

**Essex Finance Committee**  
**March 27, 2014**  
**6:00 pm**  
**Essex Elementary School**

Members Present: Ken Riehl, Richard Ross and Jeff Soulard

**1. Transfers**

None

**2. Meeting Minutes**

None

**3. FY14 Budget Update**

None

**4. FY15 Budget Discussion**

Based on the attached analysis prepared by the Town Accountant, the Finance Committee voted reduce the amount of FY15 Ambulance Revenue used to offset the FY15 operating budget. By lowering the amount of revenue used for the operating budget, we will ensure there are funds available to purchase the next ambulance.

The Committee discussed the FY15 capital and special articles in more detail.

<b>Item</b>	<b>Amount</b>	<b>Finance Committee Recommendation</b>
Conomo Point – Waterfront Access	\$100,000	Postpone
Sidewalk Extension – Story Street	\$75,000	Postpone
Sidewalk Extension – Western Avenue	\$75,000	Postpone
Stabilization Fund – Town Buildings	\$20,000	Support, but likely at a lower amount
Stabilization Fund – Recreation Capital Improvements	\$20,000	Support, but likely at a lower amount
Stabilization Fund – Vehicles and Equipment	\$20,000	Support, but likely at a lower amount
New Public Safety Building	\$8,000,000	Postpone until hearing from Public Safety Committee
Police Cruiser	\$38,000	Postpone until Fall Meeting
Fire 4x4 Pickup Truck	\$45,000	Still Evaluating This Item
Emergency Shower at Senior Center	\$10,000	Still Evaluating This Item
Replace Asphalt Roller	\$18,000	Still Evaluating This Item
Replace DPW Dump Truck	\$65,000	Support a 3-year lease purchase
Pave and Widen Southern	\$150,000	Support

Avenue (Chapter 90 Funds)		
Water Department 1-Ton Pickup	\$34,690	Support
Water Department VFD's and mag meters at wells	\$20,000	Support
Conomo Point North – Access & Amenities Improvements	\$150,000	Postpone
Conomo Point Management-Operations	\$50,000	Support
Annual Septic Debt Payment	\$26,291	Support

**5. Old Business**

None

**6. New Business**

None

**7. Public Comment**

None

Town of Essex  
Ambulance Fund Activity

3/6/2014/rffieri

FY11	Beginning Balance	143,062.80	
	Plus: Receipts	103,231.69	
	Interest	1,435.70	
	Unspent FY11 Budget returned	4,825.23	
	FY11 Warrants Payable (7/2011)	(868.62)	
	Unspent FY11 Spec Articles retrn	4,817.16	
	Less: FY12 Operating Budget	(67,850.00)	
		<u>\$ 188,653.96</u>	
FY12	Beginning Balance	188,653.96	
	Plus: Receipts	79,743.57	
	Interest	797.77	
	Unspent FY12 Budget returned	16,579.87	
	Less: FY13 Operating Budget	(75,112.00)	
		<u>\$ 210,663.17</u>	
FY13	Beginning Balance	210,663.17	
	Plus: Receipts	81,485.18	
	Interest	793.17	
	Unspent FY13 Budget returned	12,587.99	
	Less: FY14 Operating Budget	(77,093.00)	
		<u>\$ 228,436.51</u>	
<b>FY14</b>	Beginning Balance	228,436.51	
<b>TO DATE</b>	Plus: Receipts	56,357.39	
<b>02.28.14</b>	Interest	417.90	
	Unspent FY13 Budget returned	TBD	
	Less: FY15 Operating Budget		
		<u>\$ 285,211.80</u>	

# All American Investment Group, LLC

Private Investment Banking

**Ron Klein**  
Senior Vice President  
[rlk@allaminv.com](mailto:rlk@allaminv.com)

## Email/Fax Proposal from Ron Klein

**DATE:** March 25, 2014  
**TO:** Paul Goodwin  
**FAX/EMAIL:** pgoodwin@essexma.org

All American Investment Group, LLC (All American) is pleased to provide you with the following tax-exempt lease purchase financing proposal for the **Town of Essex, MA.**

<b>EQUIPMENT/PROJECT:</b>	One (1) New 2014 Dump Truck	
<b>ACQUISITION COST (less trade):</b>	\$65,000.00	\$65,000.00
<b>LEASE TERM:</b>	3 years	5 years
<b>FREQUENCY OF PAYMENTS:</b>	Annual in advance	Annual in advance
<b>INTEREST RATE: *</b>	3.97%	3.99%
<b>PAYMENT AMOUNT:</b>	<b>\$22,515.46</b>	<b>\$14,036.60</b>
<b>FIRST PAYMENT DUE:</b>	At delivery	At delivery
<b>LEASE FACTOR: **</b>	.346392	.215948

\* This rate expires on April 24, 2014.

\*\* To determine payment amount, simply multiply the **lease factor** times the **amount to be financed/acquisition cost**.

### TERMS AND CONDITIONS:

- This proposal is subject to credit review, approval and execution of mutually acceptable lease documentation.
- Payments under the lease are subject to annual appropriations and to all authorizations required under law.
- Lessee shall have an option to purchase the equipment during the lease term, and at the end of the lease term, when all Payments due have been made by Lessee, Lessee shall own the equipment outright.
- This transaction will be designated as tax-exempt under Section 265(b)(3) of the IRS Code of 1986.
- Lessee will not issue more than \$10 million of new tax-exempt obligations during the current calendar year.
- For credit review, audited financial statements and a budget summary for the current fiscal year will be required.
- A documentation fee of \$200.00 will be charged for all transactions with an amount financed of less than \$100,000.00.

*The undersigned certifies under penalties of perjury that this bid or proposal has been made and submitted in good faith and without collusion or fraud with any other person. As used in this certification, the word "person" shall mean any natural person, business, partnership, corporation, union, committee, club, or other organization, entity, or group of individuals.*

Please don't hesitate to call me if you have any questions or need more information.

All American Investment Group, LLC  
1890 Hunters Drive, Steamboat Springs, Colorado 80487  
Direct Toll Free: 877-539-3500 Fax: 970-797-1979 Cell: 970-596-5353 Email: [rlk@allaminv.com](mailto:rlk@allaminv.com)

### CONFIDENTIALITY NOTICE

This facsimile or email or email transmission and any accompanying documents contain information belonging to the sender which may be confidential and legally privileged. This information is intended only for the use of the individual or entity to whom this facsimile or email was sent as indicate above. If you are not the intended recipient, any disclosure, copying, distribution, or action taken in reliance on the contents of the information contained in this facsimile or email is strictly prohibited. If you have received this transmission in error, please call me at 1-866-830-1776 to arrange for the return of the documents to us at our expense. Thank you.