

These minutes have not yet been approved

BOARD OF FINANCE

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

September 19, 2019

MINUTES

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

Others in attendance: Norman Needleman
Kelly Sterner, Finance Director

Meeting called to order at 7:05 p.m. by Keith Crehan.

APPROVAL OF THE AGENDA:

Keith Crehan moved to approve the agenda, seconded by Vin Pacileo. Passed unanimously. Motion carried.

APPROVAL OF THE MINUTES:

Ed Tedeschi moved to approve the minutes of August 15, 2019, seconded by Campbell Hudson. Abstained: Mary-Louise Polo. Passed. Motion Carried.

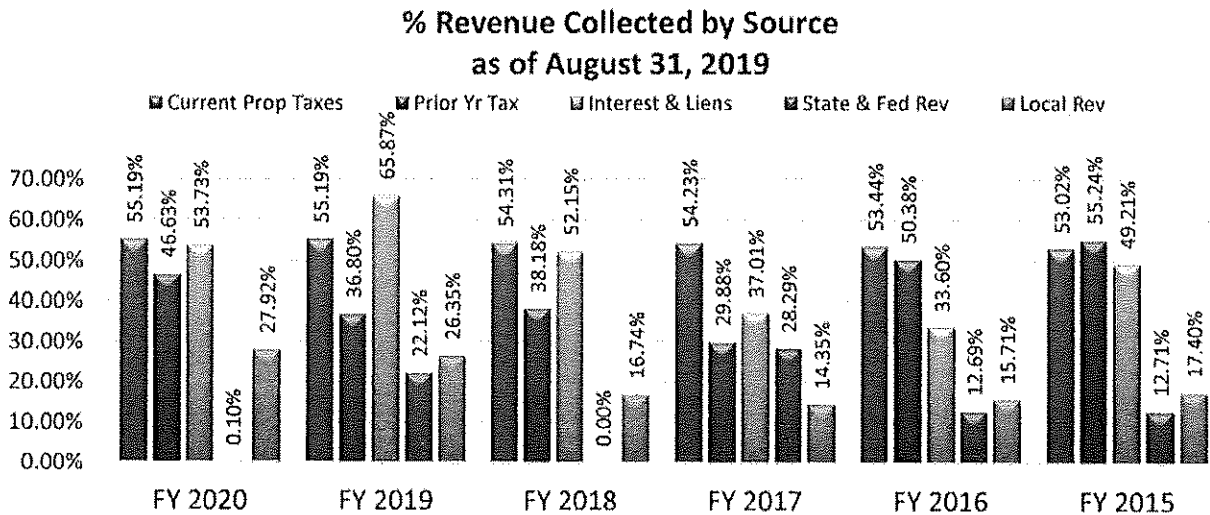
FINANCIAL REPORT:

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

REVENUES

The current property tax deposits for the fiscal year through August 2019 totaled \$12,581,089 which is a collection rate of 55.19%. As you can see from the chart below, we are in a dead heat with FY 2019 and slightly ahead of prior years.

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As of August month-end, the YTD total tax collections were \$12,673,401 or 55.11% of the fiscal year total which reflects deposits for August of \$1,708,031. Credit card payments for the month of \$71.3k accounted for 4.29% of total deposits. Prior year collections, and Interest/Liens continue to be strong compared to prior years. Typically, in August we receive the first half payment of the Town Aid Road, but to-date we have received almost no State revenue. The bond package that includes funding for Town Aid Road, LoCIP and Grants for Municipal Projects has yet to be adopted by the State. Local revenues remain brisk and a total of \$63.1k collected in August 2019. Conveyance tax of \$19.4, interest income of \$16.5k, and Town clerk fees of \$17.6k top the list of contributors. Total revenues collected came in at 53.08% of budget versus 53.47% for August 2018 and 51.98% for August 2017 month end.

EXPENDITURES

Expenditures for the month of August totaled \$2,556,969 bringing spending YTD to \$5,889,277 or 24.34% of budget. Selectmen's budget expenditures made up \$423,263 of the total. The Selectman's budget spending YTD is 24.01% of budget as of the end of August 2019 compared to 21.75% as of August 2018 and 23.96% at August 2017 month end. Payroll accounted for \$218.2k of the monthly spending. The remaining spending was wide spread across budgets. Some expenditures of note include \$25k in Technology primarily for equipment and software subscriptions, legal expenditures of \$19.6k, \$10.7k for tree work, \$10.6k for the gazebo roof at Ivoryton park, and road/sidewalk maintenance of \$10k. With the exception of the previously mentioned health insurance costs, the budget is currently tracking well.

Financials for R4 have been provided by Supervision District for the year-to-date through August 28, 2019. The current projected surplus is due to the return of out placements to the district. This required the addition of paras but is more than offset by the reduction in out-of-district tuition.

Campbell Hudson made a motion to accept the Financial Report, seconded by Mary-Louise Polo. Passed unanimously. Motion carried.

