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Board of Finance

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

MINUTES

Thursday March 16, 2023

Members in Attendance:	Campbell Hudson
	Terry Stewart
	Vincent Pacileo III (Via Zoom)
	Mary-Louise Polo (Via Zoom)
	Ethan Goller
	Brian Weinstein
Others in Attendance:	Norman Needleman, First Selectman
	Tracey Celentano, Finance Director
	Danielle Schumacher, Board Clerk
	Jim Francis, Treasurer
	Ryan Welch, Director of Public Works

1. CALL TO ORDER

The meeting was called to order at 7:06 PM by Chairman Campbell Hudson.

2. APPROVAL OF AGENDA

MOTION made by Terry Stewart to approve the agenda as submitted. Seconded by Ethan Goller. Passed unanimously. Motion carried.

3. APPROVAL OF MINUTES: REGULAR BOF MEETING ON FEBRUARY 16, 2023

MOTION made by Terry Stewart to approve the minutes from the February 16, 2023 regular Board of Finance meeting. SECONDED by Ethan Goller. Passed unanimously. Motion carried.

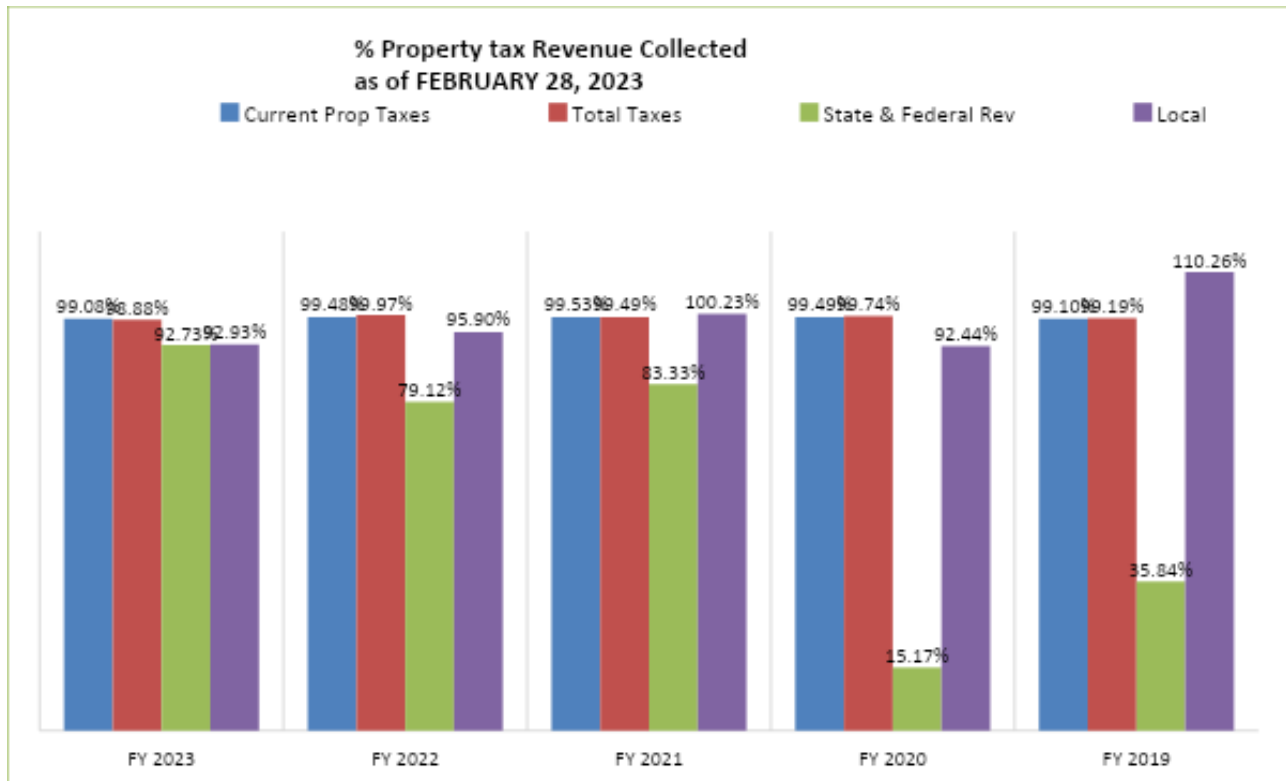
4. FINANCIAL REPORT

a. ESTIMATED FEBRUARY YTD UPDATE

REVENUES

February tax collections brought in \$918,048 with current property taxes accounting for all but \$18.7K of the total. This brings the current property tax collection rate to 99.08% which is below prior years.

