

# Board of Finance

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

## MINUTES

Thursday November 16, 2023

<b>Members in Attendance:</b>	Campbell Hudson, Chairman
	Terry Stewart
	Mary-Louise Polo
	Ethan Goller
	Brian Weinstein
	Vincent Pacileo II
<b>Others in Attendance:</b>	Norman Needleman, First Selectman
	Jim Francis, Treasurer
	Tracey Celentano, Finance Director
	Kelly Sterner
	Danielle Schumacher, Board Clerk
	Peter Decker
	Stacia Libby, Selectwomen
	Bruce Glowac, Selectman
	Paul Fazzino, Essex Fire Engine Company #1

1. **CALL TO ORDER**

The meeting was called to order at 7:04 PM by Chairman Campbell Hudson.

2. **APPROVAL OF AGENDA**

***MOTION made by Ethan Goller to amend the agenda to Executive Session item number 10. SECONDED by Mary-Louise Polo. Passed unanimously. Motion carried.***

3. **APPROVAL OF MINUTES FROM OCTOBER 19, 2023**

***MOTION made by Ethan Goller to approve the minutes from the October 19, 2023 Board of Finance meeting. SECONDED by Brian Weinstein. Passed unanimously. Motion carried.***

4. **FINANCIAL REPORT**

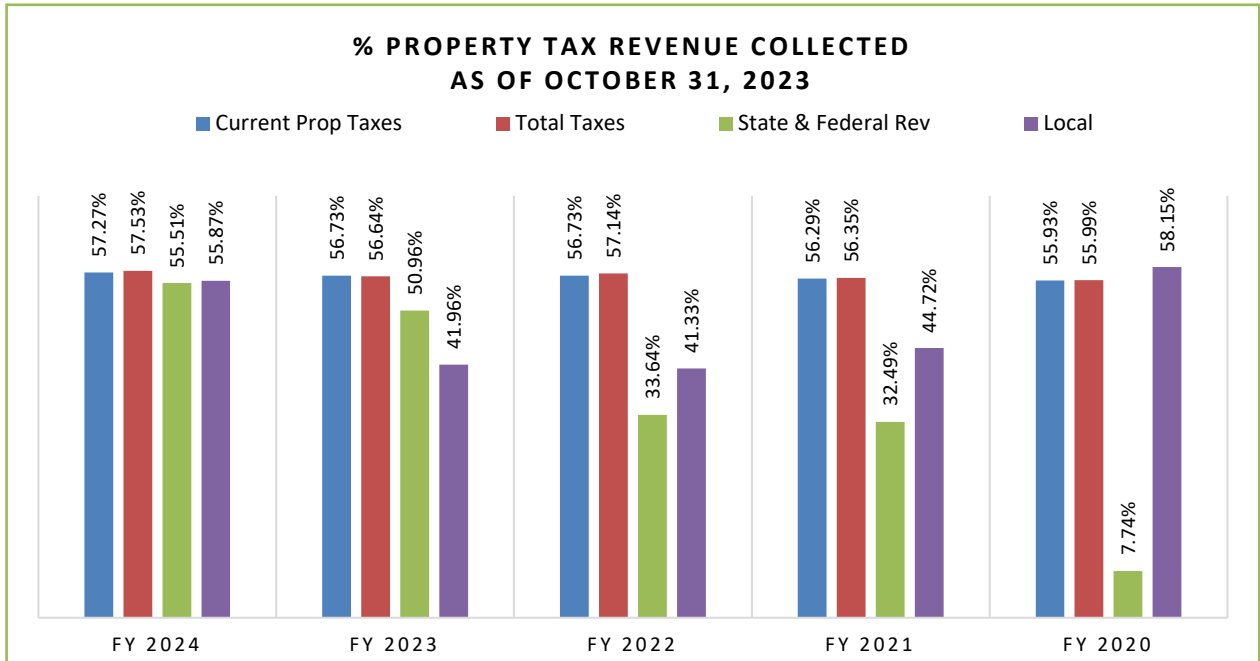
a. **OCTOBER 2023 FINANCIAL REPORT**

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

**REVENUES**

October typically ranks among our slowest tax collection months. Total tax collections for the month were \$73.4K with current property taxes accounting for \$25.8K of the total. This brings current property tax deposits for the fiscal year through October 2023 to \$14,358,327 which is a

collection rate of 57.27%. This is slightly above historical collection rates.



As of October month-end, helped by Interest & Liens fees, the YTD total tax collections were \$14,537,437 or 57.53% of the fiscal year total compared to 56.64% as of October 2022 and 57.14% as of October 2021. We received State/Federal revenue in the form of Education Cost Sharing Grant (\$42,905) and Municipal Revenue Sharing (\$102,619). Local revenues collected totaled \$84,725 in October 2023 and are trending slightly above prior years. Fiscal year-to-date, conveyance taxes collected total \$88.5K or 98.35%, Town Clerk Fees total \$36.8K or 43.24% and Building Permits total \$100.2K or 80.17% of budget. Total revenues collected came in at 56.96% of budget versus 55.70% for October 2022 and 55.65% for October 2021 month end.

