

**Board of Finance
Regular Meeting
May 16, 2013
Meeting Room A
7:00 p.m.**

Present: James Francis, Chairman, Keith Crehan, Lee Rowley, Campbell Hudson, Fred Vollono. Absent: Jeffrey Woods

Others Present: Norman Needleman, First Selectman
 Robert Dixon, Treasurer
 Kelly Sterner, Finance Director
 Yvonne Roziak, Recording Secretary

Guest: Robert Howard, CPA, Mahoney Sabol & Company, LLP

Meeting was called to order by James Francis at 7:07 p.m.

APPROVAL OF AGENDA:

James Francis asked to move item 7B - Appointment of Auditor – New Business to follow Item 3 – Approval of Minutes.

Motion was made by Keith Crehan to accept and approve the amended agenda with this change. Campbell Hudson seconded the motion and it was unanimously approved. Motion carried.

APPROVAL OF MINUTES:

Campbell Hudson requested additional wording following “Meeting was called to order by James Francis, Chairman at 9:27 p.m.” Adding: “Following conclusion of the public hearing on proposed 2013-2014 Budget.”

Also under “Treasurer’s Report” – replace “except” with “accept” in the Motion regarding the Treasurer’s Report.

Under Old Business – under Motion - delete reference “not to exceed” replace with “of.”

Motion was made by Keith Crehan to accept and approve the amended changes to the minutes. Fred Vollono seconded the motion and it was unanimously approved. Motion carried.

APPOINTMENT OF AUDITOR (from “New Business” Item 7B):

Robert Howard, CPA who has been Partner for the Town’s audit team while employed with Grant Thornton (formerly CCR, LLP) is now with Mahoney Sabol & Company LLP. His departure from Grant Thornton was on good terms and he has agreed to continue to work with the Town of Essex keeping the fee competitive at \$39,500 (current fee was \$42,500) and provide continued customer service that he has supplied to the town in the past. Mahoney Sabol & Company, LLP is a smaller firm which will mean a quicker audit for the town.

Motion was made by Keith Crehan to appoint Mahoney Sabol & Company, LLP as the audit firm for the Town of Essex, seconded by Campbell Hudson. Passed unanimously. Motion carried.

TREASURER’S REPORT:

Robert Dixon, Treasurer distributed the April 2013 YTD Financials. Revenue remained strong with Conveyance Tax indicating a positive variance to budget. Expenses are consistent with forecast; however, the elementary school reduced their anticipated shortfall from \$60,000 to \$30,000. Currently, would anticipate a favorable variance to budget for the year. Bob indicated that if additional closings on the sale of lots in the Foxboro subdivision occur, conveyance tax revenue would improve.

Motion to approve Treasurer’s report made by Keith Crehan, seconded by Lee Rowley. Passed unanimously, motion carried.

SELECTMEN’S REPORT:

Norman Needleman, First Selectman, reported on the removal of the utility pole at the end of the street. This will improve visibility when pulling out of West Ave. It was a collaborative effort between AT&T, Comcast and CL&P in getting this done.

OLD BUSINESS: None

NEW BUSINESS:

Set Mill Rate

The Board of Finance reviewed thoroughly the Mill Rate fact sheet that was distributed. Discussion ensued with regards to the status of car tax and how the state plans to implement it. Norman Needleman, First Selectman, discussed his recent trip to the Capital to discuss this issue and it appears there will be no change to local town tax collections this year. However, the change will most likely happen over a 20 year phase out period on cars over a certain dollar value.

James Francis, Chairman also discussed that a current reduction in interest rates charged on back taxes could negatively impact revenue. Norm Needleman, First Selectman also indicated with several new building projects taking place, revenue should also be going up.

Keith Crehan asked if it is a requirement to go to referendum to approve the Region 4 budget. Norm Needleman, First Selectman responded that a letter has been written and sent by the Town Clerk asking if this is a requirement or can it be by-passed. Still awaiting a response. The regional school budget approval has been by referendum since 2001.

Campbell Hudson made a motion to set the Town of Essex Mill Rate at 18.99 mills. Keith Crehan seconded the motion. Passed unanimously. Motion carried.

Suspense List

The suspense list was submitted by the Tax Collector to the Board for review and acceptance.

Motion was made by Keith Crehan to approve the Tax Suspense List as presented by the Tax Collector in the amount of \$30,045.23 (\$8,873.05 Motor Vehicle, \$1,338.19 Motor Vehicle Supplement and \$19,833.99 for Personal Property). Fred Vollono seconded the motion and it was unanimously passed. Motion carried.

Fund Balance Policy

James Francis, Chairman reminded the Board that a Fund Balance Policy needs to be adopted by the Board. Mr. Francis requested that Kelly Sterner research additional models for a policy as the GASB template language is difficult to interpret. Ms. Sterner will research and will attempt to provide something for the next meeting.

COMMUNICATIONS AND CORRESPONDENCE – None

PUBLIC COMMENT – None

ADJOURNMENT:

Campbell Hudson made a motion to adjourn the meeting at 8:17 p.m. Keith Crehan seconded the motion. Passed unanimously. Motion carried.