

These minutes have not yet been approved

BOARD OF FINANCE

**Town of Essex
29 West Avenue
Essex, CT 06426
Conference Room A**

August 15, 2019

MINUTES

In attendance: Keith Crehan, Chairman, Campbell Hudson, Vice Chairman, Edward Tedeschi, Vin Pacileo III and Ethan Goller. Absent: Mary-Louise Polo

Others in attendance: Norman Needleman
James Francis, Treasurer
Kelly Sterner, Finance Director
Bruce Glowac, Selectman
John Planas, Essex Fire Marshal
Aron Schumacher, Fire Chief
Chris Goings, Assistant Fire Chief

Meeting called to order at 7:04 by Keith Crehan.

APPROVAL OF THE AGENDA:

Vin Pacileo moved to approve the agenda, seconded by Ethan Goller. Passed unanimously. Motion carried.

APPROVAL OF THE MINUTES:

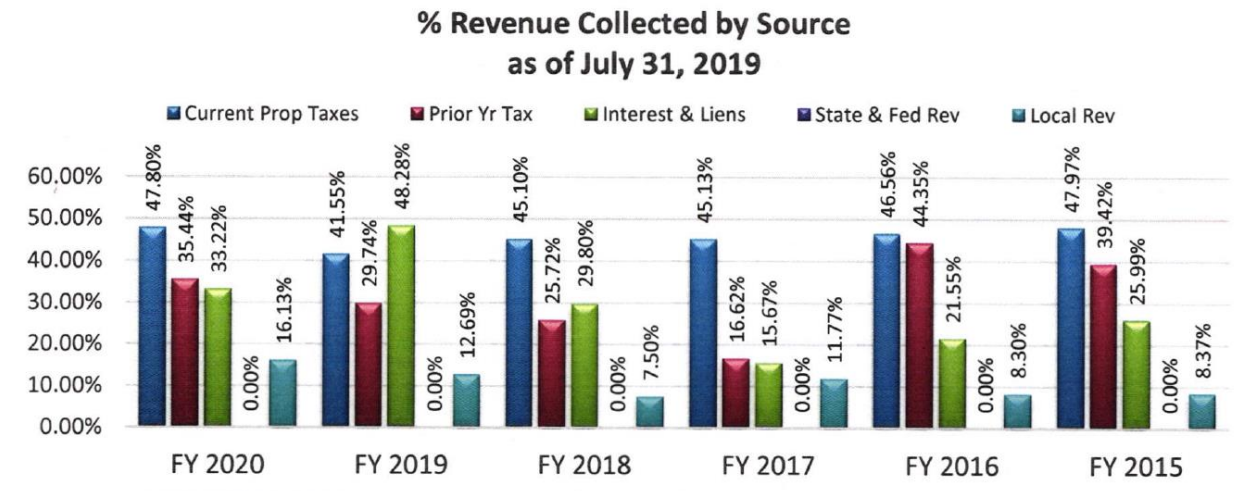
Ed Tedeschi moved to approve the minutes of June 20, 2019, seconded by Campbell Hudson. Abstained: K. Crehan. Passed. Motion Carried.

FINANCIAL REPORT:

Kelly Sterner, Finance Director, provided the following financial report for the fiscal year through the month ending July 2019:

REVENUES

The current property tax deposits for July 2019 totaled \$10,895,821 which is a collection rate of 47.80%. Additional “on time” payments on August 1st and 2nd totaled \$1.4 million. As shown in the chart below, tax collections are starting off strong compared to prior years.



As of July month-end, the YTD total tax collections were \$12,030,592 or 47.68% of the fiscal year total. Credit card payments accounted for \$332,596 compared to \$225,709 for the same period the prior fiscal year. Interest and Liens were again robust due to strong prior year collections in July. Local revenues are also starting the year strong with a total of \$100.1k collected in July 2019 compared to \$74.9k in July 2018. Miscellaneous Receipts consist primarily of the equity distribution from CIRMA of \$11,731. Because it should be a recurring revenue source, we have added a new revenue line for local PILOT. These are the payments in lieu of taxes from Essex Housing and Essex Place. These totaled \$37k for fy 2019-2020. Total revenues collected came in at 45.72% of budget versus 39.75% for July 2018 and 43.2% for July 2017 month end.

