

Approved

**SALEM BOARD OF FINANCE
REGULAR MEETING MINUTES
May 17, 2010**

PRESENT

TJ Butcher(Alt)
Janet Griggs
George Householder
Georgia Pech (Alt)
Greg Preston
Kevin Freiert
Bill Weinschenker

ABSENT

Roland Trailor(Alt)
Carole Eckart

B. Weinschenker called the meeting to order at 7:34 pm.

Recognition of Visitors: N/A

Seat Alternate:

**M/S/C (Griggs/Householder) to seat G. Pech in the place of C. Eckart
Vote: Approved Unanimously.**

Communications:

Chairman Weinschenker received correspondence from the Gardner Lake Volunteer Fire Company. The report on the Future Ambulance Fund is made available to the BOF two times a year. The report states that there is \$196,419.65 in this account. (See attachment)

J. Griggs suggested that this report be posted to the Town of Salem's website. B. Weinschenker disagreed. If anyone is interested in the report, the First Selectman has the information. G. Preston stated that if this information was mentioned in the minutes, it would not be necessary to post on the website.

Agenda

1. Approval of minutes

M/S/C (Householder/Pech) to approve the April 8, 2010, regular Meeting as amended.

Amended as follows:

Change spelling: page 2: “encumbrances”; page 8: “current” also on page 8

Change “Reval” to There is a need.....

Page 2, need more information on which department was over... B. Weinschenker suggested reviewing the tape from the April meeting for clarification.

Page 9, “B Weinschenker stated said” – delete the word stated- sentence should read “Bill Weinschenker said”

It was notice that the numbering system on the minutes did not go in numerical order. The BOF realized that they did not follow the order of the agenda that night, but would like to have the numbering replaced by bullets instead of numbers

Vote: (5) Griggs, Householder, Pech, Preston, Weinschenker

No: (0)

Abstain: (1) Freiert

G. Preston had a question on the Town’s rating by Moody. First Selectman Lyden informed the BOF that this new rating was just a format change by the rating company and there is no change in the status for the town’s rating. He stated that an A3 rating is good for towns the size of Salem.

2 Treasurers Report

M. Ferren presented the Board with her report (see file copy).

- The Tax Collector has been doing a great job collecting taxes from delinquent tax payers. Bill Weinschenker noted that the tax collection is at 101%

- M. Ferren explained to the BOF about how the bank calculates interest and bank charges which is a net amount.
- She has closed the account at People's Bank and moved the money to a CD at Chelsea Groton Bank.

The following revenue items were addressed during the treasurer's report.

- (Dept #92) The TAR fund was received and M. Ferren will get back to the Board with more details.
- (Dept #92) Pequot/Mohegan – It was not known when the balance of this amount would be received. It was stated this money was received in two payments in the past.
- (Dept #92) Miscellaneous – It was noted that there is \$258,732 remaining to collect in this line. The BOF was informed that this is money due to the town from the STEAP grant for the Transfer Station repairs and \$100,000+ was wired to the Town's account last Thursday.
- (Dept #97) Miscellaneous – Revenue in this line is over the projected amount. The Board was informed that the money from the Kobyluck settlement was deposited into this line. The BOF would like a new line in this department called "Settlement Revenue" and the Kobyluck money moved to this new line.
- G. Pech wanted to know if M. Ferren could give her an idea of how much of the remaining \$790,700 in revenue will be received. G. Householder noticed that most of the outstanding money is in the BOE line. It was noted that 94.3% of budgeted revenue had been received as of April 30, 2010. G. Preston would like to see two revenue statements in June. One statement for the end of May and one statement showing revenue received closer to the date of the June meeting.
- Concern by all BOF members is the fund balance being under \$1 million and the percentage being 7.04%.
- Appropriation: G. Householder asked about the Library salary expenditure still being higher than the other

departments. K. Lyden has spoken with the Librarian about this several times. They have been reducing their hours worked. K. Lyden reported to the BOF that the Town Clerk Assistant line percentage is over, but he reminded the BOF that this department hired a new person to replace an employee that moved to the Building Department. This employee was going to fill in as needed in the clerk's department, but that is not happening because the Building Department Assistant has a part time job in East Lyme. He will address this issue under agenda item #5.

