

**TOWN OF SALEM  
BOARD OF FINANCE  
REGULAR MEETING MINUTES  
THURSDAY, MARCH 9, 2023 – 7:00 P.M.  
SALEM TOWN HALL – CONFERENCE ROOM 1**

**The minutes submitted below have been filed in accordance with  
Section 7-342 of the CT General Statutes. They are subject to final approval  
with or without amendments by a vote of the Board of Finance (BOF).  
Approval and any such amendments will be detailed in subsequent BOF minutes.**

**PRESENT**

William “Skip” Dickson, Chairman  
Marshall Collins, Clerk  
Corinne (Cory) Bourgeois  
Deborah Cadwell  
Janet Griggs  
Matt Rucci  
Kate Belleville, Alternate  
John Bernier, Alternate

**ABSENT**

Maryann Casciano, Alternate

**ALSO PRESENT**

First Selectman Ed Chmielewski  
Finance Specialist Lisa Jablonski

**CALL TO ORDER**

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

**PLEDGE OF ALLEGIANCE**

**RECOGNITION OF VISITORS:** *none*

**SEAT ALTERNATE, IF NEEDED:** *none*

**COMMUNICATIONS:**

- a. A Copy of the Audit from the Gardner Lake Volunteer Fire Company

**ALTERATIONS TO THE AGENDA:**

The following item was added to the Agenda under Old Business:

**1. DISCUSSION REGARDING DEDICATION FOR ANNUAL REPORT**

**AGENDA:**

**1. APPROVAL OF MINUTES: FEBRUARY 23, 2023 BOF REGULAR MEETING**

**M/S/C: Cadwell/Bourgeois, to approve the February 23, 2023 Board of Finance  
Regular Meeting Minutes, with the following amendment:**

**Page 1, Communications:**

- a. A copy of a memo from Clerk Collins regarding the Governor's Proposed Budget

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

**2. PUBLIC COMMENTS**

Gardner Lake Volunteer Fire Company (GLVFCO) Board of Directors President Cheryl Philopena presented the Board with the previously requested information, including the number of Firefighters/EMTs, the proposed Senate Bill regarding the funding of emergency medical transportation, and the FY2017/18 income tax return. The remaining four years of tax returns were previously submitted.

**3. TREASURER'S REPORTS**

**A. REVENUE SUMMARY**

**B. TRIAL BALANCE**

**C. FUND BALANCE**

Treasurer Pam Henry presented the Treasurer's Reports, which includes a revision from the previous month. It was confirmed that the amount indicated for the Unassigned Fund Balance is used for deliberation purposes. Treasurer Henry stated that the amount is set by the Auditors and maintained throughout the year.

**4. FIRST SELECTMAN'S REPORT**

First Selectman Chmielewski commended the Town Hall staff for maintaining their professionalism under extremely stressful circumstances and provided highlights of the departments' updates. The Tax Collector reported a 97.2% Collection Rate. The Emergency Services Study continues to progress. The GLVFCO lawsuit is ongoing and the court proceedings are scheduled for December 2023. The Board of Selectmen unanimously (Selectman Lyden was not present) approved the renegotiation of the On-Call System (OCS) Nominal Fee Stipend Structure for Volunteers Agreement. He is looking forward to meeting with the GLVFCO to discuss the Agreement. He suggested the Board review the video of the Tuesday evening's Board of Selectmen Regular Meeting.

Emergency Services Study (Clerk Collins) – First Selectman Chmielewski will do his best to provide any information included in the Study that could affect the budget.

**5. ACT ON PROPOSED APPROPRIATIONS FOR FY2023/24**

**A. REVENUES**

Department #91 – General Property Taxes

Based on the current Collection Rate, Mil Rate, and the previous year's Grand List, Board Member Bernier recommended and the Board Members agreed to increase Line Item 91-1010, General Property Taxes, Current Year, to \$13,027,882.00.

Department #92 – State/Federal Grants – no discussion

Line Item 92-011, LoCIP (infra-structure) will be spread out over the years.

