

**TOWN OF SALEM  
BOARD OF FINANCE  
REGULAR MEETING MINUTES  
THURSDAY, AUGUST 8, 2019 – 7:00 P.M.  
SALEM TOWN OFFICE BUILDING**

**PRESENT**

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

**ABSENT**

Maryann Casciano, Alternate  
Michael Jensen, Alternate

**ALSO PRESENT**

First Selectman Kevin Lyden

**CALL TO ORDER:**

Chairman Dickson called the meeting to order at 7:03 p.m.

**RECOGNITION OF VISITORS:** *none*

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

**COMMUNICATIONS:**

- a. Copies of correspondence received from the Gardner Lake Volunteer Fire Company.
- b. A copy of a letter from Board of Education (BOE) Chairman Sean Reith requesting a Joint Committee Retreat between the Boards of Selectmen, Finance, and Education to discuss Salem’s values and engage in an open dialogue.

Discussion ensued regarding the BOE’s request for a Joint Retreat. While in favor of the idea and intent of the meeting, Clerk Collins felt that, for logistical reasons, it might be more beneficial if, at least preliminarily, two members from each of the Boards were appointed, forming a working group. Board Member Griggs stated that a very useful and successful joint meeting was once held and expressed her concerns regarding the limited perspective(s) that would be offered without the presence of all of the Board Members. First Selectman Lyden reported that he has spoken with the Town Attorney regarding the matter and, recognizing that the roles of each of the Boards are clearly defined in the Town Charter, the Board of Selectmen agreed that a meeting with the three Boards would prove cumbersome. As such, should all of the Boards be in agreeance, the Board of Selectmen appointed two Selectmen (First Selectman Lyden and Selectman BOE Liaison Hugh McKenney) to represent them and attend the meeting.

**ADDITIONS TO THE AGENDA:** *none*

**AGENDA:**

**1. APPROVAL OF MINUTES: JULY 11, 2019, REGULAR MEETING**

**M/S/C: Houchin/Salas to approve the Regular Meeting Minutes of July 11, 2019. Discussion: In response to Clerk Collins, the primary reason for the transfer request of \$6,000.00 for Town Counsel (Item 5, First Selectman Transfer Requests) is to cover the costs of the FLSA (Federal Labor Standards Act) issues. Voice vote, 5-0-1. Voting in Favor: Board Members Dickson, Cadwell, Griggs, Houchin, and Salas. Voting in Opposition: None. Voting in Abstention: Board Member Collins.**

**2. 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 with the Board, stating that there were no unusual occurrences. The figures for Line Item 410000 - General Property Tax, is scheduled to come in on Monday, August 12 and a revised report will be e-mailed to the Board and will be reflected in next month's reports.

**3. PUBLIC COMMENTS: none**

**4. SELECTMAN'S REPORT**

First Selectman Lyden reported that, following July's Board of Selectmen meeting, one of the residents located on Route 354, who opened his property for the parking of, reportedly, up to 60 vehicles, voluntarily came to Town Hall and spoke with the Zoning Enforcement Officer, offered his apologies and promised to cease the activity; the resident has since posted No Parking signs on his property. In response to his letter to the CT DEEP (Connecticut Department of Energy and Environmental Services) Commissioner, Seasonal Conservation Officers and EnConn Police have been monitoring the entrance to the parking lot. In addition, following the receipt of eight (8) surveys from the residents on Lake View Avenue, seven (7) of whom are in favor of instituting a No Parking/Tow Away Zone, the Board of Selectmen voted to approve the establishment of a No Parking/Tow Away Zone for Lake View Avenue between the dates of June 15 and September 15. The Zone will be reviewed with the Resident State Trooper(s) and signage will be ordered by the Public Works Director. The Resident State Troopers have also been ticketing vehicles parked along Route 354 and are actively monitoring the activity around the Lake.

Due to extreme heat, the Library and Town Hall served as the Cooling Center for residents on Friday, July 19 and Saturday, July 20. Both buildings are air-conditioned with restrooms, chilled drinking water and, relatively, comfortable seating.

