increase. Butcher feels if the mil rate increases to 2 mil it will not pass. The Board feels they are going

to have to really look at capital expenses to make sure the mil rate increase is at a level the townspeople would accept. The Board also stated they feel the School Building Project should go out to bond in 2014/2015 fiscal year because of possible interest rate increases. The Board feels a letter should be sent to all town Boards and Commissions to attend the 3/27/14 BOF meeting because of possible budget revisions.

**M/S/C- Kennedy/ Griggs to adjourn meeting at 9:17pm.
Vote: Approved Unanimously**

Respectfully Submitted
Cindy Noe
Recording Secretary

Unapproved