Department #93 – State/Federal Grants for Education

Line Item 4-093-035, Education Equalization (ECS, Educational Cost Sharing), was adjusted to \$2,437,078, a reduction of \$88,000.00, in accordance with the State Statute and the Governor's proposed budget.

Department #94 – Licenses & Permits

Based on the current revenue amounts and/or the Building Official's report, the Board Members agreed to increase the following line items:

Line Item	Originally Budgeted	Proposed Budget	Variance
94-042, Electrical	\$ 7,500.00	\$ 9,000.00	\$ 1,500.00
94-044, Heating	\$ 5,000.00	\$ 9,000.00	\$ 4,000.00
94-047, Building	\$ 40,000.00	\$ 45,000.00	\$ 5,000.00
94-053, Garbage Bag Revenue	\$ 32,000.00	\$ 35,000.00	\$ 3,000.00
Total Estimated Revenue Increase			\$ 13,500.00

Department #95 – Charges for Current Services – no discussion

Department #96 – Revenue from Use of Town Money

The Board Members agreed to increase Line Item 96-064, General Fund, by \$14,000.00, based on the previous year's actuals and current interest rates.

Department #97 – Miscellaneous Revenue – no discussion

**M/S/C: Collins/Cadwell, to approve the appropriation of funds in the amount of \$13,198,132.00 for Department #91 – General Property Taxes, subject to review and/or revision, pending approval at the Board of Finance's March 24, 2022 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.**

**M/S/C: Collins/Cadwell, to approve the appropriation of funds in the amount of \$517,233.00 for Department #92 – State/Federal Grants, subject to review and/or revision, pending approval at the Board of Finance's March 24, 2022 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.**

**M/S/C: Collins/Cadwell, to approve the appropriation of funds in the amount of \$2,440,749.00 for Department #93 – State/Federal Grants for Education, subject to review and/or revision, pending approval at the Board of Finance's March 24, 2022 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.**

**M/S/C: Collins/Cadwell, to approve the appropriation of funds in the amount of \$179,500.00 for Department #94 – Licenses & Permits, subject to review**

**and/or revision, pending approval at the Board of Finance's March 24, 2022 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.**

**M/S/C: Collins/Cadwell, to approve the appropriation of funds in the amount of \$26,250.00 for Department #95 – Charges for Current Services, subject to review and/or revision, pending approval at the Board of Finance's March 24, 2022 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.**

**M/S/C: Collins/Cadwell, to approve the appropriation of funds in the amount of \$20,000.00 for Department #96 – Revenue from use of Town Money, subject to review and/or revision, pending approval at the Board of Finance's March 24, 2022 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.**

**M/S/C: Collins/Cadwell, to approve the appropriation of funds in the amount of \$28,000.00 for Department #97 – Miscellaneous Revenue, subject to review and/or revision, pending approval at the Board of Finance's March 24, 2022 Regular Meeting. Discussion: None. Voice vote, 6-0, all in favor.**

## **B. BOARD OF EDUCATION (BOE)**

BOE Chairman Sean Reith thanked the Board for the invitation and opportunity to present the BOE's Proposed FY2023/24 Budget. He acknowledged the Town's 2nd Annual Board of Finance Appreciation Day with a short video from the Salem School students and provided a brief overview of the proposed budget.

### **Overview**

The FY2023/24 proposed BOE budget is \$11,392,501.00, an increase of \$65,343.00 or 0.58%. Since 2008, the BOE budget has increased by an average of 1.1%. Historically, approximately 70% of the town's total budget is allocated to the BOE. He reviewed a graph comparing the proposed budget increases of the towns/regions within their district (DRG-C) and statewide. Notable is the East Lyme School District Superintendent's proposed budget increase of 6.97%.

BOE Chairman Reith introduced Superintendent Brian Hendrickson who stated the importance of the Board's role and thanked them for their service and hard work. He also commended and expressed his appreciation to Business Manager Kim Gadaree for all of her hard work. This year, the BOE drafted a Strategic Plan. The Plan and proposed budget reflect their current assets, values, goals, and aspirations. These priorities include:

#### High Quality Teaching and Learning

Per the Draft Strategic Plan, the following additions are included within the proposed budget. The additions are based on their current needs and would be re-evaluated over time to determine their continued need. Their re-evaluations will take into consideration the recurring costs, recurring savings, and the possibility of shifting

their resources and/or positions. Other programs, such as the Early Retirement Notification Program, have proved positive in terms of planning their budget for the following fiscal year.

