

**TOWN OF SALEM
BOARD OF FINANCE
REGULAR MEETING MINUTES
THURSDAY, FEBRUARY 13, 2020 – 7:00 P.M.
SALEM TOWN OFFICE BUILDING**

PRESENT

William “Skip” Dickson, Chairman
Marshall Collins, Clerk
Corinne (Cory) Bourgeois
Deborah Cadwell
Janet Griggs
Hernan Salas
Maryann Casciano, Alternate

ABSENT

John Bernier, Alternate
Michael Jensen, Alternate

ALSO PRESENT

First Selectman Kevin Lyden

CALL TO ORDER:

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

RECOGNITION OF VISITORS: *none*

SEAT ALTERNATE IF NEEDED: *none*

COMMUNICATIONS:

1. H.B. No. 5643, “An Act Requiring a Study of the Obstacles to Merging or Consolidating Municipal Fire Districts and Fire Departments”, which was recently introduced to the Planning and Development Committee, was e-mailed to the Board by Clerk Collins, who stated his hope that First Selectman Lyden will communicate the Town’s interest in the Study due to the rising costs of housing two fire companies to the legislators.

ALTERATIONS TO THE AGENDA: *none*

AGENDA:

1. APPROVAL OF MINUTES: JANUARY 23, 2020 REGULAR MEETING

M/S/C: Griggs/Salas, to approve the Board of Finance Regular Meeting Minutes of January 23, 2020. Discussion: None. Voice vote, 6-0, all in favor.

2. TREASURER’S REPORTS

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

The Board Members held a moment of silence for Treasurer Pam Henry’s husband, Jim Henry, who recently passed away.

In response to Board Member Casciano regarding the revenue for General Property Tax (Line Item 410000), Assistant Tax Collector Cindy Noe stated that the collection period ends on February 3. As such, the final collected amount will be indicated in the February report.

3. PUBLIC COMMENTS

Selectman Ed Chmielewski commended First Selectman Lyden, the Town Hall staff, and the Board of Finance, thanking them for all of their hard work.

4. SELECTMAN'S REPORT

First Selectman Lyden reported that the Tentative Agreement between the Town of Salem and Fire Union IAFF Local 3831 was approved by the Board of Selectmen and ratified by the Union. The final agreement is currently in the process of being drafted, bringing closure to a long process that began in May 2019.

The Town's Annual Continuing Financial Disclosure Statement has been submitted to the Securities and Exchange Commission (SEC), as required.

A copy of the Office of Fiscal Analysis' projections for State Funding was provided to the Board. While ECS (Education Cost Sharing) Funding for FY2020/21 indicates a decrease, funding for the PiLOT (Payment in Lieu of Taxes) Program is projected to remain the same. Other Funding received by the State include the Municipal Stabilization Grant, Mashantucket-Pequot Funds, and Adult Education. Clerk Collins noted that the ECS Funding cuts will continue for the next several years.

A list of In-Kind Services that are provided by the Town to the Board of Education (BOE) was also provided to the Board. Other items that are shared and compensated include the custodian and medical, general liability and workmen compensation insurance. In response to Board Member Casciano, First Selectman Lyden stated that he could also investigate the school's usage of the Round Hill Road fields. The dividend checks that are received by CIRMA (Connecticut Interlocal Risk Management Agency) are deposited into the Town's General Fund. In all due fairness and for transparency's sake, Clerk Collins requested that a similar report be generated for the Fire Companies.

5. ACT ON PROPOSED APPROPRIATIONS FOR 2020-2021

A. #110 BUILDING OFFICIAL

Building Official Vernon Vesey, II, presented the budget request for Department #110 – Building Official, which includes a \$1,280.00 increase due an increase in the State's standard mileage rate and new code books in anticipation of changes in the building code in October 2020.

B. #112 TOWN CLERK'S DEPARTMENT

Town Clerk Linda Flugrad presented a flat budget for Department #112 – Town Clerk's Department, stating that funds were re-allocated to compensate for an increase in software expenses.

