

Board of Finance

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

MINUTES

Wednesday March 22, 2023

Members in Attendance:	Campbell Hudson
	Terry Stewart
	Vincent Pacileo III
	Ethan Goller
	Mary-Louise Polo
Others in Attendance:	Norman Needleman, First Selectman
	Tracey Celentano, Finance Director
	Danielle Schumacher, Board Clerk
	James Francis, Treasurer
	Brian White, Region 4 Superintendent
	Robert Grissom, Region 4 Finance Director
	Lon Seidman, Essex Board of Education Chair

1. CALL TO ORDER

The meeting was called to order at 7:03 PM by Chairman Campbell Hudson

2. APPROVAL OF AGENDA

MOTION made by Terry Stewart to approve the agenda as presented. Seconded by Vincent Pacileo III. Passed unanimously. Motion carried.

3. R4 BONDING DISCUSSION

Superintendent Brian White spoke to the Board regarding proposed bonding for updated and new athletic fields. These projects are being proposed for equity, safety, fiscal responsibility, and community. He said that there was a tremendous amount of feedback when he first started regarding the condition of the sports facilities. They hired a consulting firm to review Region 4's capital needs, which are summarized in a report with estimated costs. The athletic fields need to have accessibility and compliance with the ADA. There are also significant safety concerns that caused events to be shut down by the CIAC. R4 is past the usable life of these fields. This is a benefit to the community because this is not just a scholastic facility, but a town resource as well. There is a significant amount of community use outside of school use that contributes to the condition of the fields. They are also proposing the construction of two new fields which will reduce the wear and tear on the facilities that already exist. With the addition of the two extra fields with proper maintenance they expect to get 20-30 years. The pink line on the plans also shows a potential cross-country course which would be completely on campus and accessible by the public.

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Additional projects will take place at John Winthrop, involving the construction of two new soccer fields along with significant work to improve drainage and irrigation.

There is bond debt rolling off from the last 15 years with the last payment scheduled to roll off next year. Bonding in the fiscal year 2024-2025 is important as it will keep debt service relatively flat. The total anticipated cost is \$9.96million with a 20-year repayment schedule with a 4% interest rate.

Terry Stewart asked if the fields will be an all-weather surface. Superintendent White responded that one of the fields sits on top of the septic system and they are very reluctant to say that they could put synthetic turf on top of the septic system. They built this contingency into the request and would like to delve deeper into it if the project goes forward.

Mary-Louise Polo asked if there were any safety concerns associated with artificial turf as far as injuries. Brian White responded that they have been very careful in speculating where the artificial turf would go and if the project moves forward, they will get more details from contractors.

Vincent Pacileo III commented that the composition of artificial turf requires disciplined maintenance. He asked what the anticipated budget would be for the maintenance. Costs are estimated to be \$225K to \$250K annually.

First Selectman Norman Needleman commented that the utilization of the fields is at such a high level that two extra fields would give us the ability to rotate stuff out and let fields rest.

Vincent Pacileo III asked what other bonding requests do we anticipate in terms of the buildings. Brian White answered the DRA did an evaluation of all of the buildings and did come back with some pretty big recommendations that will hit us in about 8 years. They are going to really dig into this in the Spring.

Vincent Pacileo III asked about the impact to staffing and if they will require additional training as synthetic fields require a different type of expertise. They strongly feel that there is a need for a Facilities and Operations Manager. Current maintenance contracts will also be reviewed.

4. 2023-2024 ESSEX BOARD OF EDUCATION BUDGET PRESENTATION

Essex Board of Education Chairman Lon Seidman presented the budget to the Board.

He started by saying that this is one of the least changed budget cycles. The proposed 2023-2024 budget shows a 2.87% increase with a swap from Essex to Deep River in terms of the ADM. A lot of the increase is in shared services. Salaries have gone up about 4% and benefits have gone down. To be conservative when a new staff member is hired, they anticipate family insurance coverage.

He went on to say that they have locked in a snow removal contract with a flat rate. A new item is the daily building substitute due to a real shift in the work force. Many seasoned educators are retiring and the best candidates for the job are making lateral moves with existing experience. This allows the BOE to get great staff with minimal in the job training required.

In the Supervision District, there is a new Human Resources position to support Human Resources. Additional support is required to modernize and automate HR functions.

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One cost savings includes electricity, as rates were locked in several years ago which has allowed us to not feel the effect of the Eversource increase. Out of district tuition and employee benefit lines have also decreased.

The last slide of the presentation shows the usual capital sinking fund requests, including furniture replacements, upgrading the Keri Badge System, upgrading the Security System, and replacing the 2 backpack vacuums. Vincent Pacileo III asked about the current balance of the sinking fund. Finance Director Tracey Celentano reported that the current balance is \$276,311.

5. 2023-2024 SELECTMEN'S BUDGET AND BOE BUDGET APPROVAL TO PUBLIC HEARING

MOTION made by Terry Stewart to submit for review and discussion at the Public Hearing the 2023-2024 Board of Selectmen's Budget in the amount of \$9,324,964 and the Essex Board of Education 2023-2024 budget of \$8,378,172. Seconded by Ethan Goller. Passed unanimously. Motion carried.

First Selectman Norman Needleman spoke briefly about the ambulance association and long-term issues that we are facing. He said that we do not necessarily need to amend the budget, but he will be asking the BOS and BOF in upcoming meetings to approve a special appropriation of \$15K for this fiscal year to be approved to cover higher than expected insurance and operating expenses. The town has always supported the fire department and Essex Ambulance, both 5013C non-profits, but the ambulance has always had revenue offsetting the expenses.

The BOF agreed to add \$19,500 expenses to Essex Ambulance in the FY23-24 Budget to cover increased costs for insurance and operating expenses with the condition of a revised request being submitted. Norman will inform the BOS of this change.

6. EES SINKING FUND REQUEST

MOTION made by Mary-Louise Polo to approve and recommend to Town Meeting an appropriation from the EES Capital Improvement Sinking Fund in an amount not to exceed \$40,500 as requested by the Essex Board of Education. SECONDED by Terry Stewart. Passed unanimously. Motion carried.

7. ADJOURNMENT

MOTION made by Ethan Goller to adjourn the meeting at 9:13 PM. SECONDED by Vincent Pacileo III. Passed unanimously. Motion carried.

Respectfully Submitted,

A handwritten signature in black ink that reads "Danielle Schumacher". The signature is written in a cursive, flowing style.

Recording Clerk