

Town of Essex
29 West Avenue
Essex, CT – Meeting Room A
Board of Finance
February 20, 2014

Minutes

In Attendance: Don Mesite, Jeffrey Woods, Keith Crehan, Campbell Hudson, and Mary-Louise Polo.

Others in attendance: Norman Needleman, First Selectman
Bruce Glowac, Selectman
Kelly Sterner, Finance Director
Yvonne Roziak, Recording Secretary
Tom Fitzgerald, Head of Maint. EES
Scott Jeffreys, Principal, EES

Meeting was called to order at 7:03 p.m.

APPROVAL OF AGENDA:

Motion made by Jeffrey Woods to approve agenda as amended adding discussions from BOF members who have attended recent budgets meetings under Old Business, seconded by Fred Vollono. Passed unanimously. Motion carried.

APPROVAL OF MINUTES:

Campbell Hudson suggested the following changes to the minutes of 01/16/14

- Page 1 under Financial Report - Expenditures – 5th sentence should read – “However, this could be impacted “by” (added) costs associated with stormy winter weather”.
- Page 2 under Selectmen’s Report – 2nd paragraph – 2nd sentence should read – “The total number of hearings that were held with regards to the recent revaluation (vs. re-evaluation - deleted) was approximately 300 and they will be revisiting those properties”.

Motion made by Don Mesite to approve minutes as amended, seconded by Campbell Hudson. Passed unanimously. Motion carried.

FINANCIAL REPORT:

REVENUES

January collections of Property Taxes of \$5,892,907 reflect the payments of real estate tax second installments. The year to date collection rate of 91.4% is short of the 92.7% at the January month end of the prior year. This is the result of 2 bank escrows which were not received until after January month end. The lag will disappear on the February financials. State and Federal revenues are following their typical payment pattern and remain on track. State Education grants will finish a little short but this will

be offset by the receipt of the Pequot/Mohegan grant that had not been included in the annual budget. Local revenues remain strong in all categories except the CRRA fees. Building permits recovered from the December decline and promise even better things in February. Conveyance Taxes and Town Clerk fees also showed another strong month.

EXPENDITURES

Expenditures in most categories are trending well and are currently expected to finish the year within their budgeted levels. However, the Highway Department budget is beginning to show the effects of the costs of the numerous winter storms. This will continue for February. And as none of these storms have been significant enough to be considered FEMA events (that is the good news) there will be no revenue/funding to help pay the costs (that is the bad news). This is certainly a budget line we will be keeping an eye on.

Jeffrey Woods moved to accept the Financial Report as written, seconded by Mary-Louise Polo. Passed unanimously. Motion carried.

SELECTMEN'S REPORT:

- 1) Norm Needleman discussed Appropriation 5.A. for the Design and Engineering Costs – Walnut Street Bridge/Ivory Street Bridge.

Motion made by Fred Vollono to approve and recommend to Town Meeting an appropriation from the Unassigned Fund Balance for the design and engineering costs in an amount not to exceed \$225,000.00 for the Walnut Street Bridge and \$100,000.00 for the Ivory Street Bridge. The Town intends to reimburse this appropriation with the proceeds of bonds, notes, or other obligations to be authorized to finance the full project cost, seconded by Campbell Hudson. Passed unanimously. Motion carried.

- 2) Norman Needleman, First Selectman discussed Appropriation 5.B. for the Town Hall Kitchen Renovation/Exterior work.

Motion made by Jeffrey Woods to approve and recommend to Town Meeting an appropriation from the Municipal Property Sinking Fund in an amount not to exceed \$25,000.00 for renovations to the Town Hall ground floor kitchen and to supplement prior appropriations for exterior work at the Town Hall, seconded by Don Mesite. Passed unanimously. Motion carried.

NEW BUSINESS:

1. Norman Needleman, First Selectman, Bruce Glowac, Selectman and Tom Fitzgerald, Head of Maintenance, Essex Elementary School discussed the BOE Appropriation request for 7.A. Replacement of second hot water boiler and conversion of both burners to natural gas. The appropriation will come from the Capital Improvements Sinking Fund in an amount not to exceed \$110,000.00 for replacement of the second hot water boiler (B-2) at the Essex Elementary School as the current B-2 Boiler is starting to fail. The B-1 boiler was replaced in Dec. 2012. Additionally, both

B-1 and B-2 boilers would be converted to natural gas burners and all necessary piping to gas line would be installed.

