

These minutes have not yet been approved

BOARD OF FINANCE

**Town of Essex
29 West Avenue
Essex, CT 06426
7:30 p.m. – Auditorium
(Immediately Following 2019-2020 Annual Budget Town Meeting)**

May 13, 2019

MINUTES

In attendance: Keith Crehan, Chairman, Campbell Hudson, Vice Chairman, Ethan Goller and Vin Pacileo, III.

Absent: Mary-Louise Polo, Edward Tedeschi

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

Meeting called to order at: 7:49 p.m.

APPROVAL OF THE AGENDA:

Keith Crehan made a request to add to the agenda Item 7d. Approval of Funds (from anticipated Surplus) for Specialty Items for Essex Elementary School.

Keith Crehan made a motion to approve the agenda as amended, seconded by Campbell Hudson. Passed unanimously. Motion carried.

APPROVAL OF THE MINUTES:

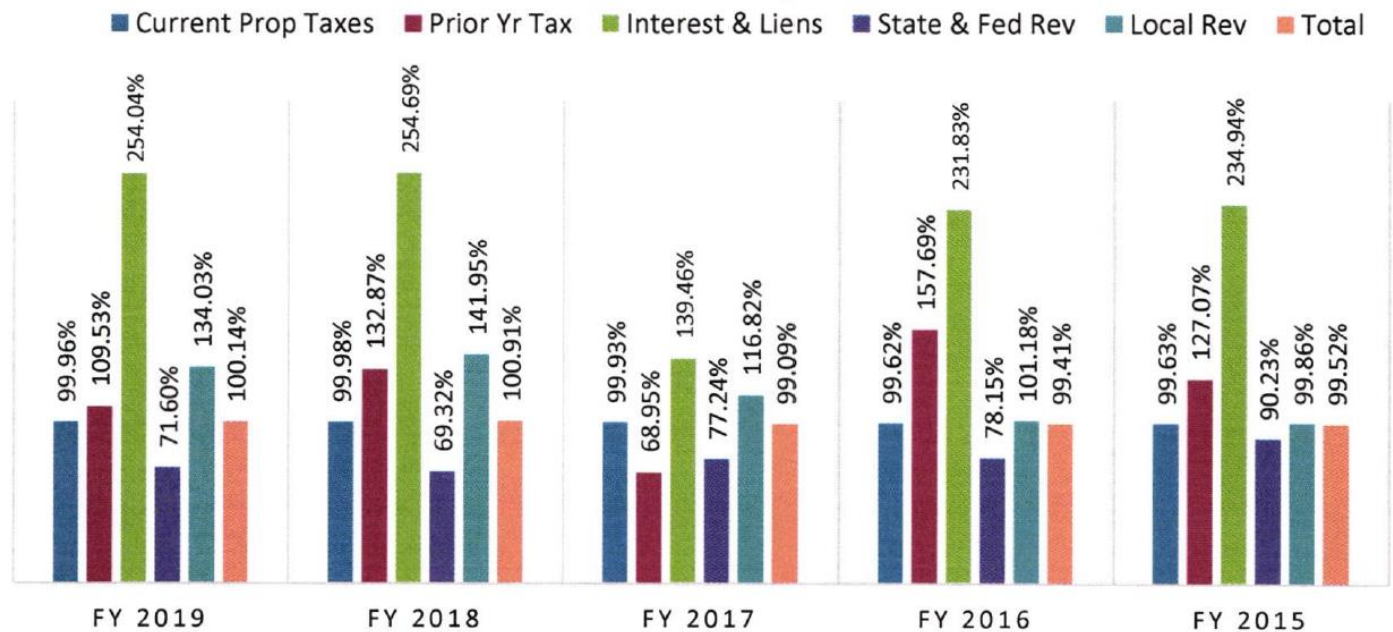
Campbell Hudson made a motion to approve the minutes of April 24, 2019, seconded by Ethan Goller. Abstained - V. Pacileo. Passed. Motion carried.

FINANCIAL REPORT:

REVENUES

As of the end of April, our revenue collection rates for all categories are showing a strong resemblance to the prior fiscal year. Current property tax collections for April came in at \$91,842 which is a healthy number at this stage of the fiscal year. This brings the collection rate of 99.69% which compares well with prior years.

