

**TOWN OF SALEM
BOARD OF FINANCE
REGULAR MEETING MINUTES
THURSDAY, JANUARY 11, 2024 – 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
Corinne (Cory) Bourgeois, Clerk
Kate Belleville
John Bernier
Deborah Cadwell
Janet Griggs
Maryann Casciano, Alternate
James Moran, Alternate
Matt Rucci, Alternate

ABSENT

none

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:

Horace Lindo, 542 Flanders Road, Oakdale

SEAT ALTERNATE, IF NEEDED: *none*

COMMUNICATIONS:

- a. Copy of an email from former Board Member Clerk Marshall Collins regarding the Opioid Settlement Funds, PA 23-92

AGENDA:

1. APPROVAL OF MINUTES: DECEMBER 14, 2023 BOF MEETING

**M/S/C: Griggs/Bourgeois, to approve the December 14, 2023 Board of Finance
Regular Meeting Minutes. Discussion: None. Voice vote, 6-0, all in favor.**

2. PUBLIC COMMENTS

Horace Lindo, 542 Flanders Road, Oakdale, reported that the Fire Company has been in contact with Tracie Chase from King, King & Associates, P.C., and an Audit of the Ambulance Funds is in progress.

3. TREASURER'S REPORTS

A. REVENUE SUMMARY

B. TRIAL BALANCE

C. FUND BALANCE

D. OTHER

Treasurer Pam Henry reviewed the Balance Sheet and Budget vs. Actual Reports. Board Member Rucci thanked her for sending them the current rate information for the STIF (Short-Term Investment Fund) Account/TRB (Teller Tributes). In response to Board Member Bernier, Treasurer Henry and Finance Specialist Jablonski stated that there are very few, if any, items that are 100% expended to date. She noted that the entire amount that has been received, to date, for the Opioid Settlement Funds (Line Item 420000-444) will be reflected in next month's report.

4. FIRST SELECTMAN'S REPORT

First Selectman Chmielewski wished everyone a Happy New Year and stated that a copy of his Selectman's Report will be provided to the Board. He thanked the Board of Finance, Board of Selectmen, Department Heads, and Board and Commission Chairpersons for starting the budget process and Clerk Bourgeois and the Finance Specialist for hosting the Budget 101 Training Sessions. He also expressed his pride in the town's Emergency Management and Emergency Services team, Public Works Department, and Town Hall staff for their teamwork and collaborative efforts in preparing and handling of the recent storm event(s).

Emergency Management Director Mike Bednarz provided a review of the recent storm event. The team met and prepared for the heavy winds and rain, which were not as severe as initially predicted. Approximately 20% of the town was without power, including a significant power outage in front of the GLVFCO; major flooding resulted in closures at the rotary; Darling, Gungy, and White Birch, Witch Meadow Roads, and; Routes 82, 85, and 354. During and after the storm event, Firefighters, Resident State Troopers, and Public Works crews were situated at select locations to physically assess the status of the roads and determine alternative routes. The team is currently assessing the damages and he is in contact with the Region 4 DEMHS (Connecticut Division of Emergency Management and Homeland Security) Director to assess and improve their procedures and emergency operations. He thanked everyone for their assistance, especially the town's Emergency Responders, Public Works Crew, and Selectman Kevin Lyden. Another storm is expected tomorrow evening into the following day.

First Selectman Chmielewski reiterated his appreciation and pride of the team for their proactive actions and ongoing collaboration to help prepare for and smoothly handle such storm events. A State of Emergency was declared and the town will be seeking a potential reimbursement for the damages. He also thanked former Board Member Marshall Collins for his assistance in receiving over \$10,356.27 in Opioid Settlement Funds. Part of the funds will be used to help enhance the town's Employee Assistance Program and Narcan (Naloxone HCI) Stations. He also reported that he is in constant communication with the Salem School District Superintendent Brian Hendrickson to address School Security and Safety. He also thanked the Finance Specialist for her presence at this evening's meeting, enabling her to make real-time adjustments in preparation for the FY2024/25 Budget.

