

Minutes have not yet been approved

**BOARD OF FINANCE
Room A
Town of Essex
29 West Avenue
Essex, CT 06426**

March 29, 2018

MEETING MINUTES

In attendance: Keith Crehan, Chairman, Campbell Hudson, Vice Chair, Edward Tedeschi, Ethan Goller and Vin Pacileo III. Absent: Mary-Louise Polo

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

Essex Elementary Board of Education:
Lon Seidman, Chair, Essex Elementary Board of Education
Judie McCann
Don G. Fitton
Jennifer Tousignant, Principal, Essex Elementary School

R4 Board of Education: Dr. Ruth Levy, Superintendent, Region 4
Kim Allen, Business Manager, Region 4
Dr. Jennifer Clark, Chair, Region 4, Board of Education
Leigh Rankin
Katelyn Sandmann

Meeting called to order at: 7:06 p.m. by Keith Crehan, Chairman

APPROVAL OF THE AGENDA:

Vin Pacileo proceeded with a motion to approve the agenda; however, a request was made by Norman Needleman, First Selectman to amend the agenda.

Keith Crehan made a motion to amend the agenda to move item #4 to item #7a, seconded by Campbell Hudson. Passed unanimously. Motion carried.

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APPROVAL OF THE MINUTES:

Ethan Goller made a motion to approve the Regular minutes of March 15, 2018, seconded by Vin Pacileo. Passed unanimously. Motion Carried.

SELECTMEN'S REPORT:

Moved to item 7a per an amendment to the agenda.

OLD BUSINESS: None

NEW BUSINESS: None

- a. Presentation of 2018-2019 Proposed Essex Elementary Board of Education Budget –

Lon introduced Kim Allen the new R4 Business Manager that he has been working closely with and who has been communicating the budget numbers to the EES BOE for the 2018-2019 EES Board of Education budget.

Lon began his discussion by indicating the 2018-2019 EES BOE budget bottom line is down 1.2% from last year or \$89k less than last year's request. Lon then proceeded to review the budget. Lon indicated that Enrollment projections are starting to level off. Ruth Levy, Superintendent, reiterated that the deep dive has now turned into a small slope. Pointing out that since 2011-12 K – 6 grade classes were at 31 sections and now down to 20 sections in 2017-18.

Lon reviewed the increases to the budget including salaries, benefits and internet increase costs. There is also an increase in out of state tuition costs. Under reductions, there will be 4 less paraeducators and Ruth indicated they will look to place them somewhere within R4. District transportation went down a bit as did supplies and equipment.

Ruth further stated that if you look at each of the three town's projections, they have their turn of having high ADM costs and this is solely dependent on the number of students in comparison to other towns. Keith Crehan requested that the BOF receive other districts projections and enrollments for comparison purposes, e.g. Chester, Deep River, John Winthrop, Valley Regional and all of Region 4. Kim Allen will get them out to the Board of Finance next week.

Campbell Hudson inquired about Special Education needs specifically K-6 and Lon confirmed that they are pretty much the same as last year, but some years vary. Vin Pacileo inquired as to whether or not they are seeing a change with the mandates with the mix stabilizing. Ruth indicated that mandates are federally based and are not changing. These mandates if anything get more stringent due to litigation that goes on in Special Education.

Keith Crehan suggested that when presenting their budget to the public with the enrollment going down and no reduction in teachers, they may need to explain why the numbers aren't going down even more.

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Lon presented two sinking fund requests from the EES BOE. They are:

1) Fresh air handlers at the school that are getting rusty and are in need of replacement or repair. The costs for new ones are approximately \$95k. Norman indicated that Bruce Glowac, Selectman, suggested he look at them first to see if there is an easy fix for the leak or if they definitely need replacement.

2) Lon indicated that they are currently finishing off the cafeteria tables that they started, and the existing tables are getting old and are requesting to replace 8 of them at a cost of approximately \$9,500. A total for both requests totaling \$104k.

