

These minutes have not yet been approved.

Board of Finance

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

MINUTES

Thursday June 15, 2023

Members in Attendance:	Campbell Hudson, Chairman
	Terry Stewart
	Vincent Pacileo III
	Ethan Goller
	Mary-Louise Polo
	Brian Weinstein
Others in Attendance:	Norman Needleman, First Selectman
	Stacia Libby, Selectman
	Bruce Glowac, Selectman
	Tracey Celentano, Finance Director
	Kelly Sterner
	Danielle Schumacher, Board Clerk

1. CALL TO ORDER

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

2. APPROVAL OF AGENDA

MOTION made by Ethan Goller to approve the agenda with the following amendments:

- *Add item 7e Credit Card Use Policy*
- *Swap items 7a and 7b*

SECONDED by Brian Weinstein. Passed unanimously. Motion carried.

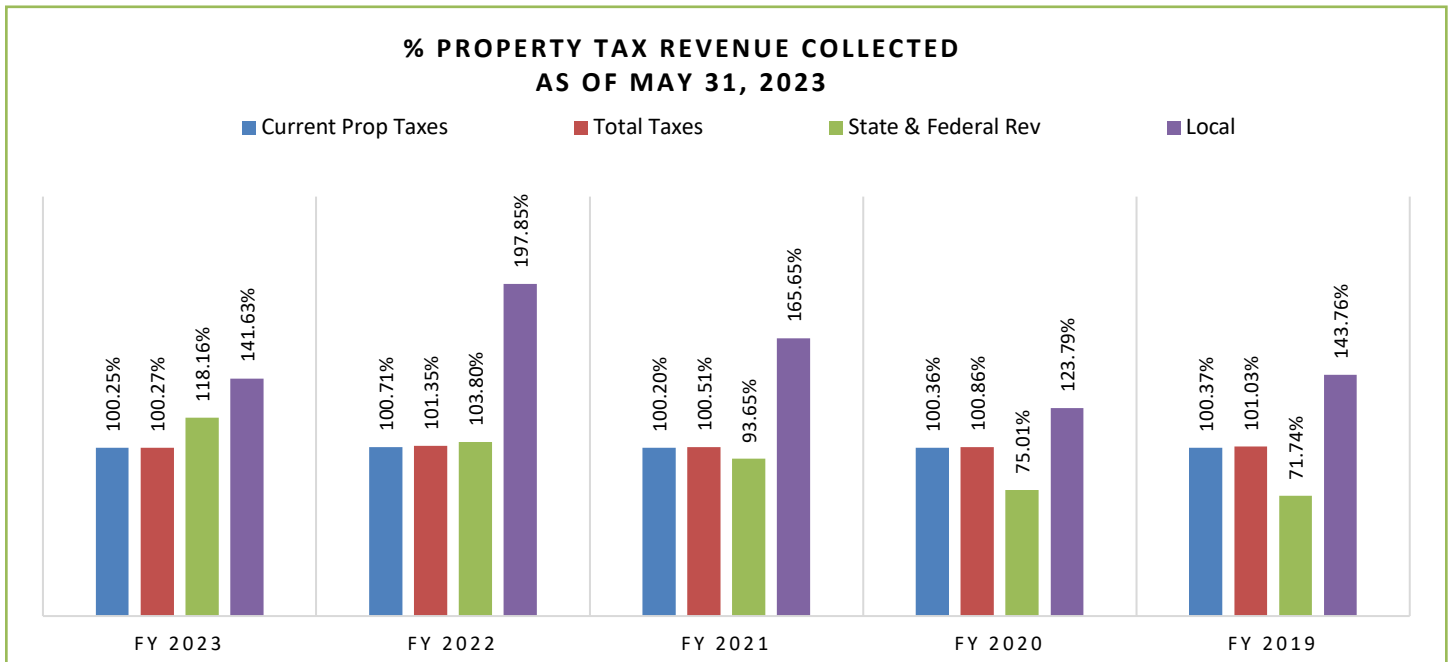
3. APPROVAL OF MINUTES: REGULAR BOARD OF FINANCE MEETING ON MAY 18, 2023

MOTION made by Ethan Goller to approve the minutes from the May 18, 2023 regular Board of Finance meeting. SECONDED by Terry Stewart. Passed unanimously. Motion carried.

4. FINANCIAL REPORT FOR MAY 2023

REVENUES

Total tax collections for the month of May totaled \$39K. The current property tax collection rate reached 100.25% at the end of May. As seen from the chart below, both current and total tax collections are slightly below prior years.