5. SALEM VOLUNTEER FIRE COMPANY (SVFCO) BUDGET ISSUE

SVFCO Chief Maiorano stated that there is approximately \$3,700.00 remaining in the Fire Company's budget as a result of the unexpected major breakdowns of their equipment, including the ladder and tanker trucks. He requested a Supplemental Appropriation of \$10,385.00 to fund the repairs and cover their anticipated bills for the remainder of the fiscal year. He noted that the Fire Company has purchased items using funds that were raised through their fundraisers.

Because the January Board of Selectmen Regular Meeting was canceled, Chairman Dickson stated that the Board of Finance's approval for the Supplemental Appropriation would be contingent upon the Board of Selectmen's approval.

First Selectman Chmielewski thanked SVFCO Chief Maiorano for his partnership with the town to resolve the issues. Clerk Bourgeois concurred, adding that she has been working closely with the Chief over the past two months to discuss the matter. She stated the importance of having their Tanker Truck in working condition.

Concerning the Squad Vehicle Squad, SVFCO Chief Maiorano reported that, after discussions with the Fire Marshal, Public Works Foreman, First Selectman, and Members of the Fire Company, it was decided to maintain the vehicle at the Firehouse and utilize it to deploy signs and cones during emergencies. The Public Works Department has agreed to order additional signs and cones and pay for half of the maintenance costs.

M/S: Griggs/Bernier, to approve a Supplemental Appropriation in the amount of \$10,385.00 to Line 5-222-618, SVFC Repair/Maintenance of Equipment, per Section 10.09 of the Salem Town Charter. Discussion: Discussion ensued regarding whether the funds would be sufficient. The Board agreed to increase the Appropriation by \$1,000.00.

M/S/C: Griggs/Bernier, to approve a Supplemental Appropriation in the amount of \$11,385.00 to Line 5-222-618, SVFC Repair/Maintenance of Equipment, per Section 10.09 of the Salem Town Charter

6. CAPITAL EXPENDITURE REVIEW AND ACTION ITEMS

a. Salem Volunteer Fire Company

SVFCO Chief Maiorano presented the Capital Requests for the Fire Company.

Fire Gear and Fire Hose \$ 21,100.00

The cost for the gear has increased to \$6,200.00 per set; they are requesting funding for three (3) sets. The remaining funds will be allocated to hose replacement. The gear will comply with the state's new Cancer Policy, which requires that each member has two (2) sets and be cleaned two (2) times a year and after each use. The state is also requiring all towns to pay \$10.00 (ten dollars) per firefighter per year to help fund the Cancer Bill. The Fire Companies are currently drafting a Gear Policy.

Tanker 121 Replacement \$ 700,000.00

The current 1999 Tanker Truck has reached its 25-year life expectancy. Republic First National, who provided financing for the Ladder Truck, is accepting payments after two (2) years of the order date to accommodate the supply chain issues. A new truck is estimated to take up to four (4) years to receive. The current interest rate of 5% is expected to slightly drop in March 2024. Other options include purchasing a demo truck, which is comparable to their current truck and would be ready in July 2024, for \$656,000.00 or refurbishing their current truck, which would take one-and-a-half years to complete, for \$250,000.00. A vendor has guaranteed \$80,000.00 to purchase their current truck. Due to the supply chain issues, the funding for the new truck must be immediately approved and available.

MagneGrip System Pro Upgrade \$ 27,220.00

The current exhaust systems, which were installed in 2015, must be replaced at both Fire Stations. The replacement will comply with the state's new Cancer Bill. The pricing is the same to upgrade the systems together or separately.

Meeting Room Floor Sanding and Refinishing \$ 5,500.00

The floor has not been refinished in over eight (8) years and is need of attention to avoid a complete replacement.

