

Town of Essex Finance Committee

Minutes from Thursday, March 7, 2024

Attendees: Ben Buttrick, Jodi Harris, Nina McKinnon, Josh Franklin, Christopher Wolf, Mark Renzi, Michael Flynn, Chuck Benevento via phone (Town Accountant), Ruth Pereen (BOS Chair)

Time: Thursday March 7, 2024 at 7 PM EDT

Location: Town Hall – Stage conference room (2nd Floor)

Meeting called to order at 7:04pm

1. Review/approve minutes from 2/15/24 meeting (Harris/All)

- Minutes from 2/15/24 approved. This triggered some discussion around the \$5k materiality clause for line-item transfers. Ben explained the updates from the original version sent around.

2. Update on municipal finance by Town Accountant (Harris)

- Town department heads and FC will begin receiving monthly reports including actual versus budget. Beginning balances from the Fiscal Year have been submitted into the new accounting system, and Chuck is balancing receivables through January. Auditors will help with balancing cash. Chuck is doing more himself, and he feels more up to speed and caught up. Conversion from old to new accounting system is progressing. There has been quite a bit of work around the conversion.
- There were concerns around revenue estimates seeming high: motor vehicle excise tax down from an initial increase assumption of 10%. Also, meals tax was budgeted higher originally and brought down to \$175k. \$20k was added to the Town Property budget for refurbished pocket parks – now part of operating budget. The Treasurer/collector has a new contract.
- Chuck is generally comfortable with the \$10k cushion below the levy limit given expected “turnbacks” and an assumption that new growth should come in \$110-120k.

3. Review, discuss, approve Town Budget for recommendation to Board of Selectmen (All)

- Discussion around the school budget. Mark raised the concern about the growing apportionment to Essex misaligned with learning outcomes for Essex elementary. Also, discussion around the feasibility study and some of the answers that it will provide. Annie referenced that it will “give you a place to make decisions.” Classroom sizes are tight under the MSBA standards versus the current size of EES (footprint should not be an issue).
- Ben summarized that the MERSD budget was approved on Feb 6 and was chosen after deliberating on three budget options -one at 2.5% increase, the other at 2.69% assessment, and the final at 2.94% (to both towns). Pam recommended support of the middle option. Upon considerable discussion by the SC, there was a final conclusion that committee members would prefer to have certainty of additional budget dollars for two additional teaching assistants versus having to “find” the money under the middle option. The final agreed-upon budget results in a 4.82% increase for Essex.
- Nina is concerned that Essex has been “shamed” by the District and administration. She supports it but wants to highlight the School Committee did not support Pam’s recommendation. Pam is concerned about having to make cuts next year. Nina is concerned that Essex will be blamed next year.
- Mark asked about seeing the study about the turf fields and health implications. Jodi stressed that it’s out of the purview of the Finance Committee.
- **Vote taken** to approve the MERSD budget. Passed unanimously.

- Discussion of capital items: Jodi reported that it was discussed to put the bridge engineering on hold to November because 30 Apple Street will be part of the feasibility study for EES. Agreement that the likely items needed for ATM warrant will be defibrillators, tasers for PD, and water/sewer truck with crane (split between water/sewer free cash)
- Discussion of town operating budget items:
 - DPW: reduce by \$50k with \$25k coming from highway maintenance and \$25k from transfer statement.
 - Fire: we think the training is covered, but Josh/Jodi will confirm.
 - There may be a double-counting of ambulance software.
 - Veteran's affairs – we front the benefits and then they need to be reimbursed at 75% from the state.
 - Check on the principal payment of the PSB – Chuck to follow-up.
 - Jodi will follow up with the Harbormaster request.
 - Nina: looking into the overall use of "hot spots". They are included in the general budget at nearly \$5k, but the usage is not fully understood. She is looking into trends, if there's limited usage, or usage by the same people on a recurring basis. She will revert with more info.
 - Check the assumption for health insurance going forward. Chuck is going to double check the number.
 - Police dept. – will report out at next meeting.
- Agreement to reconvene next week to close out the budget recommendations.

4. Items that could not be reasonably anticipated by the Open Meeting Law posting deadline

- None.

5. Public Comment

- Planning Board clerk, Theresa Whitman, indicated that the public notices budget line for the Planning Board may need to be increased. Jodi asked her to have Lisa to send her an email with this request.

Adjourn

- Meeting adjourned at 8:40pm