% REVENUE COLLECTED BY SOURCE AS OF APRIL 30, 2019



Interest and liens fees and prior year tax collections totaled \$30.3k for the month. The combined effect produced YTD total tax collections, as of April 2019 month end, of \$22,990.738 or 100.36% compared to 100.53% for April 2018 and 99.81% for April 2017. Revenue from State sources totaled \$174.k as we received our final ECS payment and Town Aid Road payment for the fiscal year. So, we finally see our State revenue collection rate take a bump up to 71.60%. We have prepared our LoCIP authorization request and anticipate receiving these funds before the end of the year. Total local revenue advanced to 134.03% of our fiscal year budget as of the end of April. This compares to 141.95% as of April 2018 and 116.82% as of April 2017. Local revenue for the month consisted primarily of interest income, conveyance tax, Town Clerk fees and miscellaneous revenue. Total revenue collected for the current year has now reached 100.14% of budget. Based on the strong tax collections and local revenue we have bumped the forecasted fiscal year end revenue surplus to \$352.8k.

EXPENDITURES

Expenditures for the month of April totaled \$1,467.939 bringing total spending YTD to \$20,103,110 or 83.3% of budget. Selectmen's budget expenditures YTD totaled \$6,253,133 or 77.12% of budget as of the end of April 2019 compared to 79.05% as of April 2018 and 77.36% at April 2017 month end. Selectmen's budget spending for the month totaled \$229.1k. Payroll expenses counted \$179.8k of the total. Currently all budget lines appear to be trending well. However, we have been made aware of the need to remove the underground storage tank at the Firehouse and will replace with an above ground convault. The cost for similar work at the Town Hall was approximately \$43,000. I have added this to our list of areas of concern and opportunities, but it is not included in the forecast at this point.

Combining the currently forecasted revenue and expenditures, the overall surplus is revised to \$277.5k.

Vin Pacileo made a motion to accept the financial report, seconded by Ethan Goller. Passed unanimously. Motion Carried.

SELECTMEN'S REPORT:

Norman discussed the laying of new water pipes by Connecticut Water in Centerbrook and the construction surrounding it. This will hold up the STEAP sidewalk project a bit. The sidewalk project will now begin at the railroad and will begin once the water company turns onto route 154 heading toward Deep River. Norman also discussed the Town's new plan of benefits may not be a fit for many employees due to the fact they do not have access to some of their current doctors in the new plan. We have an option to possibly adjust the current plan and some of the deductibles and we plan on looking at that.

OLD BUSINESS: None

NEW BUSINESS:

a. Set Mill Rate –

Keith Crehan made a motion to set the mill rate for the Town of Essex fiscal year 2019-2020 at 21.65 mills, seconded by Ethan Goller. Passed Unanimously. Motion Carried.

b. Appointment of Auditor –

Keith Crehan made a motion to appoint Mahoney Sabol & Company LLP as the audit firm for the Town of Essex for the audit of the fiscal year from July 1, 2018 to June 30, 2019, seconded by Vin Pacileo. Passed unanimously. Motion Carried.

c. Suspense List –

Campbell Hudson made a motion to approve the tax suspense list as presented by the Tax Collector in the amount of \$45,299.23 (\$12,235.74 Motor Vehicle, \$2,713.70 Motor Vehicle Supplement and \$30,349.79 Personal Property), seconded by Ethan Goller. Passed unanimously. Motion Carried.

d. Approval of Funds (from anticipated Surplus/Sinking Funds) for Specialty Items for Essex Elementary School- Indicated below are the 4 items specifically needed as priority requests for 2019-2020 were:

- Replace two (2) sets of doors (music & kindergarten knuckles)	\$17,600
- Upgrade Security camera system	\$ 4,500
- Replace 4" and 6" backflow sprinklers	\$11,500
- Cafeteria tables (8)	\$ 9,500
	\$43,100

The funds for these projects are requested from the School Capital Project sinking fund. However, The BOF also agreed to revisit this topic at the close of the fiscal year and, if the Essex BOE budget showed a sufficient surplus, they would consider returning the amount to the sinking fund.

Keith Crehan made a motion to approve and recommend to Town Meeting the appropriation of an amount not to exceed \$45,000 for capital and security projects at Essex Elementary School from the School Capital Projects Sinking Fund. Motion was seconded by Campbell Hudson. Passed unanimously. Motion Carried.

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COMMUNICATIONS AND CORRESPONDENCE: None

PUBLIC COMMENT: None

ADJOURNMENT:

Keith Crehan made a motion to adjourn at 8:51 p.m., seconded by Ethan Goller. Passed unanimously. Motion carried.

Respectfully submitted,

Yvonne Roziak
Recording Secretary