TOTAL \$ 753,820.00

SVFCO Chief Maiorano informed the Board that the SVFCO Board of Directors approved the allocation of \$5,000.00 from their own funds to replace the signage and exterior retaining wall. He also wished to clarify the funding for the maintenance of the building as the expenses are paid through both the town's and firehouse's operational budgets. He requested that either a line item be added to the Fire Department's budget or the items be paid for by the town.

b. Gardner Lake Volunteer Fire Company

GLVFCO Board of Directors President Cheryl Philopena presented the Fire Company's Capital Requests in lieu of GLVFCO Chief, Deputy Chief, and Assistant Chief, who were either working or were out of town.

Firefighting Turnout Gear and Hose \$ 14,000.00

Replacement of Building Roof \$ 64,000.00

The current shingle roof is leaking in the Bay and the Hall, which is actively utilized for meetings, health & safety courses, public and private events, town events, and various community organizations. She will inform the Board as to whether the cost includes the de- and re-installation of the solar panels. Board Member Casciano confirmed that the building is owned by the Fire Company.

TOTAL \$ 78,000.00

c. Public Works

Public Works Foreman Tony Gallicchio presented the Capital Requests for the Public Works Department

Old Library Carpeting \$ 6,000.00

The Old Library has been remodeled and will be available for town and community organizations following the installation of commercial carpet squares. First Selectman Chmielewski added that they are in the process of furnishing the building. The building will not be rented and will not generate any revenue.

S-1 Utility Vehicle Replacement \$ 40,000.00

The current 1999 SUV, which was inherited by the SVFCO, is the Foreman's primary vehicle. The vehicle is not an immediate need and he is open to purchasing a used vehicle. The Department currently has an SUV and a pick-up truck and is in need of an additional vehicle to accommodate all of the employees. No estimates were provided.

Large Plow Truck \$ 285,000.00

Commercial Mower \$ 21,000.00

Commercial Mowers are used to maintain the fields. The vendor varies, depending on the available engines and pricing. The average life expectancy is approximately eight (8) years; the current mowers are 11 and 13 years of age.

Road Improvement \$ 450,000.00

A portion of this year's Capital Funds for Road Improvement will be expended the following fiscal year due to issues encountered with the vendor. Traditionally, the Board allocates the funds with a 2% annual increase.

Small Dump Truck Plow \$ 205,000.00

The prices for the small dump truck are consistently increasing. The new dump truck would replace their current 2000 truck and cannot be used as a utility

vehicle for the Foreman and it would not be cost effective to place a utility body on the old dump truck.

Transfer Station Safety Railings & Wire Mesh \$ 10,000.00

The grants that are offered for such projects are minimal and cannot be used for the maintenance of equipment. The services of a new metal vendor were obtained, which will result in an annual savings of approximately \$27,000.00.

TOTAL \$ 1,017,000.00

d. Board of Education (BOE)

Superintendent Brian Hendrickson introduced their new Director of Facilities Chris Lund, who is being shared with East Lyme Public Schools, and has been instrumental in the School building project, resolving the School's drainage issues. He has made an immediate impact and is a tremendous asset to School District and the Town. Director of Facilities Lund thanked the Superintendent for his kind words and presented their updated 10-year Capital Plan.

Replacement of 1994 Boilers (South Wing) \$ 35,000.00

While the amount was increased to accommodate the state prevailing wage laws, it has also been reduced from its originally requested amount of \$50,000.00 following a recalculation of the numbers. The current boilers are past their estimated life expectancy.

Replace Wall Padding – Multipurpose Room \$ 38,780.00

The current wall padding is over 30 years of age and is sagging and losing its elasticity and impact protection.

New Stage Curtains – Gym Stage \$ 12,000.00

The current stage curtains, which have become brittle and torn, were installed in the 1990s and lack the required certifications reflecting that they are fireproof or have been coated for fire resistance.

Replace Corridor Lockers \$ 77,736.00

The project would involve either a complete de-installation and/or refacing of the lockers. The lockers are well-used and the locking mechanisms are consistently in need of replacement.