- Gifted and Talented/Enrichment Teacher (1.0 FTE)
- Director of Curriculum (Stipend)
- Interventionist Support (2 Part-time Academic Support positions)

Safe & Supportive School Climate

Addition of: WingMan Program for Social Emotional Learning

Efficient Operations

Addition of: School Security Position  
Data Manager/Specialist (Stipend)

One of the BOE's objectives is to determine their needs, goals, and processes to achieve their goals in a manner that is sustainable while, simultaneously, working with rising costs. The budget includes a variety of puzzle pieces that must fit together to form the whole. These pieces include healthcare, inflation (heating and cooling costs, enrollment projections, staffing assumptions, East Lyme High School (ELHS) reconciliation, and unanticipated special education (SPED) costs. One of the primary challenges is the dramatic fluctuation and, often, unpredictable nature of these numbers.

Return on Investment – Based on their performance and outcomes, Salem School is rated #9 as the best Public Elementary School and #4 as the best Public Middle School in New London County. Superintendent Hendrickson reviewed the outcomes in relation to their per-pupil spending and teachers' salaries, noting that their teachers are the second highest paid in the region. Because teachers are their biggest asset, it is important to provide them with the necessary resources and tools. As such, all of their budgetary requests are included in the proposed budget.

Culture & Climate Highlights – Based on their Climate Survey, the majority of students, parents, and staff feel safe, respected, and comfortable within the school environment. Nearly 50% of the students participate in extra-curricular activities. He encouraged everyone to view their videos on YouTube (Salem YTchannel) and social media pages, which reflect the value of the School.

Class Size and Per Pupil Spend – The class sizes and per pupil spending are comparable to those in the region.

Staff – Approximately 75% of the budget is allocated to the staff's salary and benefits. He reiterated that the staff is the School's most important asset and, while they seek to add positions, they are also investigating the possibility of shifting their resources/positions.

Labor Contracts – They are currently in Year Two of their three-year agreement for Certified Contract Agreement, with a 2.95% salary increase, and Year Three of their Non-Certified Contract Agreement, with a salary increase of 2.75%

Shared Services – The efficiencies gained from sharing their services with the Town of Salem include Health, Liability, Property, and Workers' Compensation Insurance, Auditing Services, Building, and Ground Maintenance, Weekend Maintainers, Co-Operative Purchasing, Consortiums, and RESCs (Regional Education Service Center). They continue to aim to enhance and strengthen their relationship.

Organizational and Enrollment/Staffing/Salary Charts – The Organizational Chart, which indicates their part-time and full-time positions and vendors, and a chart indicating their enrollment, staffing, and salaries since 2010, reflecting their ability to adjust in accordance with their needs, were reviewed.

Enrollment Projections – The total projected enrollment for SY2023/24 is 394 students. The number takes into consideration the available housing stock and area employment trends. The primary unpredictable factor lies in the pre-K and K grade levels. To better project and help prepare for the upcoming school year, the Kindergarten enrollment period began earlier than usual. Thirty-five (35) Kindergarten students (projected 47 students) have registered to date.

Principal & Assistant Principal Salaries – Because the Principal and Assistant Principal salaries are not in line with the neighboring towns, the BOE is seeking to increase their salaries over time and provide an additional stipend to create parity and ensure continuity in leadership. Both positions are non-Union and contractual. *Clerk Collins questioned the validity of the comparisons based on their longevity.*

Non-Lapsing Fund – The possibility of establishing a Non-Lapsing Fund was, again, raised, for any unanticipated special education, capital, technology, etc. costs. He added that several potential SPED issues within the District could dramatically negatively affect their future budget. *Clerk Collins noted that the Non-Lapsing Fund is similar to the town's Unassigned/Assigned Fund Balance or Rainy-Day Fund, which is often criticized.*

## **Conclusion**

Superintendent Hendrickson stated that the presentation and any follow-ups would be e-mailed to the Board Members and posted on the Salem School District website.

