

*These minutes have not yet been approved.*

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

**Board of Finance  
December 15, 2016**

**MINUTES**

In attendance: Keith Crehan, Chairman, Campbell Hudson, Vice Chairman, Mary-Louise Polo, Vincent Pacileo III, and Don Mesite. Absent: Jeffrey Woods

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

Meeting was called to order at 7:09 p.m. by Keith Crehan.

**APPROVAL OF AGENDA:**

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

**APPROVAL OF MINUTES:**

Campbell Hudson discussed a few corrections – Page 1 under Approval of Minutes: 2<sup>nd</sup> paragraph should read:

Campbell suggested deleting the word “under” as it appears twice in sentence on page 1 under “Others in Attendance” .....

*In the motion following, it states in the motion after being seconded – “Passed.” This should read as “Passed unanimously” to be consistent with the other motions.*

Page 2 – Under Selectmen’s Report – last sentence at the bottom of the page – the sentence should read as follows – “Campbell felt we should look into what the expected or projected expenditures were when the sinking fund was established and if they were projected, then ask if these have been changed.”

Don Mesite indicated another correction to Page 2 – Under Selectmen’s Report - 7<sup>th</sup> line down to read as follows – “and feels this request should be funded by the groups that would use the board, i.e. pay to play.”

Page 3 – Under Old Business – 3<sup>rd</sup> line down – the sentence should read as follows- “\$26,629 on the document, “showing a” (~~delete~~) “resulting in” (~~add~~) a \$3,000 shortage.

*In the motion approving the calendar it should read as follows- “Don Mesite made a motion to approve the 2017 BOF meeting calendar (~~insert - copy attached~~)” seconded by Jeffrey Woods. Passed*

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*unanimously. Motion carried.*

***Campbell Hudson moved to accept and approve the minutes of the Regular Meeting on October 20, 2016 (as amended), seconded by Don Mesite. Passed unanimously. Motion carried.***

## **FINANCIAL REPORT:**

### **Revenues:**

Current property tax collections for October and November totaled \$129,663 bringing the YTD total to \$12,312,199 or 55.38% of the fiscal year total. This is trending slightly ahead of the November 2015 current property tax collection rate of 54.95%. With prior year's collections and Interest & Lien Fees lagging last year a bit, we find ourselves at almost a dead heat compared to last fiscal year with total tax collections at 55.32%. Late December will see current collections spike again. Revenue from State sources consisted of 25% of our annual ECS payment and some circuit court fines for a total of \$40,953 for the two months. Local revenues were the bright spot on the revenue side. Total local revenue almost doubled from \$158,207 at September month end to \$315,288 at the end of November. Increases were across the board, but Conveyance tax, Building permits, Town Clerk Fees and Landfill permits accounted for the bulk of the increase. Total revenues collected came in at 54.54% of budget versus 53.90% at November month end the prior year.

### **Expenditures:**

Expenditures for the months of October and November totaled \$1,535,064 and \$2,285,738 respectively bringing total YTD spending as of November month end to \$10,264,894 or 43.2% of budget. This compares to a total expenditures rate of 45.33% as of month end November 2015. Selectmen's budget expenditures totaled 38.74% of the fiscal year total budget. At this point all budget lines appear to be trending well. As noted previously, we will be keeping an eye on the police and technology budgets. Now added to that list will be the Park & Recreation budget. An invasive species of plant must be eradicated in the Main Street Park at a cost currently estimated at \$8K. They will make a best effort to cover this unforeseen expense; however, we could see an overage by fiscal year end.

The most recent financials for Essex Elementary School show that as of November 8, 2016 total expenditures are trending well. At this point a surplus of almost \$20K is projected. While this compares very well with the January 13, 2016 elementary school financials which were projecting a \$58K deficit, these are still early days and unexpected costs have been known to happen. At least it is a good start.

***Motion made by Vin Pacileo to accept the Financial Report, seconded by Don Mesite. Passed unanimously. Motion carried.***

Kelly provided to Keith a copy of the BOF budget template for the next fiscal year. Keith circulated it around the table. Kelly asked if they wanted to act on it tonight or wait until the next meeting. Campbell indicated that outside of the \$75,000 contingency line, things look like they are pretty steady. Kelly also distributed the Region 4 Supervision District with the ADM numbers for next year. We appear to be going down on 3 way and 4 way allocation and are going up on the share of the Region 4. Norman discussed some recent changes coming to the Supervision District. The Supervision District budget that is on their website shows the 1.43% increase and with the split, Essex (the part that will go to EES) is down \$107,000. The bad news is because of our decrease what we're saving on the EES split, we're going to gain as we get a bigger piece of the Region 4 costs. Student enrollment is significantly down in

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Essex from last year to this year.

**SELECTMEN’S REPORT:**

Norman discussed current activity here at Town Hall re: Land Use renovation project. Floor joists are being repaired in the auditorium. The back entrance is also scheduled to become ADA compliant as well as ADA compliant bathrooms. The back stairway will also be upgraded. A new sound system for the auditorium is set to be installed as well as two new filing systems. One will be put in Land Use and one in the lower vault in the Town Clerk’s office. Heating and A/C for Public Works and Town Hall is also complete. Ivory Street Bridge is almost complete and Walnut Street is set for May. One more section of new sidewalk to be laid will run from Falls River to the post office in Ivoryton, however, the permit was just received for this and it is too late to proceed due to the weather.

Norman discussed a new initiative coming from the State of CT Commissioner of the Dept. of Health. They want to consolidate health departments. He attended a public hearing in Hartford yesterday and most First Selectmen are against it. It would cost towns/municipalities approximately 1.5% of their aggregate budget to the Regional Health Dept. that there part of. It’s a noble cause with the wrong approach. Most towns do not have Health Directors, but Essex does.

The Federal Transportation Board is about to issue their report and is proceeding with plans for a new high speed rail through Old Lyme. The new plan appears to now include an underground track starting somewhere in Old Saybrook and coming back up somewhere in East Lyme.

The Federal Transportation Board is also planning on rewriting the Metropolitan Planning Organization (MPO’s) and cutting down the number of MPO’s. CT would be one with RI. The current Council of Governments would then go away. This would happen sometime in 2020. This could be overturned with the new administration.

Norman also discussed briefly the Volunteer Fire Departments and Ambulance responders may be in jeopardy in the next 10 years. This is due to the fact that people are no longer volunteering for these types of positions and Towns will inevitably need to pay for these services out of their budgets. We saw this last year when requested by Middlesex Hospital to share the costs of emergency services.

As stated earlier Essex received a STEAP grant for Centerbrook for sidewalks and street lights, late summer or early fall. They may also look at a reconfiguration of the Dennison Road intersection in Centerbrook.

***Motion made by Vin Pacileo to approve the BOF budget for next fiscal year in the amount of \$110,500.00, seconded by Mary-Louie Polo. Passed unanimously. Motion Carried.***

**OLD BUSINESS:** None

**NEW BUSINESS:**

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Studies on enrollment stats are showing significant changes in the three towns. Kelly shared the recent graph.

**COMMUNICATION AND CORRESPONDENCE:**

Keith read a thank you note from Fran Nolin for her Annual Report dedication nomination. This will be posted on the bulletin board outside the Town Clerk's office.

**PUBLIC COMMENT:** None

**ADJOURNMENT:**

*Motion made by Don Mesite to adjourn the meeting at 8:15 p.m., seconded by Mary-Louise Polo. Passed unanimously. Motion carried.*

Respectfully submitted,

Yvonne M. Roziak  
Recording Secretary