

Board of Finance

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

MINUTES

Thursday September 15, 2022

Members in Attendance: Campbell Hudson, Mary-Louise Polo, Vincent Pacileo III, Brian Weinstein, Terry Stewart, Ethan Goller (Via Zoom)

Others in Attendance: Norman Needleman, First Selectman
Tracey Celentano, Finance Director
Kelly Sterner
Danielle Schumacher, Board Clerk
James Francis, Treasurer

1. CALL TO ORDER

The meeting was called to order at 7:01 PM by Chairman Campbell Hudson

2. APPROVAL OF AGENDA

Campbell Hudson made a motion to approve the amended agenda, seconded by Vincent Pacileo III. Passed unanimously. Motion carried.

3. APPROVAL OF MINUTES FROM AUGUST 8, 2022 MEETING

Terry Stewart made a motion to approve the minutes from the August 8, 2022 Board of Finance meeting, seconded by Vincent Pacileo III. Passed unanimously. Motion carried.

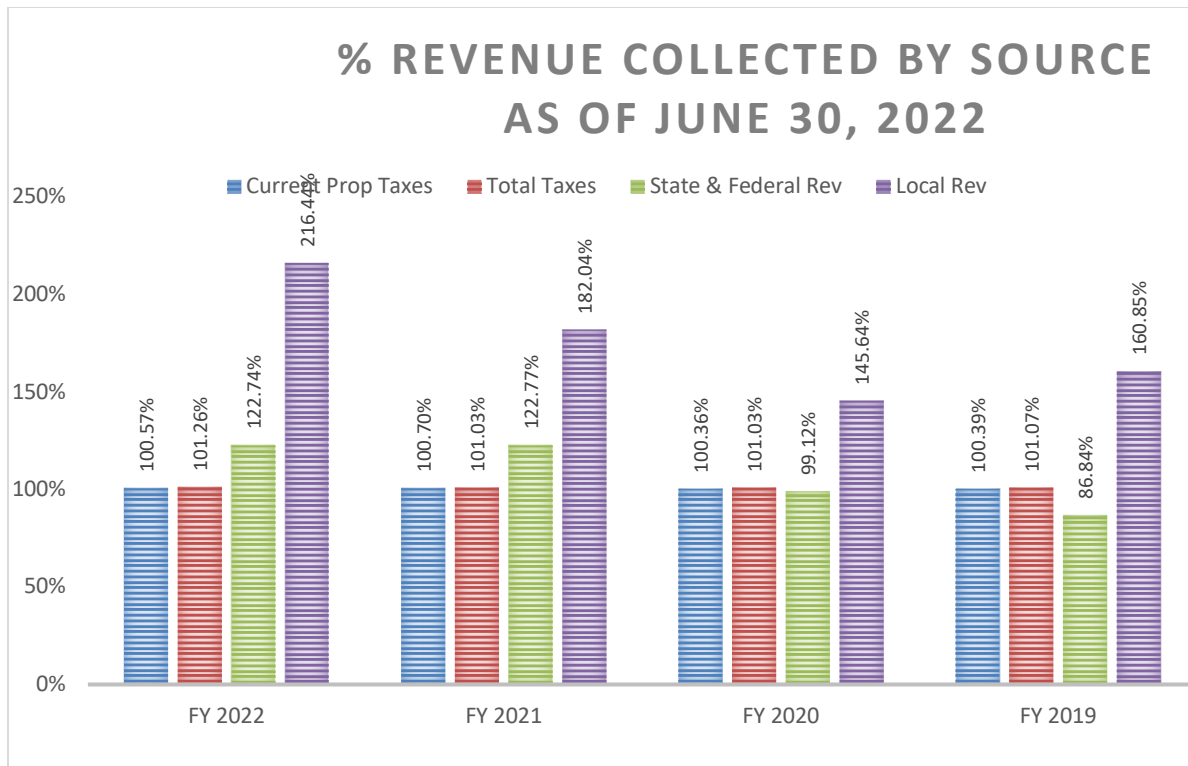
4. FINANCIAL REPORT

a. FINANCIAL REPORT FYE 2021-2022 (UNAUDITED)

REVENUES

The fiscal year 2021-2022 revenue report shows positive results overall. Current property tax collections finished the fiscal year at \$24,188,693 which brings the collection rate to 100.57% which is slightly lower than prior year (100.70%). Current property tax collections, prior years' collections and interest & liens all compare similarly to prior fiscal years.

Interest and liens fees and prior year tax collections also finished the fiscal year strong with collection rates of 259.25% and 159.61% respectively. Overall, Property Tax revenue accounts for \$306K of the revenue surplus. The YTD total tax collections were \$24,557,742 or 101.26% of the fiscal year total.



