

Board of Finance

Town of Essex
29 West Avenue
Essex, CT 06426
Via Remote & In Person- 7:00 PM

MINUTES

Wednesday April 20, 2023

Members in Attendance:	Campbell Hudson, Chairman
	Terry Stewart
	Vincent Pacileo III
	Ethan Goller
	Brian Weinstein
	Mary-Louise Polo
Others in Attendance:	Norman Needleman, First Selectman
	Tracey Celentano, Finance Director
	James Francis, Treasurer
	Danielle Schumacher, Board Clerk
	Kelly Sterner

1. CALL TO ORDER

The meeting was called to order at 8:22 PM by Chairman Campbell Hudson.

2. APPROVAL OF AGENDA

MOTION made by Ethan Goller to approve the agenda as submitted. SECONDED by Terry Stewart. Passed unanimously. Motion carried.

3. APPROVAL OF MINUTES:

a. REGULAR BOF MEETING MARCH 16, 2023

MOTION made by Ethan Goller to approve the minutes from the March 16, 2023 Regular Board of Finance meeting as submitted. SECONDED by Terry Stewart. Passed unanimously. Motion carried.

b. BOE/BUDGET PRESENTATION MEETING ON MARCH 22, 2023

MOTION made by Terry Stewart to approve the minutes from the March 22, 2023 BOE/Budget Presentation Meeting with the following amendment:

- *Page 3 Under Item 5- insert "included in the number set forth in the motion."*

SECONDED by Brian Weinstein. Passed unanimously. Motion carried.

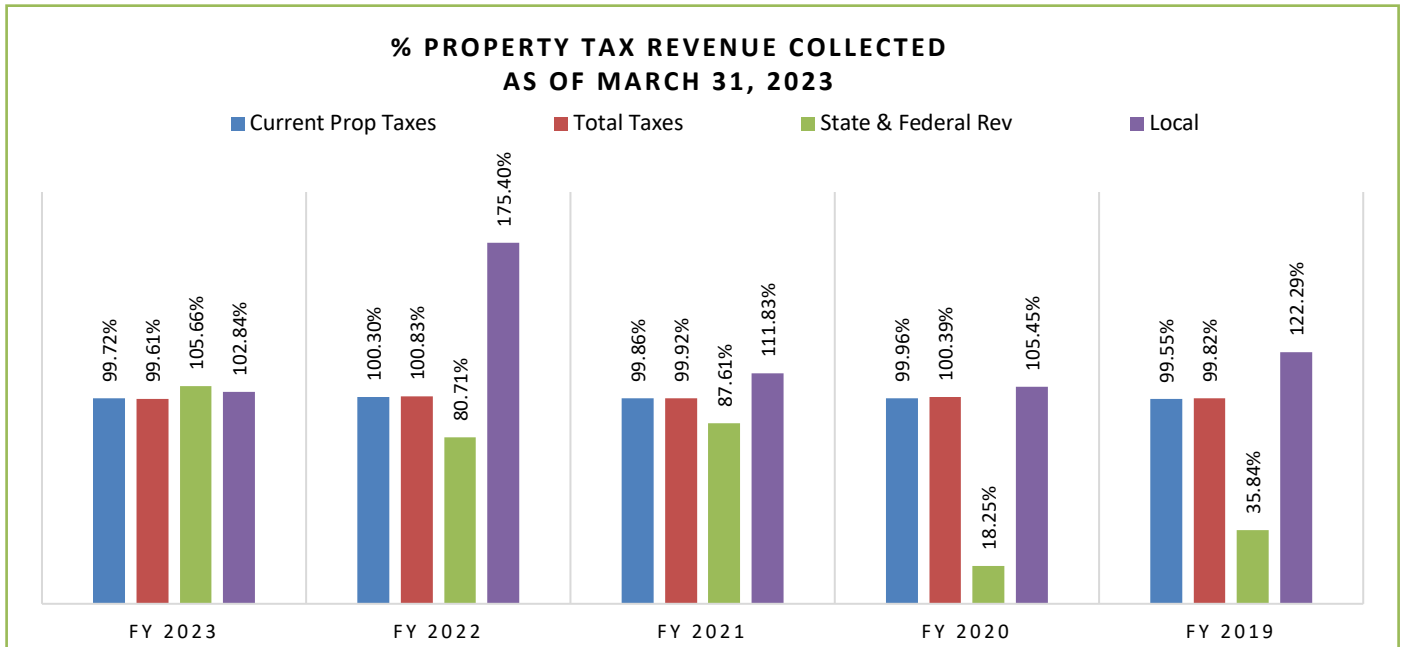
4. FINANCIAL REPORT:

a. ESTIMATED MARCH YTD UPDATE

Finance Director Tracey Celentano presented the March 2023 Financial Report to the Board.