EXPENDITURES

Expenditures for the month of July totaled \$3,345,672 or 13.83% of budget. Selectmen's budget expenditures made up \$2,015,757 of the total. The spending is 24.01% of budget as of the end of July 2019 compared to 19.94% as of July 2018 and 19.92% at July 2017 month end. The higher than normal expenditure level is due to the retirement fund contribution made in July this fiscal year. Payroll accounted for \$224k of the monthly spending First Quarter payments to the libraries, Insurance and 911-services as well as the semi-annual Fire Department distribution and annual bond payment all hit the budget during July each year causing our spending to appear high at the front end of the fiscal year.

These minutes have not yet been approved

Although it is only the first month of the fiscal year, we are already aware of a budget line issue. The FY 2019-2020 budget anticipated a change in health insurance providers to the State Partnership Plan. Subsequently a provider disruption comparison revealed a match rate of less than 90%. The Town will remain with the self-insured BCBS coverage with R4 with an estimated annual cost that will exceed budget by \$53.5k.

Campbell Hudson made a motion to accept the Financial Report, seconded by Vin Pacileo. Passed unanimously. Motion carried.

SELECTMEN'S REPORT:

Norman thanked Kelly for her hard work on the Financial Reports for the year as well as the forthcoming appropriations. Norman also briefly discussed the potential purchase of street lights from Eversource and the fact that we will also maintain them and save money by going in this direction. \$145k is the number the town is looking at to purchase these fixtures. Tree work will continue to go on in town and in the villages getting rid of large dangerous trees that could be hazardous should they fall.

- a. Police Vehicle Sinking Fund Request: Norman presented the reasons for the purchase of a new police vehicle including all necessary equipment. The last of the Crown Victoria cruisers will be retired and the oldest of the Explorers is approximately 5-6 years old. The state is ordering cars and we need to get our request in by this September. Therefore, the sinking fund request of \$66,000.00 is the recommendation to the Board of Finance.
- b. Fire Department Sinking Fund Request: Norman reiterated the Selectmen's request for this sinking fund appropriation for the local match to the Port Security Grant for a new fire boat. This would help us assist towns north (and south) of us on the Connecticut River should anyone need it. Our current boat is 25 years old and has been kept alive with donation money. It really has no value left even if we chose to sell it. John Planas, Fire Marshal assisted in getting the grant for the purchase of the new boat. The recommended appropriation is \$125,000.00.

Keith Crehan made a motion to approve and recommend to Town Meeting the appropriation of a sum not to exceed \$66,000.00 for the purchase of a new police vehicle and all necessary equipment. Said sum to be taken from the Police Cruiser Sinking Fund, seconded by Campbell Hudson. Passed unanimously. Motion carried.

Vin Pacilleo made a motion to approve and recommend to Town Meeting the appropriation of a sum not to exceed \$125,000.00 for the purchase of a 2019 MetalCraft Marine FireBrand 28 fire boat for the Essex Fire Department. Said sum to be taken from the Fire Department Sinking Fund, seconded by Campbell Hudson. Passed unanimously. Motion carried.

These minutes have not yet been approved

OLD BUSINESS: None

NEW BUSINESS:

- a. Annual Report Dedication Discussion: A list of possible recipients were discussed and it was agreed that the decision will be made at the next BOF meeting.

COMMUNICATIONS AND CORRESPONDENCE: None

PUBLIC COMMENT:

On behalf of the Essex Fire Department, John Planas thanked the Board of Finance for their support and assistance in acquiring the new fire boat.

ADJOURNMENT:

Keith Crehan made a motion to adjourn the meeting at 7:50 p.m., seconded by Ethan Goller. Passed unanimously. Motion carried.

Respectfully submitted,

Yvonne Roziak
Recording Secretary