First Selectman Lyden recently met and discussed a variety of topics with Lt. Governor Susan Bysiewicz and other municipal leaders. Among the topics discussed were unfunded mandates, MBR (Minimum Budget Requirement), costs being passed on to small towns, regional

opportunities, and the honoring of the Korean and Vietnam War Veterans. The Town Clerk and Town Assessor are in the process of generating the list of veterans in the town. She expressed her respect for the smaller municipalities and understands the issues with which they are presented.

In response to Clerk Collins regarding the status of the Board's request to investigate the available options to reduce the cost of the Resident State Trooper program, First Selectman Lyden stated that the options are very limited at this time. East Lyme is currently not ready to offer/expand their services. The Town could also reduce the number of Troopers serving the town to one and hire a Constable but, with the additional salary, fringe benefits, and workers' compensation, the cost may prove prohibitive. The Selectmen are continuing to investigate other available options.

#### 5. FIRST SELECTMAN TRANSFER REQUESTS

The bulk of the transfers are to cover the cost of the Resident State Trooper (RST) Contract, which currently amounts to 85% of the RST Program. Helping fund the line item is an \$11,816.00 transfer from Line Item 5-105-116 – Public Works, Salaries due to an open position in the department. The position is being filled by relief drivers and summer help for the time being.

Clerk Collins recommended that notes regarding the transfers be indicated in the budget for each of the departments for reference during budget season.

First Selectman Lyden stated that he expects to return approximately \$45,000.00 to the Town for the FY2018/20 budget, following the transfers.

**M/S/C: Collins/Griggs, to approve the transfer of the following funds to Line Item 5-210-216, Security, Resident State Trooper Contract, from the following Line Items:**

<u>From Line Item</u>	
5-410-922, Transfer Station, Engineering	\$ 3,976.00
5-410-932, Transfer Station, Trash Tipping CRRA	\$ 3,132.00
5-410-627, Transfer Station, Maintenance/Improvements	\$ 1,785.00
5-710-572, Municipal Insurance, Insurance – Tanks, Bond, Crime	\$ 1,308.00
5-152-826, Town Services, Planning Services	\$ 4,200.00
5-138-802, Employee Benefits, Medical/Dental/Life Insurance	\$ 4,428.00
5-138-803, Employee Benefits, Employer Pension Contribution	\$ 4,200.00
<u>5-105-116, Salaries, Public Works</u>	<u>\$ 11,816.00</u>
<b>TOTAL</b>	<b>\$ 34,845.00</b>

**And from Line Item 5-105-114, Salaries, Administrative Part Time, to the following Line Items:**

5-105-100, Salaries, Selectman	\$ 38.95
5-105-101, Salaries, Administrative Assistants	\$ 717.42
5-105-102, Salaries, Town Clerk	\$ 28.89
5-105-104, Salaries, Tax Collector	\$ 28.80
5-105-105, Salaries, Assistant Tax Collector	\$ 930.25
5-105-106, Salaries, Assessor	\$ 615.19
5-105-108, Salaries, Treasurer	\$ 15.34

<b>5-105-110, Salaries, Registrar of Voters</b>	<b>\$ 62.96</b>
<b>5-105-113, Salaries, Recording Secretary</b>	<b>\$ 769.00</b>
<b>5-105-120, Salaries, Fire Marshals/CP</b>	<b>\$ 919.79</b>
<b><u>5-105-121, Salaries, EMT/Maintenance</u></b>	<b><u>\$ 1,860.41</u></b>
<b>TOTAL</b>	<b>\$ 5,987.00</b>

**And to Line Item 5-140-722, Utilities, Electric New Library, from the following Line Item:**

<b>5-152-826, Town Services, Planning Services</b>	<b>\$ 1,818.40</b>
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**And to Line Item 5-105-119, Salaries, On Call Program, from the following Line Item:**

<b>5-105-118, Salaries, Public Work's Summer Help</b>	<b>\$ 881.50</b>
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**Discussion: None. Voice vote, 6-0, all in favor.**