We received the Municipal Grants in Aid (\$74,547) in June bringing total State and Federal Grant Revenue above budget \$93.8K or 118.5%. As expected, Local Revenues ended strong primarily due to Surplus Distributions for R4 & Supervision District (\$428K). Town Clerk Fees (\$55K or 148%) and Conveyance Taxes (\$204K or 285.3%) being above budget. Total revenues collected for the current year reached 103.06% of budget. At this point, our forecasted fiscal year end revenue surplus is \$832,994.

EXPENDITURES

Year-to-Date spending totaled \$25,432,640 or 99.10% of budget. Both the Selectman's budget and Essex BOE budget are now closed unless the auditors have adjustments, Field work is being conducted from 9/12/22 through 9/23/22. Savings on the expense side contributed \$230,875 towards the surplus.

The Town budget surplus continues to be primarily a result of strong tax collections and real estate activity. Savings on the expense side include Selectman's Office, Elections, Legal Services, Insurance, Employee Benefits, Health Department, Essex Elementary School BOE and BOF contingency.

The overall surplus is expected to be around **\$1,063,869** of which **\$765,000** was appropriated in FY22 8/17/22 Town Meeting. **(\$755K)** and Thatchbed Island on 12/16/21 **(\$10K)**. **The remaining surplus after appropriations is \$298,869**

Vincent Pacileo III made a motion to accept the fiscal year 2021-2022 financial report as presented, seconded by Mary-Louise Polo. Passed unanimously. Motion carried.

b. FYE 2021-2022 BUDGET TRANSFERS

Vincent Pacileo III made a motion to approve 2021/2022 budget year fye transfers as recommended on the provided list, amounting to a total of \$45,846.84 from the Board of Finance contingency fund. Seconded by Terry Stewart. Passed unanimously. Motion carried.

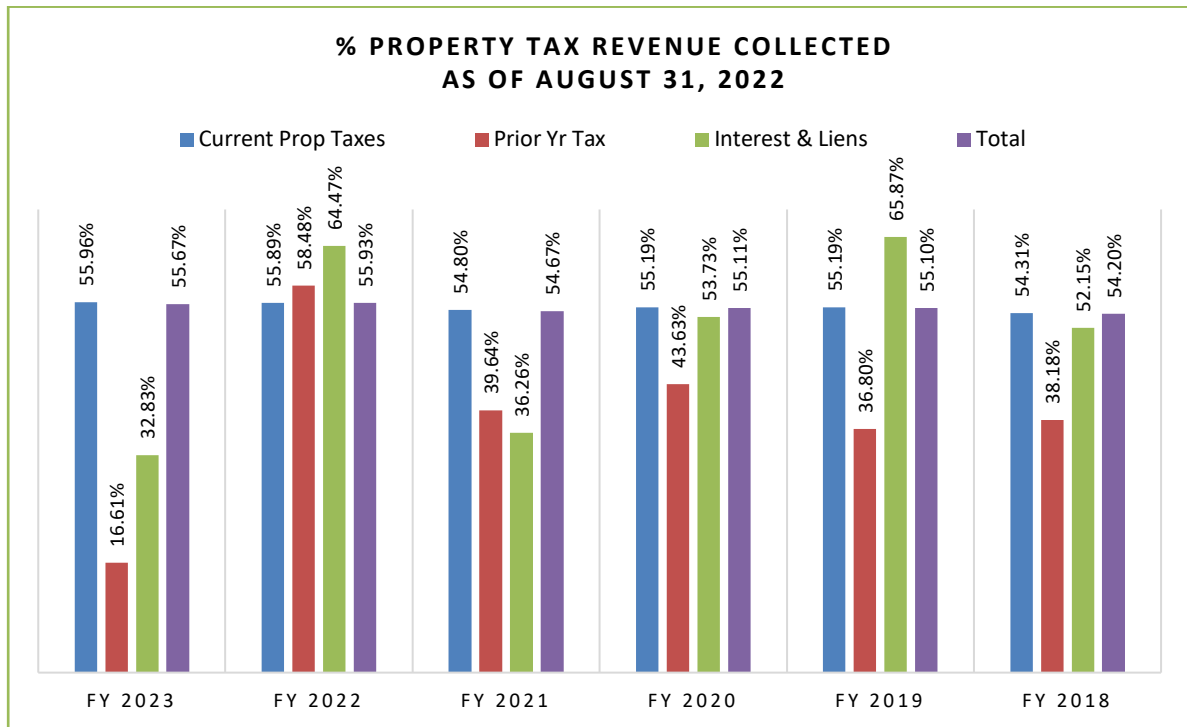
c. FYE 2021-2022 REQUIRED SUPPLEMENTAL APPROPRIATIONS

Terry Stewart made a motion to approve and recommend to Town meeting supplemental appropriations to the fiscal year 2021/2022 budget in the amount of \$97,877 as recommended by the Board of Selectmen on the provided list. Seconded by Brian Weinstein. Passed unanimously. Motion carried.

d. FINANCIAL REPORT AUGUST 2022

REVENUES

The current year-to-date property tax deposits for August 2022 totaled \$13,733,935 which is a collection rate of 55.96%. As shown in the chart below, current year tax collections are strong and comparative to prior years. Prior year tax collections are lower than prior years.