3 Public Comment: None

4. Selectman's Report

- First Selectman passed around a report on Capital money that will be returned to the Town at the end of the 2009/2010 budget year. B. Weinschenker wanted to postpone discussion on this matter until the next meeting.
- There is a new Building Committee that will begin meeting. The members of this committee are: Dick Asafaylo, Bob Green, Donna Woronik, Carol Traggis, Elbert Burr and John Bernier.
- K. Lyden informed the BOF that Salem is now designated as a Heart Safe Destination. This award was presented to the Town at the Public Hearing.
- First Selectman Lyden stressed how important it is that every citizen of Salem completes the Census form. He has placed this form on the Salemct.gov website.
- Removal of temporary signs in the Town of Salem is being enforced to be in compliance with P&Z regulations.
- Work will begin, by the Department of Transportation at the four corners, middle to late summer.
- K. Lyden wanted to thank the BOF members for a fair 2010/2011 budget.

- The Budget passed at the referendum; Total of 344 votes was cast. Yes: 213, Not 131.
- G. Pech asked the First Selectman how much of the Town's budget will be returned at the end of the year. A better idea will be known at the June meeting.

5. **Salary Department #105**

It is estimated that the following lines in this year's budget will be overspend.

- 105-040-230 EMT Maintenance- We had to replace an employee that resigned from his position in November 2009. We moved money from this line to the on call line to cover the EMT/Firefighter temporary hire.
- 105-40-235 On Call Program – We were just informed that the newly hired EMT/Fighter was injured and will be out for four to six weeks. His temporary replacement will be paid from this line.
- 105-040-240 Fire Marshal/CP – more hours were needed during the flooding.
- 105-25-112 Town Clerk Assistant – This department's salary budget was hit the hardest in the 2009/2010 budget. L. Chester left the position to take the open position in the Building Dept and the other person that was in this position was laid off. We have since hired a new person and more hours were necessary for training.

M/S/C (Freiert/Preston) to transfer money from 105-25-630 ZEO/Sanitarian/Bldg in the amount of \$5,900 to

- **105-040-230-EMT/Fighter in the amount of \$1,000,**
- **105-40-235 On Call Program in the amount of \$4,100**
- **105-040-240 Fire Marshal/CP in the amount of \$400**
- **105-25-0112 Town Clerk Assistant in the amount of \$400.**

6. **STEAP grant – Multi-Purpose Path**

- There was a memorandum from K. Lyden concerning the money received for the Multi-purpose path stating that this money is to be administered as a Capital and Non-Recurring

Expense. There was much discussion concerning the handling of this money, and if there was a Multi-Purpose Path Committee. G. Householder wanted to have approval from the Town on spending this grant money. His main concern was if the State could renege on the grant money. TJ Butcher said that the Multi-Purpose Path Committee has approval of their work so far, so another Town Meeting is unnecessary. B. Weinschenker agreed with TJ that a Town meeting is not necessary. This is clearly not an appropriation. No action needs to be taken. This First Selectman is to report back to the BOF at the next regular meeting in June with the following information: committee members, how the invoices will be approved and plans for spending this money. G. Householder would like to see the contract with the State concerning this grant.

7. **Town Meeting/Referendum/Set Mil Rate:**

Chairman Weinschenker informed the BOF that an increase of 1.14 mils would be needed to balance the approved 2010/2011 Budget without taking any money from the Undesignated Fund. Right now the mil rate is 23.3. It was not known what, if any money, from the 2009/2010 budget year would be returned by the Town and School.

TJ Butcher suggested that we set the mil rate high enough so we can add to the undesignated balance.

G. Householder did not want to tax the town people to increase the undesignated balance.

J. Griggs would like the mil rate to increase by 1.2 mils. She would like the Undesignated Fund at 8%.

B. Weinschenker would like to increase the mil rate by 1.1.

G. Pech does not want to take any money out of the Undesignated Fund to balance the budget. Georgia would like to see a 1.14 increase.

K. Friert and G. Preston were in favor of increasing the mil rate by 1.2.

M/S/C (Friert/Preston) to set the mil rate at 24.5

Vote: (5) Friert, Griggs, Householder, Preston, Weinschenker

No: (1) Pech

Adjournment

M/S/C (Preston/Griggs) motion to adjourn at 9:04.

Vote: Approved Unanimously

V. Casey

Recording Secretary