Fire Alarm Upgrade \$ 116,900.00

The current system is fully operational and notifies them when a fire is detected in a certain zone. The upgrade would include software and panel upgrades that would provide a more accurate location of a fire, resulting in a quicker response time and reducing or eliminating false alarms.

Repair Uneven Concrete Walking Areas	\$ 10,000.00
<i>The cost includes the grinding down of certain areas to eliminate the tripping hazards as well as the replacement of select sections due to their condition. The project would not exceed \$10,000.00.</i>	
Replace Floor – Multi-Purpose Room	\$ 46,500.00
<i>The current flooring, which was installed in 1994, includes indentations and penetrations from the seating and volleyball nets and is deteriorating at the entrances/exits. The estimate was updated from their original request of \$40,000.00 and is dependent on the condition of the underflooring.</i>	
Indoor Air Quality Inspections/Service	\$ 25,000.00
<i>The deadline for the newly instituted state-mandated Inspections/Services is December 31, 2024. The inspections will be conducted during the summer months when the building is empty.</i>	
Full Building Duct Cleaning	\$ 35,000.00
<i>The duct cleaning will improve the indoor air quality of the building.</i>	
TOTAL	\$ 396,916.00

The Board Members commended him on presenting a clear and detailed packet.

Prioritization of Indoor Air Quality Inspection/Service (Board Member Bourgeois) – The requests were presented in order of priority. The Inspections are not of high priority as the deadline is anticipated to be extended. Currently, there are eight (8) companies who are certified to conduct the inspection and most school districts have not yet begun the process. Based on another state mandate that requires school districts to complete an Indoor Air Quality Checklist, the penalty for not completing the requirement may be a disqualification of state distributions for construction grants.

Available Grants (Clerk Bourgeois) – Funds may be available for Indoor Air Quality related items. The previous round of grants, which were quite restrictive, recently closed and the next cycle is expected to open soon. There is no funding available that he is aware of for the safety items.

State Reimbursements (Board Member Bernier) – State Reimbursements (Board Member Bernier) – There are two (2) primary types of school reimbursements: A Non-prioritization List, which includes roofing projects, and a Prioritization List, which is provided annually and tends to be for larger projects. While there is little to no funding for smaller projects, such as those being requested, he plans to submit the necessary paperwork for possible reimbursement.

COVID-19 Funds (Chairman Dickson) – Business Manager Gadaree stated that, while their ARPA Funds were eligible for air quality-related items, it was decided to utilize the funds for student programming.

Plant Replacement Value (PRV) (Board Member Casciano) – The PRV is determined by multiplying the square footage (SF) by \$500.00/SF and is based on the State of Rhode Island's requirement for its schools to maintain a Maintenance Fund.

Prioritization of Walkway vs. Corridor Locker Replacement (Clerk Bourgeois) – There are safety issues related to both items.

e. Recreation

Recreation Commission Chairperson Mary Durkee presented the Capital Request for the Recreation Commission.

Pavilion @ Volunteer Park \$ 85,000.00

The Commission is seeking to expedite its Capital request for the Volunteer Park Pavilion from the FY2025/26 to FY2024/25 Capital Plan. The Commission's original plans, which included a septic system, volleyball courts, and a horseshoe pit, have been pared down to accommodate the current needs of the community. With the recent opening of the Disc Golf Course and the usage of the fields by the Salem School Soccer teams and summer soccer camps, the use of the Park is expected to increase. Future plans for the park include an ADA-accessible walking trail to accommodate the town's growing senior population and the installation of interactive play stations.

TOTAL \$ 85,000.00

Additional Parking (Board Member Casciano) – Plans are being made to provide additional parking for the public.

Picnic Tables (Board Member Casciano) – It is planned and hoped that the funding for the picnic tables that would be placed under the Pavilion can derive from the Commission's operating budget and/or a fundraising/sponsorship campaign.

Round Hill Road Soccer Field (Board Member Casciano) – Public Works Foreman Gallicchio stated that the field's flooding issue is being investigated.