## **Questions**

Interventionist Support (Board Member Bourgeois) – The current Interventionist Support positions (1.24 FTE) are certified. The proposed Interventionist Support positions would be non-certified; the individuals would work under the certified Interventionist.

Tuition Costs (Chairman Dickson) – The ELHS Tuition Costs are locked in.

Average Teacher Tenure/Turnover Rate (Board Member Rucci) – The majority of teachers retire in Salem. It was estimated that an average of one or two teachers every two years move to a comparable position to either work closer to their residence and/or receive increased pay.

Proposed Kindergarten Teacher (Board Member Bourgeois) – Based on the projected 47 Kindergarten students, the BOE is preparing to hire an additional teacher. It was explained that School Districts traditionally post for anticipated positions with conditional offers of employment based on the final class size. There are currently two (2) Kindergarten Aides (one (1) for each classroom). Should an additional class be added, the three (3) classrooms will share the two (2) Aides.

Tutors – Special Ed – BOE Funded (4.15 FTE) & Instruction Aides – Special Ed – BOE Funded (1.0 FTE) (BOE Budget Booklet, Page 2a) (Board Member Bourgeois) – Business Manager Gadaree explained that the positions previously existed and were separated for clarity to distinguish between General vs. Special Education Tutors and Instructional Aides, at the request of the BOE. The additional positions are the two (2) part-time Interventionist Support positions (1.24 FTE).

Principal/Assistant Principal Salaries (Board Member Rucci) – The BOE has reviewed and researched the attractability of its Superintendent, Principal, and Assistant Principal positions and found, with great difficulty, that the salaries would be determined on a case-by-case basis. He noted the current shortage of individuals working in the education industry. *Clerk Collins noted that the Principal/Assistant Principal positions were, at one time, 10-month, rather than 12-month, positions.*

Principal/Assistant Principal Stipends (Clerk Collins) – A supplemental sheet will be provided to the Board in the future indicating the stipends and their respective positions for transparency purposes.

Superintendent (Board Member Bourgeois) – The Region 18 Superintendent covers Lyme/Old Lyme.

Non-Lapsing Fund and the MBR (Minimum Balance Requirement) (Board Member Bernier) – The allocation of funds through its Non-Lapsing Account would not be included as part of the MBR formula, thereby having a positive effect. Should funds be allocated through a Town Meeting, the amount would be included as part of their budget, thereby raising the MBR. *The BOE will verify and confirm that this is so.*

ELHS and Out of District Services Projections (Board Member Bourgeois) – The projected budget for the ELHS Program and Out of District Services indicates a reduction based on their current knowledge. It is unknown whether the number of ELHS students and Out of District costs would reduce or increase in the following years. The numbers are estimated based on the number of eighth-grade students and past trends. Clerk Collins

added that, due to the pandemic, the decreasing numbers appear consistent with the current trends. Superintendent Hendrickson stated that the School has begun informing the students of their options earlier in the school year to help the BOE better prepare for the future.

Legal Fees (Clerk Collins) – The Legal Fees are projected to increase by 283.91% due to Non-Certified Contract Negotiations. The Contract is negotiated every three (3) years.

Non-Union Increase Set Aside (Clerk Collins) – The funds are allocated to the salaries of the Superintendent, Director of Student Services, Business Manager, and Director of Facilities. Clerk Collins expressed his dismay with the lack of transparency regarding the line item and felt it was misleading to the voters; he recommended the increases be included in the line items for the respective positions, which indicates a 0% increase. BOE Chairman Reith stated that it allows the BOE to increase the salaries based on their performance, rather than providing a blanket increase.

Chairman Dickson stated that he was pleased with the improvements made to their budget and thanked them for their efforts and for providing an informative presentation. Clerk Collins concurred while expressing some of his reservations and concerns about the long-term sustainability of the budget.

