

**Town of Essex
29 West Avenue
Board of Finance
Regular Meeting – Meeting Room A
March 27, 2014**

MINUTES

In attendance: Keith Crehan, Chair, Mary-Louise Polo, Fred Vollono, Campbell Hudson
Absent: Don Mesite, Jeffrey Woods.

Others in Attendance: James Francis, Treasurer
Kelly Sterner, Finance Director
Yvonne Roziak, Recording Secretary

CALL TO ORDER: Board of Finance Meeting was called to order at 7:09 p.m.

Approval of Agenda: Motion made by Mary-Louise Polo to approve the Agenda, seconded by Fred Vollono. Passed unanimously. Motion carried.

APPROVAL OF MINUTES:

Campbell Hudson requested the following changes be made to Board of Finance Regular Meeting Minutes of March 20, 2014:

Page 1, under “Others in attendance: - Add “First” after Norman Needleman’s name vs. just “Selectman.”

- Essex Elementary School Board of Education should read “Essex Board of Education” (delete Elementary School) in all references going forward.
- It was agreed by the Board of Finance that Mark Watson of the Essex BOE was not in attendance.

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Page 2, Campbell Hudson suggested adding to all minutes going forward regarding “Financial Report” to add “Kelly Sterner, Finance Director presented the following:”

- Expenditure – last sentence should read “by a leak in our aging roof” (delete “room”).
- EBOE Budget Presentation – 3rd paragraph add “students in” grades 2-6 in Essex and “students in” grades 2-10.

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Motion made by Mary-Louise Polo to approve the amended minutes with regard to the above mentioned items, seconded by Campbell Hudson. Passed unanimously. Motion carried.

BOARD OF SELECTMEN'S 2014-2015 BUDGET:

Norman Needleman, First Selectman, reported that the Board of Selectmen have made the final changes to its 2014-2015 budget proposal and is presenting it to the Board of Finance tonight for review. The selectmen's proposal represents an increase of 3.18% when compared to the present budget.

Kelly Sterner, Finance Director, reviewed with the BOF the Tracking Budget Changes as well as an overall Expenditure Summary by Budget handout and discussed the total increase of \$221,601.00 or 3.18% as stated above. Within the total increase of \$221,601.00, the largest component was changes in payroll which includes salary increases for cost of living, STEP increases, a small increase in hours and the recategorizing of costs in technology from a consulting line to the payroll line as the services are performed in-house. The increase also reflects insurance increases, consulting fees, community payments and allocations which are up \$27,000.00. There were also increases for the Libraries and several Sinking Funds.

Since the BOS meeting approval of the Budget request at their meeting on March 5th, several adjustments were recommended. The net effect was a total BOS Budget of \$7,187,161 for a total increase of \$219,703.00 or a total 3.15% increase over the prior year.

Ms. Sterner also noted that on March 17, 2014 the Sanitary Waste Commission voted unanimously to dissolve the commission. Attorney Royston is re-writing the ordinance to formally authorize this dissolution. There is currently \$800.00 included in the SWC budget and \$4,000.00 in the Legal Budget related to SWC. Bruce Glowac, Selectman, recommended that since we don't know the exact timetable for dissolving the commission, it would be too early to remove the Sanitary Waste Commission (various) budget line item at this point.

First Selectman, Norman Needleman and the Board of Selectmen further recommended increase in the Land Trust (Open Space) line item of \$15,000.00 to the sinking fund request of \$5,000.00.

If approved by the Board of Finance, this would increase the Board of Selectmen's Budget to \$7,202,161 or 3.37%.

Other notable increases to the budget are:

Our insurance carrier, CIRMA issued increased rates and significant increases in the deductible from \$1,000 to \$5,000.

With regards to Legal Fees, Campbell Hudson inquired as to whether or not we are budgeting enough for the recent revaluation appeals. Norman Needleman indicated that there is sufficient money in the revaluation sinking fund right now to cover the cost of the next revaluation and cover anticipated legal costs related to the revaluation. The actual number of revaluations that were appealed is still being reviewed. Campbell Hudson suggested we look into that and ask the Assessor for the exact number.

Noted.....the last revaluation legal fees cost the Town approximately \$28,655.00 in 2008.

Campbell Hudson inquired as to the Economic Develop Commission Budget asking if the costs associated with the EDC consultant will be reconsidered on an annual basis as it represents a substantial increase for 2014-2015 fiscal year. Kelly Sterner responded that it is. Stacia Libby, Selectman, discussed a recent EDC meeting that she attended and complimented Susan Malan indicating she is serving as a valuable resource for businesses considering moving to Essex.

Norman Needleman made a motion to increase the Open Space Sinking Fund amount from \$5,000.00 to \$20,000.00. Seconded by Bruce Glowac. Passed Unanimously. Motion carried.

Bruce Glowac made a motion to change the total Town Budget to \$7,202,161 for approval by the BOF. Seconded by Norman Needleman. Passed unanimously. Motion carried

Campbell Hudson made a motion to submit for review and discussion at Public Hearing the 2014-2015 Board of Selectmen's Budget in an amount not to exceed \$7,202,161 and the Essex Elementary School 2014-2015 budget in an amount not to exceed \$7,742,313. Seconded by Fred Vollono. Passed unanimously. Motion carried.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

ADJOURNMENT:

Mary-Louise Polo made a motion to adjourn the meeting at 8:15 p.m., seconded by Campbell Hudson. Passed unanimously. Motion carried.

Respectfully submitted,

Yvonne Roziak
Recording Secretary