As of May month-end, the YTD total tax collections were \$24,808,993 or 100.27%. State and Federal revenue year-to-date totals compare favorably to prior years at 118.16% of budget. We did not receive any additional State or Federal grants in May. Total local revenue is 141.63% of budget as it includes the following receipts in May: Transfer Station (\$4,577), Building Permit Fees (\$22,821), Conveyance Taxes (\$25,408) and Town Clerk Fees (\$7,457). Transfer Station Fees, Building Permits, and Conveyance Taxes continue to be strong with Planning and Zoning Permits, Town Clerk Fees and MIRA/Regional Recycling expected to be below budget.

Total revenues collected came in at 100.65% of budget versus 102.52% for May 2022 and 100.65% for May 2021 month end. These totals reflect the budgeted deficit amount of \$230,123.

Our revenue forecast has been increased to \$296,592 at fiscal year-end based on the stronger revenue numbers.

EXPENDITURES

Expenditures for the month of May totaled \$1,765,550 bringing spending YTD to \$23,951,543 or 91.29% of budget. Selectmen's budget expenditures made up \$562,582 of the total spending. For the month, payroll and fringe benefits accounted for \$245,832 or 45% of the Selectmen's budget spending. Other expenses included the payments for the Essex Ambulance Stryker Stretcher (\$17.7K), Legal Fees (\$12.2K), Postage Replenishment (\$10K), and Resident Trooper Annual Contract (\$159.7K). As of May month-end, the Selectmen's budget spending YTD is \$8,238,827 or 88.86% of budget compared to 88.40% as of May 2022 and 89.45% at May 2021 month-end.

Combining the currently forecasted revenue and expenditures, the overall surplus is revised to \$608.9K.

FY 2022-2023 – IDENTIFIED OPPORTUNITIES/SAVINGS & RISKS/OVERRUNS

As of 5/31/2023

Opportunities/Savings

• Selectmen Office	\$60K +/-	Elected Payroll
• Municipal Revenue Sharing Grant	\$83K +/-	Not budgeted – did not expect.
• Conveyance Taxes	\$104K +/-	Real Estate Activity
• Building Permits	\$86K +/-	
• Misc. State & Federal	\$46K +/-	Tropical Storm Ida
• Medical/Dental Insurance	\$25K +/-	Retired Police Officer
• Interest	\$12K +/-	
• Local PILOT	\$5K +/-	
• Education Expenses	\$397.1K	R4 & Supervision District FY21-22
• Surplus Distribution		
• EES School Lunch	\$94.6K	Café FY21-22 Receivable

Risks/Overruns

• 11/9/22 Appropriation	\$50K	Essex Ambulance Stretcher
• 11/9/22 Appropriation	\$130K	STEAP Grant Matching Funds
• 4/20/23 Appropriation	\$15K	Essex Ambulance Workers
• Compensation		
• Budgeted Deficit	\$230K	
• Legal Services	\$25K	Litigation – IWWC
• Building	\$9K +/-	Interim Official
• Harbor Patrol	\$8K +/-	Additional Patrols
• Town Clerk Fees	\$10K +/-	Fees Offset by Revenue
• Water (Public Safety)	\$3.4K +/-	Actual Expenses

The ARPA Summary report was also distributed. Vincent Pacileo III confirmed completed projects as asked to include a column to mark completion. Board members agreed and Tracey Celentano will modify the report.

MOTION made by Terry Stewart to accept the financial report as presented. SECONDED by Vincent Pacileo III. Passed unanimously. Motion carried.

5. SELECTMEN'S REPORT

Norman Needleman reported that they will be starting work on the River Road sidewalk project in the next month. The Water Company project on Summit Street is moving right along and will be repaved next Summer. It is expected the Board of Selectmen will be seeking appropriations for roads.

6. OLD BUSINESS

a) MINUTES – BOE

Minutes distributed by Tracey Celentano to Board members prior to meeting.

Terry Stewart said that this is something important to put on the radar. Norman Needleman commented he does not see that we will need to replace any of our schools in

the next 15-20 years. We have chosen to upgrade and maintain rather than build a whole new school like some districts have.

b) EES CAFÉ RECEIVABLE

Tracey Celentano said that this is a follow-up from last month's meeting where Board members had asked for a written response. An email from Bob Grissom is included in the packet. Kelly Sterner commented that this was years in the making and not just a 3-4-year surplus of Café funds.

7. NEW BUSINESS

a) CENTERBROOK MEETING HOUSE UPDATE

First Selectman Norman Needleman and Campbell Hudson secluded themselves from discussion.

Selectman Bruce Glowac gave an update on the Centerbrook Meeting House. The property is being offered to the town at no cost. There was a public informational meeting last month with the history of the meeting house, which was originally built in 1792. It is an important aspect of the history of our community and essentially the beginning of Essex. It is also the oldest meeting house in Middlesex County. The sanctuary is 1,840 square feet and the rear of the building has two floors that are 5,000 square feet each. Parking and septic are shared with the house next door (which will be retained by the Ivoryton Playhouse).