First Selectman Chmielewski expressed his appreciation to and commended Chairperson Durkee and the Commission for their proven track record for good stewardship.

Clerk Bourgeois commended and thanked her for presenting a detailed packet for an item that would serve the entire community, both young and old.

f. Public Safety

Fire Marshal Tom Main presented the Capital Request for Public Safety.

Firefighter Turnout Gear Storage Racks \$ 3,000.00

As the pandemic winds down, many of the volunteers have returned requiring additional space to store their gear. The Racks would be installed at the Salem Volunteer Fire Company.

Firefighter Turnout Gear	\$ 18,600.00
Radio Equipment/System Upgrade	\$ 265,250.00

The upgrades would allow both Fire Companies and the Emergency Operations Center to connect with the state's radio system. The upgrades include the purchase of new portable radios, base station radios, chargers, and antennas. The equipment will be interchangeable and will standardize a currently mismatched system. The system will also be compatible with the radio systems for the surrounding towns, including Bozrah, Colchester, and Montville. The Dispatch Center is also planning to upgrade its towers and, should the funding be approved, the town's tower upgrades would be pushed to the top of the list. The upgrade will also improve the safety of the emergency responders and improve their communications. Additional radios will be available for use by Public Works, as necessary.

TOTAL	\$ 286,850.00
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State-Mandated Upgrade (Clerk Bourgeois) – Fire Marshal Main confirmed that the upgrades are state-mandated.

Grant Status (Clerk Bourgeois) – It was confirmed that a joint grant application was submitted and denied.

Phasing In (Chairman Dickson) – An additional 10% was added to the estimated cost of the upgrades to the previous year's state bid amount of \$241,000. Once the funding is approved and a commitment is made, it will take 6 to 12 months for the state to approve the plan. The funding may be evenly divided over three years.

g. General Government

First Selectman Chmielewski presented the Capital Request for the General Government.

Town Hall and Property Security & Safety Monitoring System Upgrades	\$ 34,978.00
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The upgrades to the town's current system would help ensure and improve the safety of the town's employees, residents, school children, and staff. The existing system would be upgraded and expanded to include the installation of cameras in additional areas. Some of the buildings have been pre-wired in preparation for the project. The upgrades will also minimize the number of faulty alarms.

TOTAL	\$ 286,850.00
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Board of Selectmen Approval (Board Member Casciano) – The Board of Selectmen was not able to hold their regularly scheduled meeting due to illnesses and will be holding a Special Meeting next week to discuss and approve the request.

Incremental Financing (Chairman Dickson) – The upgrades may be conducted in stages.

Available Grant Funding (Clerk Bourgeois) – He is not aware of any available funding for the upgrades.

Emergency Preparedness Agency

Emergency Management Director Michael Bednarz presented the Capital Request for the Emergency Preparedness Agency.

Emergency Operations Center (EOC) Relocation/Enhancement \$ 70,000.00

The enhancements would involve the west side of the Old Town Hall which includes the Conference Room; Emergency Operations Center, and; Emergency Management Director, Fire Marshal, Wetlands, and Zoning Officer/Town Planner offices. As the town grows and more manmade and natural emergencies occur, an enhanced space to accommodate a larger number of individuals to streamline the procedures and ensure their efficiency and effectiveness is more necessary. The Board Members were invited to a short tour of the space. They will be investigating possible grants for the project.

TOTAL \$ 70,000.00

Estimated Amount (Board Member Casciano) – The estimated cost for the project includes the services of an Engineer and Architect to draw up plans for the project, the installation of an HVAC System, moving the roof antennas to the radio tower, and associated wiring, window replacements, carpeting, and the like.

STEAP (Small Town Economic Assistance Program) Funds (Clerk Bourgeois) – First Selectman Chmielewski stated that some of the funds for the Town Hall upgrades may be used for the enhancements.