C. #114 TREASURER/AUDITOR/BOF

First Selectman Kevin Lyden presented the budget request for Department #114 – Treasurer/Auditor/BOF, with a 7.46% or \$2,798.00 increase. The increase includes a projected increase in fees due to the expiration of the Town’s 5-year contract with the Auditor. The Board may opt to issue an RFP (Request for Proposal) in January 2021. The escalation cost is not included in the projected increase. The Board agreed to decrease the proposed amount for the line item (Line Item 05-114-204) by \$1,936.00, bringing the total proposed budget request to \$39,373.00.

D. #116 ASSESSOR

Assessor Michael Kapinos, Jr., presented the budget request for Department #116 – Assessor, with a decrease of \$10,000.00 or 32.15% due to the completion of the Vision 8 Software upgrade. A \$600.00 subscription for a new investigative research tool, whose cost will be shared with the Tax Collector, is offset by a reduction in the same amount in Line Item 5-116-305, Mileage/Dues/Education.

E. #118 TAX COLLECTOR

Tax Collector Joshua Rehrig presented the budget request for Department #118 – Tax Collector, with a reduction of \$155.00 or 1.14%.

F. #122 REGISTRAR/ELECTIONS

Republican Registrar of Voters Georgia Pech presented the budget request for Department #122 – Registrar/Elections, with a reduction of \$2,496.00 or 0.18%. Their budget request wavers from year to year dependent upon the number of elections, primaries and referendums. The proposed budget includes the costs for the November 2020 election and May 2021 referendum. While not budgeted, there should be adequate funds for another primary, should that take place.

G. #210 SECURITY

First Selectman Lyden presented the budget request for Department #210 – Security, with an increase of \$12,648.00 or 3.75% due to an increase in the Resident State Trooper Program and the cost of maintaining the calibration system for the radar guns. The total cost for the Troopers includes their training, uniforms, vehicles, fuel, and retirement costs. Both Troopers Pariseau and LaRue have had salary increases and the retirement benefits for which towns were being charged 116% of the troopers’ salaries has been reduced to 80%. Additional troopers are hired to cover the Salem Lions Club Road Race and Memorial Day Parade due to road closures. For other community events, Trooper LaRue is moved to the day shift so that two (2) troopers are available to cover the events. While he has investigated other options to decrease the costs, including sharing a police force and/or officer(s) with a neighboring town, none of the neighboring towns are interested in doing so.

In response to Board Member Bourgeois, he will investigate the reason behind the significant increase for the calibration of the speed guns. In response to Board Member Casciano, Board Member Cadwell stated that the radios that are utilized by the Fire Companies and Emergency

Services are used to communicate with the town workers and other towns; they are not the same radios that are utilized by the State Police. In response to Board Member Salas, First Selectman Lyden stated that he would need to investigate the process should the Board be interested in reducing the number of Troopers, recalling that, in 2008, then-First Selectman Bob Ross' proposal to reduce the number of Troopers from two to one was met with strong public opposition. Selectman Chmielewski commended the Troopers and stated that, as a former Municipal Police Sergeant, the Troopers are an invaluable asset to the Town; they not only respond to approximately 200 Calls per Service/month, but also spend a considerable amount of time engaging within the fabric of the community, including hosting the D.A.R.E. (Drug Abuse Resistance Education) Program at the School. First Selectman Lyden added that he recently met with Troop K Barracks Commander Lt. Marc Petruzzi who plans to meet with the First Selectmen of the respective towns the Troop serves every three to four months to ensure that the Resident State Troopers are serving their towns well and to listen to any comments or suggestions they might have.

It is unknown as to whether the State will send the town a surprise invoice, but Clerk Collins reported that, to the best of his knowledge, there are no plans in the Governor's current budget for any increases to the Resident State Trooper Program. He concurred with the value of the Troopers and having the D.A.R.E. Program at the School as they are able to become familiar with the children and recognize any early warning signs.