### **EXPENDITURES**

Expenditures for the month of October totaled \$2,389,198 bringing spending YTD to \$10,524,730 or 40.37% of budget. Selectmen's budget expenditures made up \$1,501,509 of the total spending. As of October month-end, the Selectmen's budget spending YTD is \$4,580,420 or 49.12% of budget compared to 45.47% as of October 2022 and 46.42% at October 2021 month-end. October expenditures included: Sinking Fund Allocations (\$340K), Sidewalk & Road Reconstruction (\$122.2K), Audit Fees (\$17.5K), Valley Shore Emergency Communications quarterly payment (\$32K), Transfer Station Wood Chipping & Leaf Screening (\$27K) as well as general operating expenses.

### **FY 2023-2024 – IDENTIFIED OPPORTUNITIES/SAVINGS & RISKS/OVERRUNS**

#### **As of 10/31/2023**

#### **Opportunities/Savings**

- |                                   |           |  |
|-----------------------------------|-----------|--|
| • Selectmen Office                | \$80K +/- | Elected Payroll                                  |
| • Municipal Revenue Sharing Grant | \$102.6K  | <i>Not budgeted – did not expect to receive.</i> |
| • Conveyance Taxes                |           | TBD  |
| • Building Permits                |           | TBD  |

### **Risks/Overruns**

• Building Department	TBD	Training/2 Part-Time Positions/Fees
• Animal Control	\$18K +/-	Regional ACO – Full Time Position
• Local PILOT	\$16.4K	Essex Place

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

#### **b. AMERICAN RESCUE PLAN ACT SUMMARY**

Finance director Tracey Celentano said that allocations are just shy of \$630k. The fire rescue vehicle and ambulance will be coming in the next couple of months.

### **5. SELECTMEN'S REPORT**

First Selectman Norman Needleman said that it is a good thing that we purchased and locked in the price of the rescue truck when we did, it would now price out at about 65% more. This is a function of all the other towns and states that took too long to decide how to use funds. He thinks that the town did well on the ambulance. There is also the addition of the two code compliant stretchers and swap in chassis due to the first being out of stock.

In terms of the Animal Control Officer, he hopes to sign an interlocal agreement with Deep River and Chester. This will add about \$23,000 to our budget.

Mr. Needleman went on to say that Jessica mailed out the grand list assessments. Residential is up 37 to 40% on average, some neighborhoods considerably more than others. Riverfront properties have almost doubled in value with Commercial properties having virtually no change. This means there will be a much higher tax burden on residential properties. It is going to be shell shock when people get the numbers, and they are trying to get the information out that you don't just multiply the current assessment by the mill rate. They are trying to be transparent with the public.

He went on to say that the sidewalk project is close to being finish except for the pedestrian bridge which is being ordered. Grants in the last several years have worked on infrastructure. The capital committee is working on a list and will refine it early next year to come up with a bond proposal for some time in the Spring. They want to lock it down so they can slip it in when the school renovation bonds fall off.

The fire department has an ARPA request for the renovation of engine 652. He is also asking for a appropriation of \$50,000 for the tree warden. The ambulance association came back with what is hopefully the last quote.

### **6. OLD BUSINESS**

*Meeting calendar approved at the last meeting included in the packet.*

### **7. NEW BUSINESS**

#### **a. ARPA REQUEST – ESSEX AMBULANCE**

The ambulance association came back asking for an additional to cover the cost of the Stryker stretchers, which have cost more than originally quoted.

***MOTION made by Brian Weinstein to approve and recommend to Town meeting an additional appropriation in an amount not to exceed \$35,000 to be allocated from the American Rescue Plan Act Funds to be used for Essex Ambulance Association to cover the shortfall for the new ambulance as recommended by the Board of Selectmen. SECONDED by Mary-Louise Polo.***

***Passed unanimously. Motion carried.***

**b. ARPA REQUEST – PUBLIC WORKS GROUNDS MAINTENANCE (TREES WORK)**

Norman Needleman said that this is the number we have given Auggie the past several years and it was his mistake not including it in the special appropriations. Auggie gets a gold star for following the purchasing policy and getting quotes.

***MOTION made by Mary-Louise Polo to approve and recommend to Town meeting an additional appropriation in an amount not to exceed \$50,000 to be allocated from the American Rescue Plan Act funds to be used for Public Works Grounds Maintenance-Tree Work as recommended by the Board of Selectmen. SECONDED by Brian Weinstein. Passed unanimously. Motion carried.***

**c. FIRE DEPARTMENT SINKING FUND REQUEST – ENGINE 652**

Board Member Ethan Goller spoke saying that Engine 652 was the primary pack engine out of the Ivoryton station for many years. It has a lot of life left in it and this is a cheap way to extend the life for many years.