The EES BOE will submit a formal request for the above items to the BOF.

a. Overview of the 2018-2019 Region 4 Board of Education Budget -

Ruth introduced Dr. Jennifer Clark, Chair, Region 4 BOE. Ruth reviewed the middle school enrollment decline down to approximately 270. The last three years actuals and projected have been a bit different. High School is a different picture and many students that left for other schools are coming back to Valley Regional High School. 5-6 students a year is the estimate of returns.

The R4 Budget is coming in at \$20, 052,681 representing a \$10,385 reduction from last year. Budget drivers are various increases as well as a list of reductions. The largest reduction being 4 FTE's Teachers at John Winthrop due to the lower enrollment coming in from the middle school. This ultimately causing an increase in unemployment costs.

Ruth mentioned that Valley Regional High School was recently named the #1 High School in Middlesex County and a recent Niche Report survey done on the best high schools in CT 2018 Valley Regional made that list as well. Valley's manufacturing program is significantly growing. This year the Board voted to allow them to move forward in the International Baccalaureate application process.

Campbell inquired about out of country students that were considered at one point to attend Valley Regional School. Ruth indicated that last summer's exchange program did not result in anyone signing up to attend Valley this year. She also stated that with other priority programs in the works and the concentration on the manufacturing program, it has been tabled for now.

b. Consideration of 2018-2019 Selectmen's Budget, Essex Elementary Board of Education budget and possible approval of budgets to be presented at Public Hearing.

Motion made by Ed Tedeschi, to submit for review and discussion at the April 26th Public Hearing the 2018-2019 Board of Selectmen's Budget in the amount of \$8,076,003 and the Essex Board of Education 2018-2019 budget of \$7,372,220, seconded by Campbell Hudson. Passed unanimously. Motion carried.

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COMMUNICATIONS AND CORRESPONDENCE:

Kelly distributed her comparison of the effect on the mill rate based on several scenarios. Specifically, with just a .08% increase in the overall budget.

Norman discussed the budget and that his suggestion to the BOF would be to keep the mill rate flat or go for a reduction. The BOF discussed various scenarios to consider what the 2018-2019 rate should be set at. The mill rate will be set after the budget is approved.

Norman passed around a picture of the old Walnut Street Bridge and then discussed the new WSB and culverts that will be completed by May 31st. The funding was also approved for the paving of Grove Street Park and for the rebuild of the elevator. A total of three sidewalk projects are in the works, by the piano factory in Ivoryton, Champlin Square and the end of Main Street in Essex by the circle/boat launch. They will be bid as 3 separate projects.

A STEAP grant project is in the works for Centerbrook to put in sidewalks and street lights.

2020 Census project – we need to identify all locations they need to visit. Our GIS information will be used to update the Census maps. This is very sensitive Title 13 info that cannot be shared and needs to be protected. We have 120 days to complete and get back to the census.

Kelly distributed a DRAFT 5 Year Proposed Capital Plan for Fiscal Years 17 - 18 thru 22 - 23 for review. She will be getting more input from Public Works, the elementary school and the fire department. She will continue to build into it year by year.

Also discussed is the Amendment and Extension of the Ordinance Providing Tax Relief to certain qualified elderly or disabled homeowners. (CGS12-29n), Adopted by Town 2004-03 – page 196.

Under the ordinance item #4 it states the Board of Finance shall set the interest rate for taxes deferred under the program. The Board of Finance has agreed to keep it at 0%.

Ethan Goller made a motion to keep the interest rate at 0% for tax relief, seconded by Vin Pacileo. Passed unanimously. Motion carried.

PUBLIC COMMENT: None

ADJOURNMENT:

Keith Crehan made a motion to adjourn the meeting at 8:53 p.m., seconded by Ed Tedeschi. Passed unanimously. Motion carried.

Respectfully submitted,

Yvonne Roziak
Recording Secretary