As of August month-end, the YTD total tax collections were \$13,775,260 or 55.67% of the fiscal year total as compared to 55.93% prior year. The one grant payment received was from the State of CT for absentee ballots. Local revenue collected year-to-date totaled \$154,991 or 26.13% of budget compared to \$103,561 or 17.17% prior year. Interest income year-to-date totals \$4,626 compared to \$363 in 2021.

EXPENDITURES

Expenditures for the month of August totaled \$1,877,732 bringing spending YTD to \$6,051,795 or 23.24% of budget. Selectmen's budget expenditures made up \$651,314 of the month's expenditures. Total spending is 23.24% of budget at the end of August 2022 compared to 22.91% as of August 2021. Key expenditures year-to-date include chip sealing (\$108K), library quarterly allocation payments (\$111K), semi-annual fire department allocation (\$198K), annual pension distributions (\$430K), and a debt service payment (\$732K). Expenses are tracking comparatively to prior years.

Motion made by Brian Weinstein to accept the August 2022 financial report as presented, seconded by Terry Stewart. Passed unanimously. Motion carried.

e. NATIONAL OPIOID SETTLEMENT

Brian Weinstein made a motion to allocate the \$2,271.57 received from the National Opioid Settlement to Tri-Town Youth Services contingent upon the Towns of Deep River and Chester also participating. Seconded by Terry Stewart. Passed unanimously. Motion carried.

f. AMERICAN RESCUE PLAN

i. ARPA REQUEST – DOCUMENT DIGITIZATION

Mary-Louise Polo made a motion to approve and recommend to Town meeting an appropriation in the amount not to exceed \$65,000 to be allocated from the American Rescue Plan Act Funds to be used for digitization of the Land Use Department as recommended by the Board of Selectmen. Seconded by Brian Weinstein. Passed unanimously. Motion carried.

ii. ARPA REQUEST – AUDITORIUM TECHNOLOGY

Vincent Pacileo III made a motion to approve and recommend to Town meeting an appropriation in the amount not to exceed \$20,000 to be allocated from the American Rescue Plan Act Funds to be used for audio and video technology upgrades in the Town Hall Auditorium as recommended by the Board of Selectmen. Seconded by Campbell Hudson. Passed unanimously. Motion carried.

5. SELECTMEN'S REPORT

First Selectman Norman Needleman briefly spoke about the paving that is happening on Main Street, Centerbrook and the complications with the contractor's change in start date being the first day of school. He also mentioned the possibility of installing two more electric vehicle charging stations which he hopes will be paid for with money from grants. There has also been strong community interest for pickle ball courts, but a location needs to be found.

6. OLD BUSINESS

a. ANNUAL REPORT DEDICATION DETERMINATION

Motion made by Vin to dedicate this year's annual report to Essex Town Tree Warden Augie Pampel. Seconded by Ethan Goller. Passed unanimously. Motion carried.

7. NEW BUSINESS

a. REVALUATION SINKING FUND REQUEST

Mary-Louise Polo made a motion to approve and recommend to Town Meeting the appropriation of an amount not to exceed \$100,000 from the revaluation sinking fund for the 2023 Revaluation Project as recommended by the Board of Selectmen. Seconded by Terry Stewart. Passed unanimously. Motion carried.

b. ELECTION OF CHAIRMAN AND VICE-CHAIRMAN

Terry Stewart made a motion to elect Campbell Hudson as Chairman of the Board of Finance until the completion of his term. Seconded by Vincent Pacileo III. Passed unanimously. Motion carried.

Terry Stewart made a motion to elect Mary-Louise Polo as Vice-Chairman of the Board of Finance until the completion of her term. Seconded by Brian Weinstein. Passed unanimously. Motion carried.

8. COMMUNICATIONS AND CORRESPONDENCE

a. ESSEX AMBULANCE LETTER

The Board received a very nice letter the Essex Ambulance Association for the ARPA funds that they received.

b. RETIREMENT BOARD UPDATE

Mary-Louise Polo gave the board a brief update from Essex Retirement Board that met this past Tuesday September 13th. She said that our pension plan funding levels decreased overall due to the stock markets. Funding levels as of June 30, 2022 were as follows:

Police Plan	79.10% versus 95.97% last year
Town Plan	76.90% versus 93.99% last year
Merit Service Plan	80.27% versus 98.24% last year

She also said that Retirement Board Chairman, Peter Decker wants to review the Investment Policy and objectives.

9. PUBLIC COMMENT

None

10. ADJOURNMENT

Vincent Pacileo III made a motion to adjourn the meeting at 8:46 PM, seconded by Terry Stewart. Passed unanimously. Motion carried.

Respectfully Submitted,



Recording Clerk