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As of February month-end, the YTD total tax collections were \$24,465,752 or 98.88% of the fiscal year total compared to 99.97% as of February 2022 and 99.49% as of February 2021. State Revenue in February included a FEMA reimbursement totaling \$15,391 for Tropical Storm Ida expenses. Local revenues totaled \$36.3K in February and \$551.2K (92.93% collected) YTD, which is below the prior two years. Town Clerk Fees and Conveyance Taxes continue to trend positively but have slowed down due to the limited real estate on the market. As of the end of February, Conveyance Tax Fees exceeded the full budget amount by \$42.8K. Town Clerk Fees collected are at 59.82% of budget with four months remaining. Total revenues collected came in at 97.76% of budget versus 98.33% for February 2022 and 98.51% for February 2021 month end. These totals reflect the budgeted deficit amount of \$230,123.

EXPENDITURES

Expenditures for the month of February totaled \$1,671,167 bringing spending YTD to \$18,524,552 or 70.64% of budget. Selectmen's budget expenditures made up \$368,337 of the total spending. As of February month-end, the Selectmen's budget spending YTD is \$6,530,400 or 70.55% of budget compared to 70.90% as of February 2022 and 69.50% at February 2021 month-end. February expenditures include normal operations and payroll related expenses totaling \$265,161. Budgeted expenses include \$180K Special Appropriations/Grant Expenses to reflect the appropriations approved at the 11/9/22 Town meeting (Essex Ambulance and STEAP grant matching funds).

GENERAL FUND

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

As of 2/28/2023

Opportunities/Savings

● Selectmen Office	\$64K +/-	Elected Payroll
● Municipal Revenue Sharing Grant	\$83K +/-	Not budgeted – did not expect. p
● Conveyance Taxes	\$55K +/-	Real Estate Activity
● Misc. State & Federal	\$50K +/-	Tropical Storm Ida
● Medical/Dental Insurance	\$25K +/-	Retired Police Officer
● Interest	\$8K +/-	
● Local PILOT	\$5K +/-	

Risks/Overruns

● 11/9/22 Appropriation	\$50K	Essex Ambulance Stretcher
● 11/9/22 Appropriation	\$130K	STEAP Grant Matching Funds
● Budgeted Deficit	\$230K	
● Harbor Patrol	\$8K +/-	Additional Patrols
● Police Services	\$10K +/-	Accreditation (PT Officer)
● Electric	TBD	

MOTION made by Brian Weinstein to accept the financial report as submitted.

SECONDED by Mary-Louise Polo. Passed unanimously. Motion carried.

b. ARPA SUMMARY

Finance Director Tracey Celentano informed the board that this is a summary report for projects which have been approved, balance available and funds spent. ARPA projects must be obligated by December 31, 2024 and spent December 31, 2026.

5. SELECTMEN’S REPORT

None

6. OLD BUSINESS

None

7. NEW BUSINESS

a. ARPA REQUEST–POLICE DEPARTMENT TECHNOLOGY

MOTION made by Ethan Goller to approve and recommend an appropriation not to exceed \$11,000 to be allocated from the American Rescue Plan Act Funds to support the purchase of technology including smart boards for the Police Department. SECONDED by Ethan Goller. Passed unanimously. Motion carried.

b. BOS BUDGET PRESENTATION

1st Selectman Norman Needleman spoke to the board. He said that there are options regarding potential impacts of the mill rate. He is very hopeful that we will end up with a mill rate reduction this year based on actual organic growth in the grand list. The Elementary School budget is currently reflecting an increase of \$233,529 (2.87%) increase and Region 4's budget is flat.

For the Selectmen's budget, key increases include:

- An additional Machine Operator Position to public works to give Ryan more time to manage.
- They have also kept the 3rd Full Time Police Officer back in to ensure all shifts and private duty coverage is sufficient.
- Health insurance is forecasted to be a 7.1% increase.
- The Town Building Official has announced his retirement and they are advertising to fill his position.
- CT Water is estimating a 10% increase for fire hydrants.

Norman thinks that the proposed budget is a good one. They are going back to a standard mill rate this year as opposed to the bifurcating mill rate.

Mary-Louise Polo asked how confident they are in the health insurance numbers. Tracey Celentano replied that the plan is provided by the state and the cost has already been decreased from a 10-12 percent increase to 7.1 increase overall. The proposed budget includes the new position for public works, assuming there is family coverage.