Motion made by Mary-Louise Polo to approve and recommend to Town Meeting an appropriation from the Capital Improvements Sinking Fund in an amount not to exceed \$110,000.00 for replacement of the second hot water boiler (B-2) at the Essex Elementary School. The Town intends to reimburse this appropriation with the proceeds of bonds, notes, or other obligations to be authorized to finance the full project cost, seconded by Jeffrey Woods. Passed unanimously. Motion carried.

2. Mr. Needleman and guests listed above also discussed BOE Appropriation request for 7.B. Essex Elementary School – Capital Asset Purchase/Improvements an appropriation from the Capital Improvements Sinking Fund in an amount not to exceed \$21,700.00 for the following:

- Barrier Fencing – \$ 6,100.00
- Walk-In Cooler Repair/Replace - \$10,000.00
- Ceiling Fans (Gym & Café)- \$ 5,600.00

Total: \$21,700.00

Motion made by Don Mesite to approve and recommend to Town Meeting an appropriation not to exceed \$21,700.00, out of the Capital Improvement Sinking Fund for barrier fencing, repair / replace walk-in cooler and for ceiling fans in the gym and cafe', seconded by Fred Vollono. Passed unanimously. Motion carried.

Mr. Needleman also discussed the recent storms and the costs associated so far are expected to be high. The Town trucks and equipment are taking a hit. Overtime along with no salt, no sand, are taxing the community. Public Works continues to try and get more materials as well as clear drains to avoid flooding. Roof problems are currently an issue at the Town Hall and may get worse with pending rain and melting snow.

Old Business:

Keith Crehan, Chairman, asked several BOF members to update everyone as to the recent budget workshops they have attended.

Mary-Louise Polo discussed the BOS budget status as of the Special Meeting on February 29, 2014 regarding the budget that reflected a 3.11% increase totaling \$216,846. February 8, 2014 was the first BOS budget workshop and she stated that Mr. Needleman, First Selectman reviewed with the budget workshop participants each of the line items. One of the larger line item increases appears to be the Debt Service Interest showing an increase of approximately 11% due to the reduced savings compared to the current fiscal year based on the refunding.

Keith Crehan discussed the Region 4 school budget workshops and he indicated that the first go round started out with a 5.04% total increase. Since then, they have cut additional items and are down to a

3.61% increase. Keith will keep the BOF members apprised as to any additional cuts after the next workshop.

New Business: Items were discussed under First Selectmen's Report

Communications and Correspondence:

Campbell Hudson inquired about the status of the purchase of the Perry property. Mr. Needleman indicated that the recent meeting with the Zoning Board of Appeals was active. The ZBA agreed to continue the Application to the March 18, 2014 meeting based on a receipt of a revised plan and a clearer understanding of the hardship.

Public Comment: None

Adjournment:

Jeffrey Woods 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

RECEIVED FOR RECORD
02/26/2014 at 11:09 a.m.
Yvonne M. Roziak
Assist ESSEX, CT TOWN CLERK



BUDGET AMENDMENT REQUEST FORM

Type of Amendment

☐ Transfer

☒ Appropriation

☐ Supplemental Appropriation

Date Presented at Board of Finance Meeting

February 20, 2014

Agenda Item #

5.A.

Description of Request

Design & Engineering Costs - Walnut Street Bridge/Ivory Street Bridge
an appropriation from the unassigned fund balance for the design and engineering costs in an amount not to exceed \$225,000 for the Walnut Street bridge and an amount not to exceed \$100,000 for the Ivory Street bridges. The town intends to reimburse this appropriation with the proceeds of bonds, notes, or other obligations to be authorized to finance the full project cost.

Fund/Budget Lines Impacted

Source

<u>Fund</u>	<u>Account Name</u>	<u>Account #</u>	<u>Amount</u>
010-General Fund	Unassigned fund balance	n/a	325,000.00

Use

<u>Fund</u>	<u>Account Name</u>	<u>Account #</u>	<u>Amount</u>
010-General Fund	Special Appropriations	10499-508850	325,000.00

Date Approved by Board of Selectmen: February 5, 2014

Approved by Board of Finance?

Yes ☐

No ☐

Date approved by Board of Finance:

Town Meeting Required?

Yes ☒

No ☐

If yes, reason Town Meeting is required:

fund balance/required as it exceeds \$20,000

RECEIVED FOR RECORD

02/26 2014 at 11:10 a.m.

Thomas Eszai
ESSEX, CT TOWN CLERK



BUDGET AMENDMENT REQUEST FORM

Type of Amendment

☐ Transfer

☒ Appropriation

☐ Supplemental Appropriation

Date Presented at Board of Finance Meeting

February 20, 2014

Agenda Item #

5.B.

