

**Board of Finance
Regular Meeting
July 18, 2013
Essex Town Hall
Meeting Room A
7:00 p.m.**

Present: James Francis, Chairman, Fred Vollono, Keith Crehan, Lee Rowley, Campbell Hudson

Absent: Jeffrey Woods

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

Meeting was called to order at 7:06 p.m.

APPROVAL OF AGENDA:

Motion made by Lee Rowley to approve the agenda. Seconded by Keith Crehan. Passed unanimously. Motion carried.

APPROVAL OF MINUTES:

The following corrections have been noted:

Page 2, first paragraph “however, (“we” – added) are awaiting further”

Page 2, Under Expenditures:

Motion made by Campbell Hudson to “accept” vs. approve Treasurer’s report

Page 2, Under Bank Resolutions:

Make plural the following words: “obligations”, “deposits”, “accounts”,

Page 3, third paragraph:

Motion made by Campbell Hudson to amend and approve (“the” – added) transfer of \$2,341.00 from

Motion made by Keith Crehan to accept and approve the amended Minutes of June 20, 2013 with the above changes. Seconded by Lee Rowley. Passed unanimously. Motion carried.

TREASURER'S REPORT:

Robert Dixon, Treasurer discussed the June 2013 financials and indicated on a preliminary basis, prior to encumbrances and final audit adjustment, it appears revenue will be some \$400,000.00 ahead of budget, which should adequately cover the deficit of \$138,000.00. Expenditures will be lower than budget; we shall be entering encumbrances and additional expenditures over the next several weeks. The auditor's also come in Monday and there will be a few adjustments. On a combined basis it would appear that we shall exceed budget by some \$300,000.00.

Motion made by Keith Crehan to accept treasurer's report. Seconded by Fred Vollono. Passed unanimously. Motion carried.

SELECTMEN'S REPORT

Norman Needleman, First Selectman, indicated that he will be recommending to the Board of Selectmen a request to transfer \$200,000.00 to fund a number of the Town's sinking funds. The largest sinking fund request being \$75,000.00 for Fire Department sinking fund. The official request will require approval from the Board of Selectmen, then the Board of Finance and then Town Meeting. Additional requests for distributions are as follows:

Municipal property sinking funds - \$50,000.00

Cruiser sinking fund – \$15,000.00

Waste water Mgmt. - \$25,000.00

The Town has also been approved to receive \$430,000.00 grant to assist with the Village center intersection in Ivoryton.

Mr. Needleman reported on several other topics including:

- Need for engineering study to accurately quantify costs for those capital projects being considered for future bonding.
- Progress is being made on the Civic campus grant. The invitation to bid has been posted on the website and published in the paper. The timeline for the project is a targeted starting date of September 1st with completion by December 1, 2013.
- In conjunction with the Civic campus project, Mr. Needleman hopes to improve the facade of the police addition and enhance the back entry way. Concept drawings for these items were reviewed.

Mr. Needleman reported that the Board of Selectmen will be considering a plan for the Transfer Station which will do away with the garbage cash box. If approved, residents may purchase an annual transfer station sticker. A check or credit card will be required to pay for these services. Mulch for residents will remain free.

Mr. Needleman also reported the Board of Selectmen are also looking to amend the current employee retirement plan with regards to retirees that come back to work part-time.

OLD BUSINESS:

Kelly Sterner, Finance Director, distributed a Fund Balance Policy using a template currently in use by another CT Municipality. Auditors and rating agencies suggested that the Town of Essex Board of Finance adopt a fund balance policy that addresses how the Town will commit or assign fund balances, the order of which the Town uses the fund balances and the level of unrestricted fund balance that should be maintained in the Town's General Fund. The decision of what they want their policy to be should be based on the Governmental Accounting Standard Board Standard #54. This protects the Town from unforeseen events in the future - a margin of safety for the Town. The policy should also address what steps the Board will take if it drops below the desired level.

Robert Dixon, Treasurer suggested the Board of Finance members take the policy home, read it and come back with any comments or suggestions. Kelly Sterner, Finance Director, recommends concentrating on the desired level of "unassigned" funds.

James Francis, Chairman asked the Board of Finance members if anyone wanted to discuss this evening. A mutual response from the committee members indicated they would discuss at the next Board of Finance meeting.

NEW BUSINESS:

Annual Report Dedication – needs to be voted on by the next Board of Finance meeting
Jim Francis asked board members to consider possible nominees.

COMMUNICATIONS AND CORRESPONDENCE: None

PUBLIC COMMENT: None

ADJOURNMENT:

Motion made by Keith Crehan to adjourn the meeting at 7:57 p.m. Seconded by Lee Rowley. Passed unanimously. Motion carried.

Respectfully submitted,
Yvonne Roziak