H. #240 PUBLIC SAFETY

First Selectman Lyden presented the proposed budget for Department #240 – Public Safety, with an increase of \$59,600.00 or 92.83%, due to the movement of \$60,000.00 for the On-Call Nominal Fees (newly added Line Item 5-240-970) from Department #105 – Salaries and \$6,000.00 for the Fire Fighter and EMT Gear (newly added Line Item 5-240-960). The Gear is for the two full-time Union Fire Fighter/EMTs and was formerly included in the Gardner Lake Volunteer Fire Company (GLVFCO)'s budget. Because the full-time employees are funded by and work for the Town, the funding for their gear was moved to the Town's budget. The Gear & Hose that is included in the Town's Capital Plan for the Fire Companies is for the volunteers. Currently, the Town is served by two full-time paid firefighters, who are not stationed at any particular Fire House, and five (5) part-time firefighters. In response to Board Member Bourgeois, First Selectman Lyden is unsure as to where the gear was included in the GLVFCO's budget; he expects their budget to come in with a decrease due to the movement of the funds.

I. #645 RECREATION

Recreation Commission Chairman Alan Maziarz presented the proposed budget for Department #645 – Recreation Commission, which includes a \$5,000.00 or 10.62% increase due to the addition of the Line Item 5-645-945, Weekend School Access, which was moved from the BOE's budget. He noted that the Commission, being a group of volunteers, was

conflicted with funding of the salary for an employee. The line item funds the cleaning for the weekend recreation activities that are held at the School.

In response to Board Member Cadwell, Recreation Commission Chairman Maziarz stated that proposals have been received for the revised Forsyth Road Pavilion project and will be further discussed at their next meeting.

J. #910 INTEREST PAYMENTS

First Selectman Lyden presented the proposed budget for Department #910 – Interest Payments, which includes a decrease of \$13,000.00 or 0.12% for Line Item 5-910-992, School Bond Interest Payment, for the School renovation project. The Board agreed to remove Line Item 5-910-993, Library & Gadbois Property Bond, from future budgets as the line item has been zeroed out for three consecutive years.

K. #920 PRINCIPAL PAYMENTS

First Selectman Lyden presented the proposed budget for Department #920 – Principal Payable, which includes a decrease of \$86,706.00, due to the completion of the Line Item 5-920-994, East Lyme Debt Service. He added that, while the roof replacement project will cost approximately \$1 million, excluding any reimbursements, the funds have been partially funded in the Town's Capital Plan and a loan will, most likely, be secured for the remaining funds due to the high cost of bonding. The Board agreed to remove Line 5-920-993, Library & Gadbois Property Bond from future budgets as the line item has been zeroed out for three consecutive years.

M/S/C: Collins/Griggs, to approve the appropriation of funds in the amount of \$4,281.00 for Department #110 – Building, subject to review and/or revision, pending approval at the Board of Finance's March 19, 2020 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.

M/S/C: Collins/Salas, to approve the appropriation of funds in the amount of \$15,645.00 for Department #112 – Town Clerk, subject to review and/or revision, pending approval at the Board of Finance's March 19, 2020 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.

M/S/C: Collins/Griggs, to approve the appropriation of funds in the amount of \$39,373.00 for Department #114 – Treasurer/Auditor/BOF, subject to review and/or revision, pending approval at the Board of Finance's March 19, 2020 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.

M/S/C: Collins/Griggs, to approve the appropriation of funds in the amount of \$21,100.00 for Department #116 – Assessor, subject to review and/or revision, pending approval at the Board of Finance's March 19, 2020 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.

M/S/C: Collins/Griggs, to approve the appropriation of funds in the amount of \$13,500.00 for Department #118 – Tax Collector, subject to review and/or revision, pending

approval at the Board of Finance's March 19, 2020 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.

M/S/C: Collins/Griggs, to approve the appropriation of funds in the amount of \$11,539.00 for Department #122 – Registrar/Elections, subject to review and/or revision, pending approval at the Board of Finance's March 19, 2020 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.

