

**TOWN OF SALEM
BOARD OF FINANCE
REGULAR MEETING MINUTES
THURSDAY, SEPTEMBER 12, 2019 – 7:00 P.M.
SALEM TOWN OFFICE BUILDING**

PRESENT

William “Skip” Dickson, Chairman
Deborah Cadwell
Hernan Salas
Maryann Casciano, Alternate (*seated*)
Corinne (Cory) Bourgeois, Alternate (*seated*)

ABSENT

Marshall Collins, Clerk
Janet Griggs
John Houchin
Michael Jensen, Alternate

ALSO PRESENT

First Selectman Kevin Lyden

CALL TO ORDER:

Chairman Dickson called the meeting to order at 7:05 p.m.

RECOGNITION OF VISITORS: *none*

SEAT ALTERNATE IF NEEDED:

M/S/C: Cadwell/Salas, to seat Alternate Members Casciano and Bourgeois. Discussion: None. Voice Vote, 3-0, all in favor.

COMMUNICATIONS: *none*

ADDITIONS TO THE AGENDA: *none*

AGENDA:

1. APPROVAL OF MINUTES: AUGUST 8, 2019, REGULAR MEETING

M/S/C: Cadwell/Salas, to approve the Regular Meeting Minutes of August 8, 2019.

Discussion: None. Voice vote, 4-0-1. Voting in Favor: Board Members Bourgeois, Dickson, Cadwell, and Salas. Voting in Opposition: None. Voting in Abstention: Board Member Casciano.

2. TREASURER’S REPORTS

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

On behalf of Treasurer Pam Henry, who was unable to attend the meeting, First Selectman Lyden stated that there were no unusual occurrences.

2. PUBLIC COMMENTS:

Board of Education (BOE) Chairman Sean Reith thanked the Board for their support in providing the \$100,000.00 to cover their expenses at the end of the last fiscal year for East Lyme High School and reported that the BOE will be returning approximately \$47,000.00 to the Town, due to several unexpected reductions in, primarily, benefits.

At their last meeting, a number of residents spoke in favor of maintaining the School's Pay for Play Program, leading the BOE to vote in favor of reinstating the program. Tasked by the BOE to determine which line items would be cut to run the program, the Budget Subcommittee met with the Superintendent, Principal, and Business Manager and proposed cutting from various line items, including unemployment, reading & language arts materials, district printing, and the math & science curriculum. The cuts, along with the new Title I Grant Funding, will enable the BOE to fund the program.

In addition, under the recommendation of the BOE's Personnel Subcommittee, the BOE voted to reduce the Assistant Principal's employment from 12 to 10 months, which will result in an annual savings of approximately \$16,000.00 to \$21,000.00. The Personnel Subcommittee also recommended not to replace the Superintendent when the time comes, but to merge the position with another, existing position. No formal official notification has been received by the Superintendent regarding his plans to retire or resign from the position.

Other items of note include the increase in student enrollment to approximately 418/419 from 404/408 the previous year. Class sizes are being carefully monitored. The BOE will be engaging in the non-certified teacher negotiations this fall.

An informal joint meeting with Board-appointed members of the Boards of Finance, Selectmen, and Education will be scheduled. While Board Member Casciano suggested the meeting be open to other Board Members, the necessity for the lack of a quorum to maintain the informality of the meeting was stated. To avoid colliding with the budget season, BOE Chairman Reith expressed his preference that the meeting occur prior to November.

While understanding the variances involved, Chairman Dickson requested that the BOE create a five- to ten-year plan based upon their past budgets to create a level target budget and to help them plan their future budgetary needs. BOE Chairman Reith stated that the BOE has extensively discussed ways in which to create a level budget keeping those variations in mind. The variations include the tuition to East Lyme High School as well as the reconciliation process and the enrollment numbers for both General Education and those students requiring Special Services. One option is the establishment of a non-lapsing account that would provide the BOE with the necessary funding during those lean years. Detailed reconciliation records are available and their ability to determine the numbers indicating the services provided and their costs is significantly improving. Chairman Reith reported that the town of East Lyme hired a consulting firm to generate data that was proven to be much more accurate than that provided by NESDEC (New

England School Development Council). The BOE could do the same and utilize that data to create a more accurate projection of the funding that would be necessary.

Brief discussion ensued regarding the trend(s) related to the town's real estate market and active building permits for new single-family residences. First Selectman Lyden welcomed the BOE to use seCTer (Southeastern Connecticut Enterprise Region) to obtain any information regarding the demographics and employment of the area and CCM (Connecticut Conference of Municipalities) for comparisons between municipalities.

The Board thanked BOE Chairman Reith for his report.

4. SELECTMAN'S REPORT

First Selectman Lyden reported that Eversource is currently installing gas lines along Routes 82 and 354. Both are State roads and will be re-paved by Eversource. Route 82 will be paved by the end of the month and they will be working on Route 354 until November.

The Bicentennial Committee has been busy planning the upcoming Heritage Day event, which will be held on Saturday, September 14 from 11:00 a.m. to 3:00 p.m. The restrooms at the Town Hall and Library will be open to the public during the event. The event will be filled with music by the Eight Mile River Band and the CT Valley Field Music Fife & Drum Corps, a Vintage Base Ball Game, Food Trucks, demonstrations and displays by the Emergency Services, and other events and activities. The town's bicentennial celebrations will close at the Town's annual Tree Lighting event in December. A new tree has been ordered and will be planted approximately ten feet closer to the road and centered between the Historical Society and Center School this fall.

A copy of the Proposed Fund Balance Policy, which would serve as a guide for future Board Members, was distributed to the Board for review. He has shared the Policy with both their Auditor at O'Connor Davies and Town CPA Eric Christiansen — both of whom are in favor of the Policy. While the First Selectman did not see the Policy as an urgent need, he did feel that it should be discussed and adopted in the near future by the Board. The Policy recommends an Unassigned Fund Balance between 13% and 17%, with a goal of 15%, of the Town's budgeted expenditures.

In response to Chairman Dickson, there are no additional transfer requests for FY2018/19. The First Selectman is continuing to search for alternative options to the Resident State Trooper program. He felt that the State's current cuts are more manageable. The Town's bond rating of A-3 Positive is being maintained, thanks to the Board's hard work and efforts.

5. AUDITOR RESULTS: GLVFC

M/S/C: Bourgeois/Salas, to table the Auditor Results for the Gardner Lake Volunteer Fire Company. Discussion: Chairman Dickson recommended tabling their discussion until all or most of the Board Members are present. Voice vote, 5-0, all in favor.

In reviewing the Board's past meeting minutes, Board Member Casciano expressed her wish to be part of the Subcommittee to develop projections and generate the trends of the various departments. Board Member Salas also expressed his willingness to serve on the Subcommittee.

OLD BUSINESS: *none*

ADJOURNMENT

M/S/C: Salas/Bourgeois, to adjourn the meeting at 7:58 p.m. Discussion: None. Voice vote, 5-0, all in favor. Meeting adjourned.

Respectfully Submitted by:

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