REVENUES

As is shown in the chart below, it has been our historical pattern to have a current tax collection rate of more than 99% by the end of March, three quarters of the way through the fiscal year. For March, current property tax collections totaled \$157.2K which brings us to a collection rate of 99.72% which is slightly below prior fiscal years. Prior years' collections and interest/liens accounted for \$24K for the month.



As of March month-end, the YTD total tax collections were \$24,646,965 or 99.61% of the fiscal year total compared to 100.83% as of March 2022 and 99.92% as of March 2021. State and Federal Revenue in March included LoCIP (\$40,983) and Access Line Tax Share (\$20,656). Local Revenues totaled \$58.8K in March and \$610K (102.84%) collected YTD which is below the prior two years. Town Clerk Fees and Conveyance Taxes continue to trend positively but have slowed down due to the limited real estate on the market. As of the end of March, Conveyance Tax Fees exceeded the full budget amount by \$73K. Town Clerk Fees collected are at 68.09% of budget with three months remaining. Total revenues collected came in at 98.92% of budget versus 101.05% for March 2022 and 98.54% for March 2021 month end. These totals reflect the budgeted deficit amount of \$230,123.

At this point, our forecasted fiscal year end revenue surplus is \$44,816.

EXPENDITURES

Expenditures for the month of March totaled \$2,141,989 bringing spending YTD to \$20,667,791 or 78.82% of budget. Selectmen's budget expenditures made up \$793,136 of the total spending. As of March month-end, the Selectmen's budget spending YTD is \$7,324,786 or 78.82% of budget compared to 79.32% as of March 2022 and 75.70% at March 2021 month-end. The FY21-22 Surplus for Supervision District and R4 totals \$397,066 which is reflected in the expenditure's forecast.

Our early forecast reflects the items noted on the running list (not comprehensive). Combining the currently forecasted revenue and expenditures, the overall surplus is expected to be around \$388.2K. This forecast includes the budgeted deficit and additional appropriations for the STEAP Grant and Stryker stretcher for Essex Ambulance (Total of \$180K).

GENERAL FUND

FY 2022-2023 – IDENTIFIED OPPORTUNITIES/SAVINGS & RISKS/OVERRUNS

As of 3/31/2023

Opportunities/Savings

• Selectmen Office	\$60K +/-	Elected Payroll
• Municipal Revenue Sharing Grant	\$83K +/-	Not budgeted – did not expect.
• Conveyance Taxes	\$55K +/-	Real Estate Activity
• Building Permits	\$93K +/-	
• Misc. State & Federal	\$50K +/-	Tropical Storm Ida
• Medical/Dental Insurance	\$25K +/-	Retired Police Officer
• Interest	\$8K +/-	
• Local PILOT	\$5K +/-	
• Education Expenses Distribution	\$397.1K	R4 & Supervision District FY21-22 Surplus

Risks/OVERRUNS

• 11/9/22 Appropriation	\$50K	Essex Ambulance Stretcher
• 11/9/22 Appropriation	\$130K	STEAP Grant Matching Funds
• Budgeted Deficit	\$230K	
• Harbor Patrol	\$8K +/-	Additional Patrols
• Town Clerk Fees	\$10K +/-	Fees Offset by Revenue
• Water (Public Safety)	\$6K +/-	Actual Expenses
• Police Services	\$10K +/-	Accreditation (PT Officer)
• Electric	TBD	

MOTION made by Mary-Louise Polo to accept the financial report as submitted. SECONDED by Terry Stewart. Passed unanimously. Motion carried.

b. ARPA REPORT

This is an informational list of projects that have been approved, with one pending (later agenda item for an additional allocation for Tri-Town Youth Services. The unobligated balance remaining is \$289,331.