**M/S/C: Rucci/Cadwell, to approve the appropriation of funds in the amount of \$11,392,501.00 for the Board of Education (BOE), subject to review and/or revision, pending approval at the Board of Finance's March 24, 2022 Regular Meeting. Discussion: Board Member Bernier expressed his understanding of the unpredictable elements within the BOE Budget and his observations of the current budget's status. Board Member Bourgeois stated her observations of last and this year's budget and her concerns with the substantial increase of approximately \$572,000.00 in the Salem School budget, alone, and the tremendous increase in the BOE Budget over the last three (3) years. Board Member Griggs stated that the utilities, heating fuel, and bus fuel increases should be considered and eliminated from the equation. BOE Chairman Reith stated that the increases include the following items:**

<b>Salaries &amp; Wages</b>	<b>\$ 269,760.00</b>
<b>Additional Benefits</b>	<b>\$ 63,000.00</b>
<b>Special Education Services</b>	<b>\$ 25,000.00</b>
<b>Instructional Supplies</b>	<b>\$ 19,000.00</b>
<b>Equipment</b>	<b>\$ 78,744.00</b>
<i>(includes Computers, Non-Instructional, and Band Equipment)</i>	



**Business Manager Gadaree explained the increased cost for the additional positions:**

<b>Teachers – Core (21.8 FTE)</b>	<b>\$ 33,484.00</b>
<b>Teachers – Student Services/Prof. Staff (12.2 FTE)</b>	<b>\$ 95,667.00</b>
<b>Interventionist Support (1.24 FTE)</b>	<b>\$ 36,618.00</b>

The remaining amount includes the annual wage increases and stipends for coaches, journalism, jazz band, math counts, and the like. BOE Chairman Reith noted the reductions in the proposed FY2023/24 BOE Budget.

**Curriculum** (Clerk Collins) – BOE Chairman Reith stated that, due to the lack of in-building support for the teachers, the curriculum is currently not shared with East Lyme. Superintendent Hendrickson concurred, adding the importance of having an on-site individual to help oversee and organize the structure of the curriculum. He also noted the hidden costs that could be associated with aligning their curriculum with the East Lyme School System. The lack of a dedicated individual for the School's curriculum was recognized as one of their primary issues. The Superintendent provided the Board with a summary of mandates for School Districts.

Board Member Bourgeois noted her struggles with the proposed budget based on the reductions and increases in comparison to the previous year's budget and the successful progress of the children. Board Member Bernier noted that the proposed budget is \$65,000.00 away from the MBR. While commending the improvements within the budget, Clerk Collins agreed with Board Member Bourgeois, adding that the increases are not sustainable, the need to address the long-term issues, and the BOE's lack of transparency, citing the increased spending for approximately the same number of children.

**Roll Call vote, 4-2. Voting in Favor: Board Members Cadwell, Griggs, Rucci, and Dickson. Voting in Opposition: Board Members Bourgeois and Collins.**

#### **4. LIAISON REPORTS**

##### **a. BOE**

Board Member Liaison Griggs reported that, as earlier discussed, based on the predicted increase in Kindergarten enrollment, an additional teacher might be necessary. The State Health Insurance rate is currently estimated to increase by 7.5%.

##### **b. EMERGENCY SERVICES**

Emergency Services Liaison Bourgeois reminded everyone to sign up for the Everbridge Emergency Notification System.

Clerk Collins reported that the proposed Senate Bill regarding the increased Medicaid Reimbursement Rates did not advance.

**5. DISCUSSION REGARDING DEDICATION FOR ANNUAL REPORT**

Following their last meeting, First Selectman Chmielewski drafted a Dedication for Joan Golubek and Board Member Griggs volunteered to draft a Dedication for William Schultz.

First Selectman Chmielewski reported that he has spoken with Ms. Golubek's family, who expressed their pleasure and honor.

**M/S/C: Cadwell/Collins, to add Dedications to Joan Golubek and William Schultz for the FY2021/22 Annual Report. Discussion: None. Voice vote, 6-0, all in favor.**

**OLD BUSINESS:** *none*

**ADJOURNMENT**

**M/S/C: Cadwell/Rucci, to adjourn the meeting at 9:31 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

**A VIDEO RECORD OF THE MEETING CAN BE FOUND ON THE TOWN'S WEBSITE UNDER BOARDS & COMMISSIONS – BOARD OF FINANCE – MEETING VIDEOS**