

**BOARD OF SELECTMEN
BUDGET MEETING
March 6, 2019
Meeting Room A**

<u>Present:</u>	Norman Needleman	Audience Members
	Stacia Libby	Kelly Sterner
	Bruce Glowac	James Francis
		Maria Lucarelli

Norman Needleman called the meeting to order at 5:20 pm

Public Comment: None

BUDGET REVIEWS:

Major Budget Drivers:

First Selectman Norman Needleman and Finance Director Kelly Sterner reported that the Major Budget Drivers for fiscal year 2019 – 2020 are salaries, fringe benefits, health care costs, pension, outside service contracts, debt service, support to outside organizations, and the capital and sinking funds.

There was discussion that the Selectmen's budget increase for fiscal year 2019-2020 is \$320,632 or a 3.97% change.

The Essex Board of Education have moved their budget to the Board of Finance BOF with an increase of \$91,756 or a 1.24% change which includes the teacher's retirement contribution which is anticipated to be the Town's portion.

There was discussion of the Town's future financial commitment to the Teachers retirement. Mr. Needleman stated that, since municipalities will be expected to directly contribute, there should be municipal representatives on the State teacher retirement board.

There was discussion that the 3.97% Selectmen's Budget total is really 2.41% if you exclude the debt service which is the related new bond. Overall, we are currently looking at a .77% increase.

The original First Selectman's Budget was an increase of \$429,395 over the current fiscal year. The Board of Selectmen cut \$99,763 from that budget request, most from debt service and the rest from a few capital and sinking funds. There was discussion that next year's surplus could be used on the bond next year.

There was discussion that there could be a reduction in the mill rate. The current mill rate is 21.85 and the grand list went up by 1.4%, which included organic growth and growth due to the revaluation. The growth due to revaluation is estimated to be 0.8%. Based on

potential further cuts to the Region 4 School District budget, and Board of Finance use of fund balance, next year's mill rate could see a reduction of over 1%.

Budget Metrics

Kelly Sterner included budget performance metrics for several departments with a look back of three to five years. Additionally, several regional metrics were included which compare the Lower River Valley Council of Government municipalities.

Budget Meeting 2019 - 2020

Motion was made by Bruce Glowac to approve and recommend to the Board of Finance a Board of Selectmen's Budget for Fiscal Year 2019 – 2020 in the amount of \$8,396,635 which represents an increase of 3.97% over the current fiscal year. Stacia Libby seconded the motion. All in favor.

Motion was made by Norman Needleman to cancel the March 20, 2019 Board of Selectmen Budget #3 Meeting. Bruce Glowac seconded the motion and it was unanimously approved. All in favor.

Upcoming Dates:

- March 20, 2019 Board of Selectmen Budget Meeting has been cancelled
- March 21, 2019 @ 7 pm Board of Finance Budget Meeting #1 – Presentation of the Board of Selectmen Budget
- March 26, 2019 @ 7 pm Board of Finance Budget Meeting #2 – Presentation of Essex Board of Education Budget
- April 24, 2019 @ 7:30 pm Budget Public Hearing and Board of Finance Budget Meeting
- May 7, 2019 from 12 pm to 8 pm Regional School District Budget Referendum
- May 13, 2019 @ 7:30 pm Annual Budget Town Meeting

ADJOURNMENT at 5:54 pm

Respectfully submitted,

Maria Lucarelli