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BOARD OF FINANCE

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

September 20, 2018

MINUTES

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

Others in attendance: Norman Needleman, First Selectman
James Francis, Treasurer
Kelly Sterner, Finance Director

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

APPROVAL OF THE AGENDA:

Campbell Hudson made a motion to approve the agenda, seconded by Ed Tedeschi. Passed unanimously. Motion carried.

APPROVAL OF THE MINUTES:

Page 2. Under Expenditures – first sentence – should read “Expenditures for the “month” (delete months).

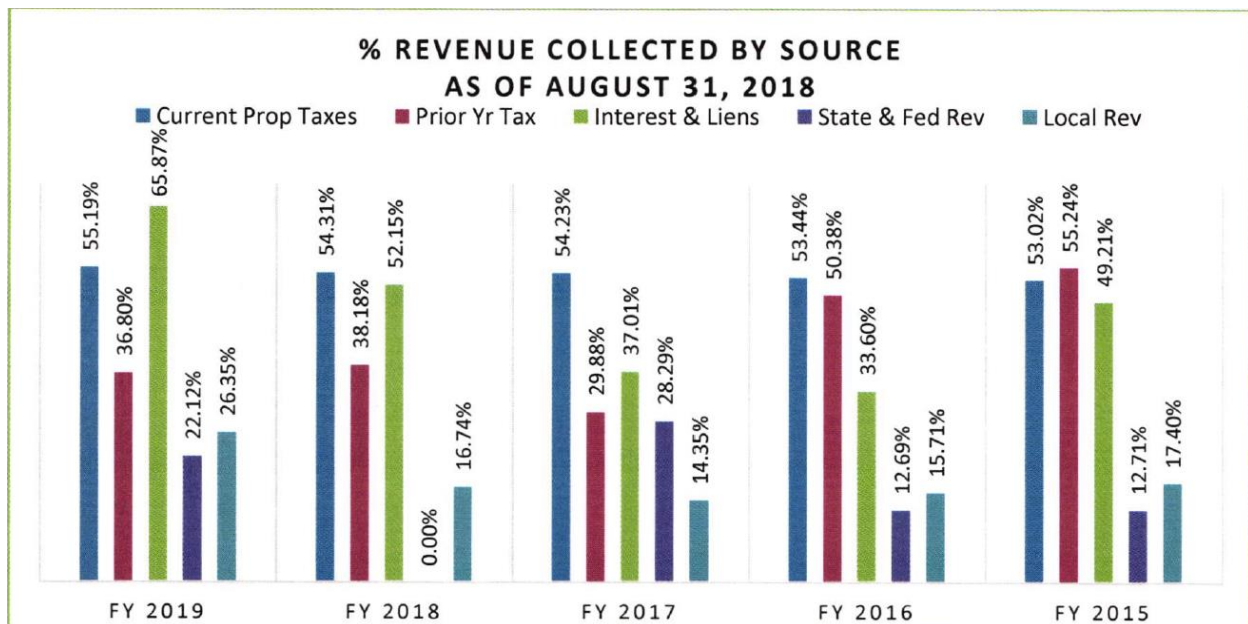
Ed Tedeschi made a motion to approve the minutes of August 16, 2018 as amended above, seconded by Campbell Hudson. Abstaining: Vin Pacileo. Passed. Motion carried.

FINANCIAL REPORT:

Kelly Sterner, Finance Director, provided the following financial report for the fiscal year through the month ending August, 2018:

REVENUES

The current property tax collection rate is 55.19% at the end of August 2018. As expected, this puts the collection rate back into, or even a little ahead of historic rates.



As of August month end, the YTD total tax collections were \$12,621,438 or 55.09% of the fiscal year total. Interest and Liens fees continue to be strong and are currently tracking well above historic rates. Revenue from State sources consisted primarily of the first half payment of the Town Aid Road grant of \$107k. A strong month of Conveyance tax, Town Clerk Fees and Building Permits fees has pushed the Local Revenues collection rate to 26.35% which is well above our typical level. Total revenues collected now stand at 53.4% of budget versus 51.98% for August 2017 and 53.15% at August 2016 month end.

EXPENDITURES

Expenditures for the month of August totaled \$1,527,331 or 19.62% of budget. Selectmen's budget expenditures totaled \$320,097 or 21.75% as of the end of August 2018 compared to 23.96% as of August 2017 and 24.46% at August 2016 month end. Public Works accounted for \$81.4k or 25.4% of the month's spending due to ongoing road work on Beechwood, Falls River, Primrose and Bokum roads. As we would expect, due to the strong Town Clerk Revenues, fees payable to the State of CT already total \$11.7k for the first 2 months of the fiscal year. The release of prior fiscal year encumbrances has offset some of the total spending. At this point we are following a normal spending pattern.

Vin Pacileo made a motion to accept the Financial Report, seconded by Campbell Hudson. Passed unanimously. Motion carried.