5. SELECTMEN'S REPORT

First Selectman Norman Needleman started by saying that there is not a lot to report since the last meeting. They had the public informational meeting for the River Road sidewalk project, and everything is running smoothly. There was a significant oil spill on Book Hill Road yesterday. An All-Waste truck blew a hydraulic line and leaked 40 gallons of oil. The spill was approximately 1,500 feet long and the section of road may need to be repaved.

The Town's Building Official is retiring. Norman stated it is not just finding a replacement who has the skills, it is finding someone who fits the team. There is a real shortage of building officials and zoning enforcement officers that are certified.

Norman also discussed his reasons for not supporting the bifurcated mill rate for motor vehicles. He went on to say that car prices have come back down and his recommendation this year is to go flat with the mill rate.

is not yet available. The State plans to pass a bill to fix the disparity for the car taxes paid, towns rely on that revenue. A standard table for car values has been created but software is not available yet. In aggregate, the value of all cars in the state would be reduced by 7% (varies town by town). In theory, this is not a bad idea, but will be decreased revenue and a financial decrease for towns/.

6. OLD BUSINESS

None

7. NEW BUSINESS:

a. CONSIDERATION OF 2023-2024 SELECTMEN'S BUDGET, ESSEX BOARD OF EDUCATION BUDGET AND POSSIBLE APPROVAL OF BOTH BUDGETS PRESENTED AT PUBLIC HEARING

MOTION made by Terry Stewart to approve the proposed 2023-2024 expenditures in the amount of \$26,522,194 for the support of schools, highways, the general government, and other necessary objects; and submit to the Town Meeting for approval. SECONDED by Brian Weinstein. Passed unanimously. Motion carried.

Terry Stewart asked if we can project what we think the impact on the mill rate will be? Norman Needleman replied that it will be minimal and hopefully flat due to the organic growth in the grand list.

Terry Stewart asked what the best case and worst-case scenarios would be. Norman Needleman responded that the best would be .2 mills up and the worst would be .2 mills down, which would depend on where the numbers fall.

Norman also updated the Board on his discussion with the Tax Collector regarding slower collections. Dunning notices are being sent more frequently. Historically, tax collections have been greater than 100%, which cannot be sustained.

Town meeting will be held on May 8, 2023

b. ARPA REQUEST – TRI-TOWN YOUTH SERVICES FY24

MOTION made by Mary-Louise Polo to approve and recommend to Town Meeting an appropriation in the amount of \$27,748 to be allocated from the American Rescue Plan Act Funds to Tri-Town Youth Services Bureau, Inc. a local non-profit. Said funds to be used to fund positions to expand and support youth mental health services. SECONDED by Terry Stewart. Passed unanimously. Motion carried

Vincent Pacileo III commented that the ARPRA funds are a finite set of funds that will be running out. He is concerned that providing these funds now and building this infrastructure will cause dependence for continued funding in the future.

Norman Needleman replied that the town has been overly careful by only funding one-time projects. This is a 2-year project for mental health reasons. The majority of ARPA funding was f public safety related. Norman went on to say that the Board of Selectmen thought long and hard about this request, especially with the number of suicides amongst our young people. He believes this funding is important. Mary-Louise Polo commented that on the 4th and final page of TTYSB's narrative a sustainability plan is addressed where additional sources of funding can be acquired when ARPRA funding expires. Norman Needleman said that the data driven results are important to determine if this program will work.

c. FY22-23 APPROPRIATION – ESSEX AMBULANCE

MOTION made by Brian Weinstein to approve a fiscal year 2022-2023 supplemental appropriation in the amount of \$15,000 to be allocated from unassigned funds to Essex Ambulance Association, Inc. to cover increased cost of workman's compensation insurance. SECONDED by Terry Stewart. Passed unanimously. Motion carried.

This is an increase for this fiscal year. D.G. Fitton, President of Essex Ambulance also submitted letter to document the FY23-24 \$19,500 budget increase approved in the March 22nd BOF meeting.

8. COMMUNICATIONS AND CORRESPONDENCE

None

9. PUBLIC COMMENT

None

10. ADJOURNMENT

MOTION made by Ethan Goller to adjourn the meeting at 9:48 PM. SECONDED by Brian Weinstein. Passed unanimously. Motion carried.

Respectfully Submitted,



Recording Clerk