Terry Stewart asked about the increase in the budget for the transfer station. Norman Needleman replied that there is a massive trash problem in the state of Connecticut and that it has been a bargain for the last 20 years. They are currently looking for a new contractor to maintain our compactors. He explained that they are trying to form a regional waste authority to take over the MIRA contracts. Norman believes by staying together the Towns are stronger in negotiating and can come together and build a new trash to energy plant somewhere. There are 1 million tons of garbage being shipped out to landfills in Pennsylvania and Ohio. Trash has been so underfunded in the past that we are seeing problems come to the surface now.

Tracey Celentano reported that another area we are seeing an increase in is technology. Kelly Sterner is now a day in finance and a day in technology. They had previously discussed a one Fees have increased for Managed Support Services , Hardware and Software to meet requirements for cyber security insurance.

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Ryan Welch, Director of Public Works spoke to the Board saying that they are hoping for a new operator position in public works. They need more manpower and have been understaffed for a long time. This will really expand our range of skills. We currently do our own crack sealing, line painting, and many other things that save the town money. There are currently 3 Operators and one Mechanic in the department. With the addition of another operator, they can have two teams of 2 Operators. This position will also allow him to work on projects for the future.

Tracey Celentano said that another adjustment to the budget was in the area of libraries, which are receiving a 2.75% increase. There is a slight savings in debt services and the capital committee is working on keeping that level in FY24-25.

First Selectman Norman Needleman spoke, saying that bridges all over the state have been identified as needing repair. We have the Denison Road Railroad bridge and the bridge over route nine. They had not received notice from the state in the past that these bridges were questionable. There is now a weight limit sign that says 29 tons. This bridge is owned by the state of Connecticut and classified as an orphan bridge, which means that the town owns 15%.

c. LOCIP PROJECT AUTHORIZATION

Tracey Celentano said that this is just housekeeping, and the road has already been paved. Ryan coordinates the list of streets, gathers quotes and schedules the work to be completed by an outside contractor. There is reimbursement for part of the road which is a contribution from the water company. The water company will be working on new mains on Summit, Chestnut, and Blake Street.

MOTION made by Ethan Goller to approve and accept the “reclamation and repaving of Foxboro Road in the Town of Essex, CT” as part of the Town’s Capital Improvement Plan for the fiscal year 2022-2023. Furthermore, the Board recognizes the project as a local capital improvement project and upon acceptance, authorizes submission for state reimbursement in the amount of \$40,983 under the Local Capital Improvement Program (LoCIP). SECONDED by Terry Stewart. Passed unanimously. Motion carried.

d. SINKING FUND TRANSFER–WASTEWATER TO BRIDGES/INFRASTRUCTURE

MOTION made by Terry Stewart to approve and recommend to Town Meeting a transfer for \$30,000 from the Wastewater Sinking Fund (Fund 036) to the Bridges/Infrastructure Sinking Fund (Fund 047). SECONDED by Ethan Goller. Passed unanimously. Motion carried.

Norman Needleman reported that this is a legacy fund for a wastewater study. He is not prepared to abandon this fund completely but is recommending that we move \$30k to the General Fund and then the Bridges/Infrastructure Sinking Fund.

An application was submitted to the State and Local bridge program for the bridge over River Road/Falls River last year, but the funding was not approved. We will resubmit the grant this year but will need to bear the cost of the bridge on our own if funding is not found. The plan

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is to place a prefabricated bridge in place to limit the “down-time” for safety purposes. The sidewalks project will begin late May/June as it is being funded by the Connectivity grant.

e. DARE DONATION TO TRI-TOWN YOUTH SERVICES

MOTION made by Terry Stewart to approve the transfer of DARE Funds to Tri-Town Youth Services (a total of \$3,757.89) to fund related programs in Essex. SECONDED by Ethan Goller. Passed unanimously. Motion carried.

This is money that was left in the police department DARE fund. Norman Needleman says he believes transferring to Tri-Town Youth Services is the best use of the funds since they work with towns on the drug takeback program.

8. COMMUNICATIONS AND CORRESPONDENCE

a. BOARD OF FINANCE DESCRIPTION

Chairman Campbell Hudson said that there is a copy of a Board of Finance position description in the packets for tonight. Norman will follow-up with Maria Lucarelli for further research to ensure accuracy and purpose.

9. PUBLIC COMMENT

None

10. ADJOURNMENT

MOTION made by Ethan Goller to adjourn the meeting at 8:36 PM. SECONDED by Brian Weinstein. 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