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a. FY 2017-2018 year-end transfers

10409-508400 Board of Finance - Contingency balance at 6/30/18

\$ 75,000

Org #	Department	Primary Cause(s)	Variance with Budget prior to yearend transfer	Recommended year end transfer
10415	Central Services	Building Maintenance & Repair-Boiler Lag Controls	\$ 16,823.15	\$ 16,823.15
10413	Zoning Board of Appeals	State of CT fees/Board Clerk Payroll	\$ 1,064.88	\$ 1,064.88
10421	Fire Marshal	safety equipment needs for new Fire Marshal	\$ 2,667.00	\$ 2,667.00
10410	Conservation Commission	exp overrun in Grounds Maint. & Repairs	\$ 574.01	\$ 574.01
10402	Assessor	payroll overage	\$ 1,172.49	\$ 1,172.49
10412	Zoning Commission	State of CT fees	\$ 5,964.38	\$ 5,964.38
10414	Building Dept.	State of CT fees – offset by higher than budgeted building fees	\$ 2,356.43	\$ 2,356.43
10411	Planning Commission	minor payroll & office supplies overages	\$ 40.62	\$ 40.62
			\$ 30,662.96	\$ 30,662.96

Motion made by Campbell Hudson to approve 2017-18 budget year fye transfers as listed above, amounting to a total of \$30,662.06 seconded by Vin Pacileo. Passed unanimously. Motion carried.

a. FY 2017-2018 year-end required supplemental appropriations

Org #	Department	Primary Cause(s) / Offset (if applicable)	Original Budget Appropriation	Actual	Variance with Budget prior to yearend appropriation
10407	Town Clerk	Document Fees to State – offset by higher than budgeted Town Clerk fees collected	\$ 166,835	\$ 188,173	\$ 21,338
10450	Highway Department	*Costs associated with sidewalk repairs *Cost associated with plowing and sanding *Costs associated with seasonal/temp. workers	\$ 852,968	\$ 899,862	\$ 46,894

Mary-Louise Polo made a motion to approve and recommend to Town Meeting the 2017-18 budget year fye supplemental appropriations of \$21,338.00 for the Town Clerk budget and \$46,894.00 for the Highway Department budget, as listed above, seconded by Keith Crehan. Passed unanimously. Motion carried.

SELECTMEN'S REPORT:

a. FY 2017-2018 requested supplemental appropriations

Kelly distributed the Fiscal Year End Supplemental Appropriations for 2017-2018. Norman

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Needleman discussed the individual appropriations listed below:

Budget Category	Purpose	Account	Amount
Fringe Benefits – Retirement	Police Pension Plan – additional contribution to improve funding level	10494-501500 Supplemental appropriation	150,000.00
Fringe Benefits – Retirement	Merit Service Pension Plan – additional contribution to improve funding level	10494-501500 Supplemental appropriation	50,000.00
Fringe Benefits – OPEB	Other Post Employment Benefits - to establish an OPEB Trust Fund	10496-501510 Supplemental Appropriation	25,000.00
Capital & Sinking Funds Fire Department	Additional appropriation for Fire Department equipment sinking fund	10496-508350-855 Supplemental appropriation	50,000.00
Capital & Sinking Funds Police Vehicle	Additional appropriation for Police Vehicle sinking fund	10496-508350-850 Supplemental appropriation	25,000.00
Capital & Sinking Funds Infrastructure/Bridges	Appropriation for a sinking fund established for major repairs and/or replacement of Town owned bridges	10496-508350 Special Appropriation	50,000.00
Capital & Sinking Funds Ambulance	Appropriation for a sinking fund established to assist with the purchase of equipment by Essex Ambulance	10496-508350 Special Appropriation	25,000.00
Capital & Sinking Funds Harbor Management	Additional appropriation for Harbor Management sinking fund	10496-508350-860 Supplemental Appropriation	25,000.00
Capital & Sinking Funds Open Space	Additional appropriation for Open Space sinking fund	10496-508350-865 Supplemental appropriation	25,000.00

TOTAL APPROPRIATIONS: \$ 425,000.00

Keith Crehan made a motion to approve and move to Town Meeting the supplemental appropriations for a total amount of \$425,000.00 (as listed above), seconded by Campbell Hudson. Passed unanimously. Motion carried.

OLD BUSINESS: None

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NEW BUSINESS:

- a. Annual Report Dedication Determination

Keith Crehan made a motion to dedicate the Annual Report to Bill & Betty Buckridge, seconded by Mary-Louise Polo. Passed unanimously. Motion carried.

COMMUNICATIONS AND CORRESPONDENCE: None

PUBLIC COMMENT: None

ADJOURNMENT:

Keith Crehan made a motion to adjourn at 7:47 p.m., seconded by Vin Pacileo. Passed unanimously. Motion carried.

Respectfully submitted,

Yvonne Roziak
Recording Secretary