Description of Request

Town Hall Kitchen Renovation/Exterior work

an appropriation from the Municipal Property Sinking Fund in an amount not to exceed \$25,000 for renovations to the Town Hall ground floor kitchen and to supplement prior appropriations for exterior work at the Town Hall.

Fund/Budget Lines Impacted

Source

<u>Fund</u>	<u>Account Name</u>	<u>Account #</u>	<u>Amount</u>
039-Municipal Prop.	Due to/from CNRF	37000-20101	25,000.00

Use

<u>Fund</u>	<u>Account Name</u>	<u>Account #</u>	<u>Amount</u>
039-Municipal Prop.	Expenditures	37000-52810	25,000.00

Date Approved by Board of Selectmen:

February 19, 2014

Approved by Board of Finance?

Yes ☐

No ☐

Date approved by Board of Finance:

Town Meeting Required?

Yes ☒

No ☐

If yes, reason Town Meeting is required:

fund balance/required as it exceeds \$20,000

RECEIVED FOR RECORD

02/26 2014 at 11:11 a.m.

Ann M. Ricci
Assist ESSEX, CT TOWN CLERK



BUDGET AMENDMENT REQUEST FORM

Type of Amendment

☐ Transfer

☒ Appropriation

☐ Supplemental Appropriation

Date Presented at Board of Finance Meeting

February 20, 2014

Agenda Item #

7. A.

Description of Request

Replacement of second hot water boiler and conversion of both burners to natural gas. an appropriation from the Capital Improvements Sinking Fund in an amount not to exceed \$110,000 for replacement of the second hot water boiler (B-2) at the Essex Elementary School as the current B-2 boiler is starting to fail. The B-1 boiler was replaced in Dec. 2012. Additionally both B-1 and B-2 boilers would be converted to natuarl gas burners and all necessary piping to gas line would be installed. The town intends to reimburse this appropriation with the proceeds of bonds, notes, or other obligations to be authorized to finance the full project cost.

Fund/Budget Lines Impacted

Source

<u>Fund</u>	<u>Account Name</u>	<u>Account #</u>	<u>Amount</u>
053-Capital Impr. Fund	Due to/from CNRF	53000-20101	110,000.00

Use

<u>Fund</u>	<u>Account Name</u>	<u>Account #</u>	<u>Amount</u>
053-Capital Impr. Fund	Expenditures	53000-52810	110,000.00

Date Approved by Board of Selectmen:

not required

Approved by Board of Finance?

Yes ☐

No ☐

Date approved by Board of Finance:

Town Meeting Required?

Yes ☒

No ☐

If yes, reason Town Meeting is required:

fund balance/required as it exceeds \$20,000

RECEIVED FOR RECORD

02/26 2014 at 11:12 a.m.

Ernest M. Rozick
Essex, CT TOWN CLERK



BUDGET AMENDMENT REQUEST FORM

Type of Amendment

☐ Transfer

☒ Appropriation

☐ Supplemental Appropriation

Date Presented at Board of Finance Meeting

February 20, 2014

Agenda Item #

7. B.

Description of Request

Essex Elementary School-Capital Asset Purchases/Improvements
an appropriation from the Capital Improvements Sinking Fund in an amount not to exceed
\$21,700 for the following:

1) Barrier Fencing	\$ 6,100.00
2) Walk-In Cooler Repair/Replace	10,000.00
3) Ceiling Fans (Gym & Cafe)	<u>5,600.00</u>
Total	<u>\$21,700.00</u>

Fund/Budget Lines Impacted

Source

<u>Fund</u>	<u>Account Name</u>	<u>Account #</u>	<u>Amount</u>
053-Capital Impr. Fund	Due to/from CNRF	53000-20101	21,700.00

Use

<u>Fund</u>	<u>Account Name</u>	<u>Account #</u>	<u>Amount</u>
053-Capital Impr. Fund	Expenditures	53000-52810	21,700.00

Date Approved by Board of Selectmen:

not required

Approved by Board of Finance?

Yes ☐

No ☐

Date approved by Board of Finance:

Town Meeting Required?

Yes ☒

No ☐

If yes, reason Town Meeting is required:

fund balance/required as it exceeds \$20,000

RECEIVED FOR RECORD

02/26 2014 at 11:13 a.m.

Thomas R. Rios
Asst. ESSEX, CT TOWN CLERK