Bruce went on to say that the meeting house was purchased by Norman Needleman and Herb Clark 17 years ago. Herb came to the Board of Selectman with an offer to give the meeting house to the town. Because Norman Needleman is an owner, the responsibility of investigating fell to Bruce and Stacia. They recognized the historical significance of the building but also did not want to burden the town. They have both remained extremely neutral on this from the beginning.

A professional inspection was done by Tiger Inspections. A detailed report came back with a few minor things, but the building is in good shape. There is a new roof, it has been recently painted, and the structure is sound.

The building is currently used by civic groups including Alcoholics Anonymous and Community Music School.

The building was appraised by the town at \$218,000. Herb Clark said that the two largest expenses are taxes and utilities. They obtained utility records from the past 3 years and electricity, propane, and fuel oil are about \$1,000 a month. Insurance and miscellaneous costs would be approximately \$500 a month. Hiring a part-time employee to manage the building, so as not to burden the current town staff, would be approximately \$2,000 a month. Including capital improvements, the cost to maintain the building is roughly \$60,000 a year. In terms of the effect on taxpayers, this would cost roughly \$22 per household per year or \$8.80 per person.

Potential usage includes space for Park & Recreation programs, private events, and senior programs.

Vincent Pacileo III asked about other applications that could be promoted to drive revenue to the building. Stacia Libby replied that the building has been used for private events such

as weddings, eagle scout ceremonies, funerals, and holiday parties. The Town would charge fees for these events like the Town of Chester's usage of their Meeting House.

Bruce Glowac said that they are currently making a list of capital improvements, including the boiler and mechanical issues, for the Capital Committee to include in the current plan.

Stacia Libby said that they are recommending that the town accepts the building.

Terry Stewart asked what the next steps would be. Bruce Glowac said that the reality is that the Board of Selectmen could accept it, but they would want to bring it to an August Town meeting. The decision to accept the property will be made at the Town Meeting.

b) DEBT DISCLOSURE UPDATE

Tracey Celentano said this came up at the end of the FY22 audit. These are authorized unissued bonds left over from the Walnut Street bridge (due to receiving grant funding). Some was deauthorized awhile back for the school roof project. For housekeeping purposes, we need to go through the Board of Finance and town meeting to deauthorize.

MOTION made by Brian Weinstein to deauthorize and move to Town meeting the remaining authorized, unissued 2017 general obligation bond balance totaling \$1,414,555. SECONDED by Ethan Goller. Passed unanimously. Motion carried.

c) APPROPRIATION – FIBER

Tracey Celentano referred to the email from Paul Fazzino included in the packet. The Board of Selectman has already approved, and they are seeking approval for the up-front cost which is \$18,100. This will be a dedicated fiber line for the Public Safety Data Network (PSDN).

Ethan Goller said that the current tower is antiquated, and they are upgrading to get to P25 which is the system that the state is on. This will improve connectivity, reliability, and redundancy.

MOTION made by Vincent Pacileo III to approve a fiscal year 2022-2023 supplemental appropriation in the amount of \$18,100 from unassigned funds to cover the upfront costs to run and operate a dedicated Ethernet Private Fiber Line. SECONDED by Terry Stewart. Motion Passed. Ethan Goller abstained. Motion carried.

d) ANNUAL BANKING RESOLUTION

MOTION made by Terry Stewart to authorize the Treasurer to invest any portion of the General Fund, as specified amounts that may be available, in direct obligations of the U.S. or certificate of deposits, specified regular savings accounts, and regular checking accounts and, for all such accounts for the fiscal year 2023-2024, to approve Bank of America, Essex Savings Bank, TD Bank, Liberty Bank, Key Bank, Webster Bank, and Washington Trust as institutions in which such funds may be held. SECONDED by Ethan Goller. Passed unanimously. Motion carried.

e) CREDIT CARD USE POLICY

This policy has been created from a FY22 audit recommendation. The other recommendation was a Procurement Policy which will be presented to the BOS next week, to be brought forth to the BOF in July.

The Town currently has minimal credit card usage which includes Webster Bank Visa cards (4 cards with a total credit limit of \$10,000), Exxon and Gulf gas cards for all town vehicles, and Tractor Supply. Key points in this policy include the limitations of gift card purchase to be limited to \$100 purchase and a \$1,000 limit for equipment.

MOTION made by Ethan Goller to approve the Credit Card Usage Policy as presented. SECONDED by Mary-Louise Polo. Passed unanimously. Motion carried.

8. COMMUNICATIONS AND CORRESPONDENCE

None

9. PUBLIC COMMENT

None

10. ADJOURNMENT

MOTION made by Vincent Pacileo III to adjourn the meeting at 8:23 PM. SECONDED by Ethan Goller. 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