M/S/C: Collins/Griggs, to approve the appropriation of funds in the amount of \$349,546.00 for Department #210 – Security, subject to review and/or revision, pending approval at the Board of Finance's March 19, 2020 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.

M/S/C: Collins/Griggs, to approve the appropriation of funds in the amount of \$123,800.00 for Department #240 – Public Safety, subject to review and/or revision, pending approval at the Board of Finance's March 19, 2020 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.

M/S/C: Collins/Griggs, to approve the appropriation of funds in the amount of \$52,100.00 for Department #645 – Recreation Commission, subject to review and/or revision, pending approval at the Board of Finance's March 19, 2020 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.

M/S/C: Collins/Griggs, to approve the appropriation of funds in the amount of \$95,063.00 for Department #910 – Interest Payments, subject to review and/or revision, pending approval at the Board of Finance's March 19, 2020 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.

M/S/C: Collins/Griggs, to approve the appropriation of funds in the amount of \$325,000.00 for Department #920 – Principal Payable, subject to review and/or revision, pending approval at the Board of Finance's March 19, 2020 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.

M/S/C: Collins/Griggs, to remove:

**Line Item 5-910-993, Library & Gadbois Property Bond from
Department #910 – Interest Payments**

**Line Item 5-920-993, Library & Gadbois Property Bond from
Department #920 – Principal Payable**

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

6. DISCUSSION REGARDING DEDICATION FOR ANNUAL REPORT

Board Member Griggs proposed the possibility of dedicating the Annual Report to former BOE Chairman Michael Siebert, who was a very active member of the community, serving as a member of the LEARN Board of Directors and Scout Master for Salem Troop 123. First Selectman Lyden suggested the possibility of also including his wife, Kimberly.

M/S/C: Griggs/Bourgeois, to nominate and dedicate the 2019-20 Annual Report to Michael and Kimberly Siebert. Discussion: Board Members Griggs and Bourgeois will handle the dedication and obtaining the photograph. Clerk Collins volunteered to review and edit the dedication. Voice vote, 6-0, all in favor.

7. COMMITTEE REPORTS

A. BOE

Board Member Cadwell reported that the BOE reviewed and discussed the Superintendent's proposed budget with an increase of 8.33%, which did not include sports or technology upgrades. After much discussion, the BOE voted to approve their FY2020/21 budget in the amount of \$11,432,233.46, an increase of 9.66%. Some of the adjustments that were made to the Superintendent's proposed FY2020/21 budget included:

Additions:

Technology Upgrade	\$ 106,348.00
includes the purchase of replacement iPads for the kindergarten and first grade students to accommodate their reading program.	
Afterschool Sports & Activities	\$ 43,776.46
Medical Insurance Increase (estimated 7%)	\$ 12,900.00
Salem Seniors Luncheons	\$ 1,200.00
TBNG Network Contract	\$ 385,750.00

Savings/Reductions:

Locking in of Oil prices	\$ 9,065.00
Closing of Dual Magnet School	\$ 5,426.00
Instructional Software	\$ 420.00
Course Reimbursement	\$ 3,000.00
Custodial Supplies (Town Hall/Library)	\$ 5,000.00

Other savings/reductions include the voluntary foregoing of the raises for the Superintendent and Director of Special Services.

Board Member Cadwell reported that several parents have begun to expressed their concerns regarding any budget cuts for such items as the technology upgrades, additional teachers, and sports programs.

BOE Chairman Sean Reith spoke with regards to the expiration and extension of the School's \$385,750.00 five-year contract with TBNG Consulting, which handles the School's network infrastructure and IT-related services. The BOE is currently in the process of re-negotiating the multi-year contract with the vendor and is currently paying for their services on a month-to-month basis. Taking into account their working relationship and satisfaction with the services they have been providing, which includes an on-site employee, the BOE approved the administration's request to not seek alternative bids, but work on negotiating with their current vendor. Extensive discussion ensued regarding the possibility of sending the contract out for

an RFP (Request for Proposal) so as to know that the company's pricing is viable. The Board recommended that the BOE send the contract out for bid, especially in light of the State cuts. First Selectman Lyden added that the BOE may put the job out to bid, but, given good reason, does not necessarily have to accept the lowest bid. In response to Chairman Dickson, BOE Chairman Reith stated the contract does not include the hardware, which is owned by the School, and that the BOE has requested a cost-benefit analysis for owning vs. leasing the equipment. Any available grant funding will be investigated.

