

**Town of Essex
29 West Avenue
Essex, CT – Meeting Room A**

**Board of Finance
June 18, 2015**

MINUTES

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

Others in attendance: Norman Needleman, First Selectman
James Francis, Treasurer
Kelly Sterner, Finance Director
Yvonne Roziak, Recording Secretary

Meeting was called to order at 7:02 p.m. by Keith Crehan, Chairman.

APPROVAL OF AGENDA:

Motion made to approve agenda by Don Mesite, seconded by Mary-Louise Polo. Passed unanimously. Motion carried.

APPROVAL OF MINUTES:

Motion made by Mary-Louise Polo to approve the minutes of May 21, 2015 , seconded by Don Mesite. Passed unanimously. Motion carried.

FINANCIAL REPORT:

Revenues

May month end reflects total tax collections for the fiscal year to-date of 100.41% of budget or a surplus of more than \$88K. With one month left to the fiscal year, our projected fiscal year end surplus now stands at \$95K to \$105K. Meanwhile, State and Federal revenue are up only slightly from the prior month at 90.63% of budget. We will be accruing \$40K for the LoCIP grant in June but several of the revenue lines will fall short of budget (including State Education Grant, Access Line Share and Homeowners Tax Relief). We continue to expect the shortfall in the State and Federal revenues to finish the fiscal year at approximately \$32K. Local revenues finished the month of May at 108.88% of budget. By fiscal year end, we could see a revenue surplus of \$70K to \$80K in this category. Revenue from all sources at May 2015 month end totaled \$23,056,924 or 100.00% of budget (covering the budgeted deficit of \$55, 567).

This is right on track with May 2014 month end total which stood at 100.20%.

Expenditures

Expenditures for the fiscal YTD as of the end of May totaled \$20,542,945 or 88.48% of budget. We do have several budget lines that, as of May month-end, exceed their fiscal year budget. But none of these are surprises. Legal services leads the pack with an almost \$23K budget overrun. The small deficit in Highway Department will blossom into a currently forecasted overage of \$50K - \$60K by fiscal year end. We continue to expect savings in Employee Benefits, Transfer Station and Technology. Approximately \$55K remains in the Board of Finance Contingency. If the project surplus for the elementary school of \$152K holds, (and barring any unexpected significant expenditures) we should cover the budgeted \$55K deficit, the supplemental appropriation of \$161K for the purchase of the Street Sweeper, and finish the fiscal year and a net surplus. A conservative estimate of the surplus would be approximately \$50K but encumbrances could make or break this number.

Motion made by Jeff Woods to accept the Financial Report, seconded by Mary-Louise Polo. Passed unanimously. Motion carried.

SELECTMEN'S REPORT:

Norman Needleman, First Selectman, discussed the street sweeper and that it was delivered last week. He also discussed the Ivoryton project and that it is still work in progress. They hope to be finished on Summit Street by next week including the paving of the park's parking area. He is pleased with the way it is starting to look and feels the Ivoryton residents will also be pleased with the end result.

OLD BUSINESS - None

NEW BUSINESS:

Annual Banking Resolutions:

Motion made by Don Mesite to authorize the Treasurer to invest any portion of the General Fund, as specified amounts that may be available, in direct obligations of the U.S. or certificate of deposits or specified regular savings accounts for the fiscal year 2015-2016; and to approve Bank of America, Essex Savings Bank, TD Bank, Liberty Bank, First Niagara Bank, Webster Bank, Citizen's Bank and the State of Connecticut Short Term Investment Fund (STIF) for investments and for regular checking accounts for the fiscal year 2015-2016, Seconded by Jeff Woods, Passed unanimously. Motion carried.

COMMUNICATION AND CORRESPONDENCE:

Kelly Sterner, Finance Director, indicated that the auditors will be here for preliminary work on July 6th for one week and will return in Sept/Oct to finish up the year. Keith Crehan asked Kelly about the final State reimbursement for the renovation project that has been on the "receivables" list for the last 7 years. Kelly indicated that Ed Arum did come in and they have to complete an EDO49F. Kelly indicated that Garth Sawyer (Region 4 Business Manager) hoped to have it back from the attorneys and would take it up to the State once it was ready. Then it would be a matter of the State making a payment. An audit would need to be done and then they will release the retainage.

PUBLIC COMMENT - None

ADJOURNMENT:

Motion made by Mary-Louise Polo to adjourn at 7:30 p.m., seconded by Don Mesite. Passed unanimously. Motion carried.

Respectfully submitted,

Yvonne M. Roziak