**6. DISCUSSION REGARDING REVIEW OF AMBULANCE FUNDS BY O'CONNOR DAVIES**

Discussion ensued regarding the review of the financial activities of the Ambulance Funds by O'Connor Davies. The review was conducted in accordance with the 2003 Agreement and has been shared with the Board of Selectmen and Gardner Lake Volunteer Fire Company (GLVFCO). Because the review deals with the Town's finances, the First Selectman is requesting that the Board of Finance also review and discuss the Auditor's review and recommendations. The Fire Marshal's office is currently discussing the Federal Labor Laws – a related, but separate issue. Legal counsel has been obtained to handle the issue(s) regarding the volunteer and paid firefighter(s). The Town is currently in compliance with the Fair Labor Standards Act (FLSA). The GLVFCO, First Selectman, and Auditor agree with the need to update the current Agreement.

In response to Chairman Dickson, First Selectman Lyden stated that there are no stipulations regarding recommended accounting methods in the current Agreement and proceeded to recite the Agreement. First Selectman Lyden suggested that the Board review and discuss the Agreement as well as the Auditor's review then meet with the GLVFCO; he has suggested the same to the GLVFCO.

Based upon the recent communications received from the GLVFCO, Clerk Collins felt that there is a question regarding the definition of "reasonable access". First Selectman Lyden stated that the Auditors have stated that any department seeking funding from the Town should be required to provide their financial information to the Board. Clerk Collins felt that it is the Board's responsibility to fund the line item, but the question as to what information would be considered "reasonable" in order for them to do so remains.

In reviewing the budget report, Board Member Houchin stated that the funding for Department 5-230, Ambulance, is for a variety of items, including equipment, training, insurance, and repair/maintenance, and, because the town and the Fire Company is allocating funds for some of the same items, the funding is confusing and unclear. Additional funding is also provided by the town under

Department 5-140, Utilities. The Fire Company retains the funds received from their medical billing and allocate funds for the ambulance and some medical supplies. The two paid and on-call employees and benefits are funded by the Town. Clerk Collins felt that the funding for both of the Fire Companies should be uniform and the Board should be made aware if the GLVFCO is utilizing funds designated for the Ambulance for the Fire Company. Unfortunately, this would not be possible if the Fire Company is refusing to provide the Board with access to their books.

Board Member Salas stated that, as a non-profit organization, the public has the right to review their financial information. Board Member Bourgeois stated that the GLVFCO and Ambulance should be treated as two individual entities and each should be providing a Profit & Loss Statement to the town on an annual basis or be audited annually in order to determine how to correctly fund the departments. Board Member Griggs stated that the Fire Company has provided annual statements to the Board in past years and proposed the possibility of engaging the guidance of O'Connor Davies to help them determine the acceptable accounting practices for an organization that has a dual purpose. Clerk Collins stated that the Town is faced with three major budgetary issues: Education, Police, and Fire and Ambulance and the Board should have the necessary financial information to make proper and fair decisions. Board Member Houchin concurred and questioned the actual amount that is being utilized for each of the line items for each of the entities.

The Board agreed to review the recommendations included in the Audit Review for further discussion at their next regular meeting. Any questions the Board Members might have for the Auditors may be relayed through the First Selectman.

**7. EXECUTIVE SESSION – REVIEW AND DISCUSSION WITH ATTORNEY ESTEP REGARDING PROPOSED CHANGES OF AGREEMENTS WITH GLVFC**

**M/S/C: Collins/Houchin, to enter into Executive Session for the purpose of reviewing and discussing the proposed changes to the agreements with the Gardner Lake Volunteer Fire Company. Discussions to include First Selectman Kevin Lyden, Selectman Liaison Ronald LaBonte, Town Attorney Brian Estep, Fire Marshal Donald Bourdeau, Jr., and Deputy Fire Marshals Michael Bednarz and John Cunningham. Discussion: None. Voice vote, 6-0, all in favor. The invited parties entered into Executive Session at 8:14 p.m. Chairman Dickson resumed the meeting at 9:19 p.m. No votes were taken during Executive Session.**

**8. MANAGING STATE REVENUE UPDATES: *no discussion***

**OLD BUSINESS: *none***

**ADJOURNMENT**

**M/S/C: Houchin/Salas, to adjourn the meeting at 9:22 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