With regards to the Out of District and East Lyme Tuition costs, BOE Chairman Reith stated that the 6% increase for the East Lyme Tuition costs and the increase in students by 15 has also had a significant impact on their budget. As such, a Co-Op Meeting was held with East Lyme during which the determination of the tuition and reconciliation rates were discussed. The new Co-Op Agreement, which instituted a new formula that includes the entire East Lyme School District population, has been referred to the BOE Attorney for review. A brief discussion was held regarding the cost of those students who opt to attend either a Magnet, Charter, VOAG or Tech School. In response to Board Member Casciano, he was not sure as to whether they are required, by law, to forbid students from attending out-of-district schools nor the cost savings that would be gained from doing so. Board Member Griggs added that Director of Student Services has been able to reduce costs by bringing back a number of out-of-district special education students.

In response to Chairman Dickson, BOE Chairman Reith reported that the BOE has voted to have the administration provide them with a plan regarding the future of the two additional teachers once the students graduate to the next grade level. He noted that the number of students entering the high school will fluctuate from year to year. First Selectman Lyden added that, while staffing is a sensitive issue, he has managed to reduce the staffing level at Town Hall over the last ten years and felt that it is possible to maintain the same level of staffing by utilizing their talents and skills in other areas and still serve the same population. Board Member Bourgeois reiterated her previous suggestion regarding the possible use of student teachers, local college students, interns, and/or other resources.

In response to Clerk Collins who questioned whether the ECS cut was factored into their budget, BOE Chairman Reith stated that their proposed budget is an expense budget and does not factor in the ECS cut. Making a rough estimate, Clerk Collins added that if 1 mil = \$350,000.00 and the BOE is asking for a \$1,138,000.00 increase, they are, in essence, requesting a 3.25 mil or 10% tax increase. Clerk Collins also stated his interest in the inclusion of the trends of the School's State-wide Test Scores in their budget presentation.

In conclusion, BOE Reith stated that the BOE is a very lively group with vast differing opinions; their meetings are filled with robust dialogue and healthy and respectful debates as well as a growing public engagement. While a healthy tension exists between the BOE and the administration, they continue to maintain a positive working relationship.

Board Member Griggs added the possibility of discussing and considering the non-lapsing account. Given the budget increase the BOE is requesting, the Board was not willing to entertain such a discussion when the BOE presents their FY2020/21 budget request. It was suggested that such a discussion take place following the budget referendum. BOE Chairman Reith added that the issue would need to be re-voted upon by the BOE, prior to being re-introduced to the Board.

The Board thanked BOE Chairman Reith for attending the meeting and discussing their budget.

B. EMERGENCY SERVICES

Board Member Bourgeois thanked the Fire Companies and First Selectman Lyden for the data they have received and reported that Board Member Casciano and herself are in the process of organizing and reviewing the materials, which includes information regarding their Calls for Service, equipment inventory, and training. They will be reviewing the Fire Companies, Ambulance Services, and Fire Police and search for ways in which they could restructure their funding and investigate any immediate savings that might be gained. First Selectman Lyden added that, should the Board find their investigations and findings helpful, they may request the Board of Selectmen to form a Committee to continue their work into the near future and investigate the possibility of regionalizing their services.

OLD BUSINESS: *None*

ADJOURNMENT

M/S/C: Collins/Salas, to adjourn the meeting at 9:14 p.m. Discussion: None. Voice vote, 6-0, all in favor. Meeting adjourned.

Respectfully Submitted by:

Agnes T. Miyuki, Recording Secretary for the Town of Salem