***MOTION made by Ethan Goller to approve and recommend to Town meeting an appropriation in an amount not to exceed \$150,000 to be allocated from the Fire Department Sinking Fund to refurbish the 1994 Pierce Engine 652 as recommended by the Board of Selectmen. SECONDED by Mary-Louise Polo. Passed unanimously. Motion carried.***

**d. CENTERBROOK MEETING HOUSE**

Norman Needleman and Campbell Hudson recused themselves from the conversation  
Mary-Louise Polo presided over this portion of the meeting

Selectman Bruce Glowac the notes from their last meeting are included in the packet. They are just trying to keep everyone up to date and be fully transparent. They have continued to investigate the benefits and costs of the Centerbrook Meeting House. They are advocating that the town does accept and the plan is to move it to town meeting next.

There is a committal letter and letter of understanding. The Meetinghouse is considered a condominium and has to stay this way because of the shared grounds.

There are some capital improvements that they would want to do right off the bat. They have identified and put numbers on them so they can roll them into the bonds Norman mentioned.

- New Boiler (old with asbestos around it)- \$30,000
- New Roof (back part)- \$20,000-\$25,000
- HVHC repairs (Tiger Report identified older units)- \$10,000-\$15,000
- Structural repairs (sanctuary section west wall as separated from main carrying beam)- \$8,000-\$10,000

Mr. Glowac went on to say that historically the Meetinghouse is a real gem and we can't let it be lost to the community. They have identified many ways it can be used and all of the feedback has been positive so far.

Terry Stewart asked if the town does not take the building who might and what could happen to the property?

Stacia Libby replied that if the town does not accept it then it will go up for private sale.

Mr. Stewart asked if there is a utilization forecast estimate for the property? Confirmed interest?

Stacia Libby said Mary Ellen with Park and Rec is extremely interested and is envisioning a lot going forward. Scouts use it now for Eagle Scout ceremonies. The Playhouse uses it for rehearsal time. It will continue to function as it does now with some additional uses.

Vincent Pacileo III asked if they have any updates on the Region 4 expenses.

Norman Needleman said that they don't have numbers yet and that consultants are still working.

Mr. Pacileo said that we have two expenses that are rather sizable.

Ethan Goller asked if the town is in danger of losing the building.

Mr. Glowac said that the owners want to close by the 31<sup>st</sup> of December.

Mr. Pacileo said that there are items that exist out there that we need to get our arms around first. We don't yet know what the amounts are. We should have some certainty with the region 4 expenses before we proceed.

Brian Weinstein commented that we are months away from knowing the region 4 expenses.

Mr. Pacileo asked about the shared facility and what the town is on the hook for if the septic system had to be replaced.

Mr. Glowac said that the condo association documents are extensive. There are multiple pages that spell everything out in detail.

Campbell Hudson spoke saying that the legally the property is a condominium because there are units solely owned by people. The entire meeting house is one unit (building including the exterior). The town would own that unit which is number 2. The other building is deeded to the Ivoryton Playhouse Foundation, and they are fully responsible for that unit. The grounds are the common element. The parking on the east side is only for the meeting house and the parking on the left side has a certain number of spaces allocated to the residential building. The only notable shared common element is the septic. The town would be getting this one unit with its share of the common elements.

Mary-Louise Polo turned the meeting back over to Chairman Campbell Hudson.

**e. AUDITED FINANCIAL STATEMENTS & RELATED COMMUNICATION**

Tracey Celentano said that this was a clean audit with no written management letter like last year. There were two verbal recommendations related to capital assets. The auditors felt that thresholds were low which don't really change our policy. They need to formalize procedures and bring them forth to the Board of Finance. The second item is in follow up to ARPA and the purchasing policy. We need to document it and document it well.

Regarding the Federal and State audits, we were considered high risk because we have not yet had two annual federal audits. We didn't meet the threshold the prior year.

***MOTION made by Ethan Goller to approve the audited financial statements, Federal and State***

***Single Audits, and communication from Mahoney Sabol for the fiscal year ended June 30, 2023. SECONDED by Terry Stewart. Passed unanimously. Motion carried.***

**f. MERIT SERVICE PLAN PROPOSED AMENDMENT**

Peter Decker, Chair of the Retirement Committee, spoke to the Board. He started by saying that they are always trying to recruit for the fire department. The Merit Service Plan has been at the current rate since 2012. They are talking about a 24% increase which is just about an inflation increase.

**8. COMMUNICATIONS AND CORRESPONDENCE**

Included in the packet:

- Thank You Letter from The Connection
- Average Daily Membership (ADM) Methodology and Calculation letter from Region 4
- From the Connecticut River Coastal Conservation District- in recognition of the town's annual contribution

**9. PUBLIC COMMENT**

None

**10. EXECUTIVE SESSION**

***MOTION made by Ethan Goller to enter into executive session to discuss the pending litigation. SECONDED by Brian Weinstein. Passed unanimously. Motion carried.***

**11. ADJOURNMENT**

***MOTION made by Ethan Goller to adjourn the meeting at 9:10 PM. SECONDED by Brian Weinstein. Passed unanimously. Motion carried.***