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Kelly discussed the FY 2018-2019 Budget transfers:

As of today, there was \$35k left in contingency, however, Municipity (the Land Use permitting software program we purchased and have since cancelled) sent a late bill (15 mos. old) for \$10,000.00. We are now with PermaLink and our users are very happy with them. This left us with not enough to cover in contingency. Kelly is waiting on a call back from the auditors to see what they suggest. In the meantime, Kelly requested that the BOF approve these as they stand and revisit the technology transfer in October. Keith and the BOF agreed.

Mary-Louise Polo made a motion to approve 2018/2019 budget year fiscal year ending transfers as recommended on the provided list (attached), amounting to a total of \$35,000.00 from the BOF contingency fund, seconded by Campbell Hudson. Passed unanimously. Motion carried.

SELECTMEN'S REPORT:

Norman discussed the Town is currently wrapping up construction projects in Centerbrook. Champlin Square will now be connected with sidewalks and we will be going up to the piano factory with concrete sidewalks replacing the asphalt. We will also be looking at finishing the sidewalks in front of Centerbrook Architects. Grant money will be used for the remainder of these projects. We are currently working off of two grants, the STEEP grant and the Connectivity grant.

Norman indicated that chip sealing will be going on in Essex and paving to start next month in Centerbrook. We are hoping to be done before winter. Several new businesses are slated to be opening in Centerbrook. One is where Wright's restaurant used to be, Swanky's (BBQ sales and food) and a new brew pub opening at the Witch Hazel complex. Carlson's Landing is also expected to open soon.

FY 2018-2019 Supplemental Appropriations:

Norman discussed the two additional supplemental appropriations for the OPEB Fund and the Fire Department Sinking Fund. These total \$50,000.00 and are being added today since the Board of Selectmen also approved list of supplemental appropriations at their 9/14/19 meeting.

Vin Pacileo made a motion to approve and recommend to Town meeting supplemental appropriations to the fiscal year 2018-2019 budget in the amount of \$650,000.00 as recommended by the Board of Selectmen on the provided list (attached), seconded by Campbell Hudson. Passed unanimously. Motion carried.

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OLD BUSINESS:

- a. Annual Report Dedication Determination – Jacqueline Wolff

Vin Pacileo made a motion to approve Jacqueline Wolff as the annual report dedication recipient, seconded by Mary-Louise Polo. Passed unanimously. Motion carried.

NEW BUSINESS: None

COMMUNICATIONS AND CORRESPONDENCE: None

PUBLIC COMMENT: None

ADJOURNMENT:

Vin Pacileo made a motion to adjourn the meeting at 8:07 p.m., seconded by Keith Crehan. Passed unanimously. Motion carried.

Respectfully submitted,

Yvonne Roziak
Recording Secretary

ymr/attachment (FYE Transfers and Supplemental Appropriations)



**2018-2019 Budget Year
FYE Transfers**

10409-508400 Board of Finance - Contingency balance at 6/30/19 \$ 35,000

Org #	Department	Primary Cause(s)	Variance with Budget prior to year end transfer	Recommended year end transfer
10401	Elections	costs related to November election re-canvas/printing	\$ 3,954.74	\$ 3,954.74
10407	Town Clerk	State of CT fees	\$ 12,156.57	\$ 12,156.57
10416	Park & Rec	FEMA storm - offset by fema funds of \$3,750	\$ 3,189.24	\$ 3,189.24
10410	Conservation Commission	exp overrun in Grounds Maint. & Repairs	\$ 22.48	\$ 22.48
10450	Highway Department	payroll overage-seasonal staff to replace long term ill staff	\$ 7,454.83	\$ 7,454.93
10412	Zoning Commission	State of CT fees	\$ 3,803.55	\$ 3,803.55
10414	Building Dept	State of CT fees - offset by higher than budgeted Building fees	\$ 492.45	\$ 492.45
10475	Technology	software cost overrun	\$ 11,773.36	\$ 3,926.04
			\$ 42,847.22	\$ 35,000.00

FYE Supplemental Appropriations

Fiscal Year Ending 6/30/2019

Approved by Board of Selectmen @ 9/18/19 meeting

	<u>Amount</u>
OPEB Fund	\$ 25,000.00
Fire Department Sinking Fund (add'l to 9/4/19 request)	\$ 25,000.00
Supplemental Appropriations	\$ 50,000.00

Approved by Board of Selectmen @ 9/4/19 meeting

	<u>Amount</u>	<u>Current Sinking Fund Balance</u>	<u>Available Sinking Fund Balance*</u>
Merit Service Pension	\$ 50,000.00	n/a	n/a
Police Pension	225,000.00	n/a	n/a
PW Grounds Maintenance & Repairs for additional tree work	50,000.00	n/a	n/a
EES Capital Sinking Fund	45,000.00	303,256	258,256
Bridge/Infrastructure sinking fund	50,000.00	75,907	75,907
Ambulance sinking fund	10,000.00	37,953	37,953
Police Vehicle Sinking Fund	20,000.00	82,311	16,311
Fire Department Sinking Fund	50,000.00	767,468	642,468
Capital for Sidewalks &/or Road Reconstructions	100,000.00	n/a	n/a
Supplemental Appropriations	\$ 600,000.00		

Total Supplemental Appropriations \$ 650,000.00

* - available balance equals current balance less approved/outstanding appropriations