Prioritized List (Clerk Bourgeois) – The priority is to move the antennas from the roof to the tower; an estimate of \$8,000.00 was received two years prior. Engaging the services of an Engineer and Architect to draw up plans is the second priority. The stairwell would be included in phases two or three. Clerk Bourgeois requested that the items be prioritized and up-to-date estimates be provided, along with a long-range plan.

Board Member Rucci felt that it would be beneficial to have a holistic plan for the building. Finance Specialist Jablonski concurred and proposed the possibility of conducting an assessment of the entire Town Hall rather than one section of the building, citing the lack of space and the issues and condition of the building that require attention.

The Board Members will review the Capital Requests for further discussion and evaluation. Board Member Bernier noted that, should all of the Capital Requests be approved, the town would be faced with a 3-mil tax increase.

7. BOE MBR (MINIMUM BUDGET REQUIREMENT) ISSUE

Board Member Bernier requested clarification on the deadline date for action and an explanation of their non-compliance. He recalled that their discussions and reasoning for reducing the School Budget without fear of violating the state's MBR Requirement did not involve the net reduction in the number of students. Rather, it dealt with the town not maintaining a high school. He cited the following sections of the Connecticut General Statutes:

Sec. 10-262j. Minimum budget requirement.

(a) ...for any fiscal year, the budgeted appropriation for education shall be not less than the budgeted appropriation for education for the prior fiscal year, plus any aid increase described in subsection (d) of section 10-262i, except that a town may reduce its budgeted appropriation for education for the fiscal year, by one or more of the following:...

(3) Any district (A) that does not maintain a high school and pays tuition to another school district pursuant to section 10-33 for resident students to attend high school in another district, and (B) in which the number of resident students attending high school for such district for October first of the prior school year, using the data of record as of January thirty-first of the prior school year, is lower than such district's number of resident students attending high school for October first of the school year before the prior school year, using the data of record as of January thirty-first of the school year before the prior school year, may reduce such district's budgeted appropriation for education by the difference in the number of resident students attending high school for such years multiplied by the amount of tuition paid per student pursuant to section 10-33,...

Sec. 10-33, Tuition in towns in which no high school is maintained. This section speaks of the designation of a high school.

Sec. 10-158a, Cooperative arrangements among towns. School building projects. Student transportation. According to the letter from BOE Chairman Sean Reith to Chairman Dickson, dated November 14, 2023, "Salem and East Lyme are under a cooperative arrangement per 10-158a so they are not eligible for the designated high school deduction."

A brief discussion ensued regarding the matter. Business Manager Gadaree explained that she submits the required information to the state annually and, based on that information, the state determines their compliance. Superintendent Hendrickson stated that he would request further clarification from the state regarding their determination. Board Member Bernier will forward the specific questions. The deadline for a response is believed to be June 2024.

8. LIAISON REPORTS

a. BOE

Board Member Liaison Griggs provided the highlights of her report. The Superintendent has presented his initial FY2024/25 BOE Proposed Budget for review. The proposed budget includes a 6.37% increase in the maintenance portion due to price increases and a 1.18% in enhancements, which includes an additional School Psychologist and Registered Behavior Technician and LEARN Human Resources support. The School Board is taking an aggressive stance on contracts that are up for renewal. The budget will be further discussed during their Special Budget Work Sessions.

b. EMERGENCY SERVICES & SAFETY – *see item 6(g)*

Board Member Bernier expressed his wish for a plan based on the Emergency Services Study in relation to their Capital Requests, which would enable the Board to plan their future expenses and present the budget to the public. Board Member Cadwell questioned whether the EOC's goal is to maintain the Center in the Town Hall or move to another building, i.e., the Zemko House. Finance Specialist Jablonski stated that some of the recommendations included in the Study will require changes to Ordinances and the Town Charter.

Finance Specialist Jablonski announced that the Auditors are currently reviewing a draft review of the Audit and are tentatively scheduled to provide a presentation to the Board on January 25.

OLD BUSINESS – *none*

ADJOURNMENT

M/S/C: Cadwell/Griggs, to adjourn the meeting at 10:19 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.