**BOARD OF FINANCE**

**Town of Essex**

**29 West Avenue**

**Essex, CT 06426**

**Conference Room A**

 **December 20, 2018**

**MINUTES**

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

Others in attendance: Norman Needleman, First Selectman

 James Francis, Treasurer

 Kelly Sterner, Finance Director

Meeting called to order at: 7:02 p.m. by Keith Crehan

**APPROVAL OF THE AGENDA:**

***Keith Crehan made a motion to approve the agenda, seconded by Ethan Goller. Passed unanimously. Motion carried.***

**APPROVAL OF THE MINUTES:**

Campbell Hudson indicated a few corrections were needed. Under Revenues: Second sentence should read “property tax collection rate to 55.64% at the end of September 2018”.

***Campbell Hudson made a motion to approve the minutes (as amended) of October 18,* 2018*, seconded by Ed Tedeschi. Passed unanimously. Motion carried.***

**FINANCIAL REPORT:**

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

**REVENUES**

November current property tax revenue of $361,492 is quite a bit higher than we would normally experience. This was due to the second half payment by the Town’s largest taxpayer prior to a transfer of ownership. This advances the current property tax collection rate to 57.43% at the end of November 2018.



Interest and Liens fees contributed another $49.2k to the total tax collections primarily due to a real estate transfer that allowed one of the older delinquent accounts to be brought current. As of November month-end the YTD total tax collections were $13,217,142 or 57.69% of the fiscal year total which compares well with historical collection rations. Revenue from State sources are almost unchanged from September month end. Local revenues totaled $55.6k. Citizens Bank has once again increased the interest rate on our investment account from an annual rate of 1.30% to 1.65%. Based on our typical cash flow, this should bring in an additional $20k of interest income this fiscal year. Total revenues collected have reached 56.98% of budget versus 55.147% for November 2017 and 54.54% at November 2016 month end.

**EXPENDITURES**

Expenditures for the month of November totaled $2,277,019 and brings total spending YTD to $10,855,542 or 45.05% of budget. Selectmen’s budget expenditures YTD totaled $4,175,907 or 51.71% as of the end of November 2018 compared to 44.11% as of November 2017 and 43.24% at November 2016 month end. With the spending % so much higher than the historic level, it might be reason for concern, however, this is caused by our payment of the retirement contribution in October this year rather than closer to the end of the fiscal year. Selectman’s budget spending for the month totaled $415.5k. We continue to keep an eye on the P&R budget due to costs related to the Comstock Park erosion damage. We submitted the costs during the FEMA pre-assessment, but it will be some time before we learn if any will be covered. We also expect the Elections budget to run over this year due to the recount however this should not be material. Other budget lines are currently following typical spending patterns.

***Ethan Goller made a motion to accept the Financial Report, seconded by Vin Pacileo. Passed unanimously. Motion carried.***

**SELECTMEN’S REPORT:**

Norman discussed an ongoing case with regards to the Blue Hound. The Town had approved, based on soil testing a new septic system. Unfortunately, it failed soon after install. The Town covered the cost of the replacement and submitted a claim under our professional liability policy. After a long review, CIRMA reimbursed us for the cost of the new system.

Norman will continue to work for the Town as Selectman and as Senator going forward via technology. He has received support from his peers to make this happen. A new Town of Essex Employee manual is about to be rolled out and has been okayed by the Union Reps.

Noman mentioned that the new Walnut Street bridge has some cracks however, they are not structural just cosmetic. The Town Hall back stairwell is still in need of renovation and it will be determined as to what will get done based on bringing it up to building code. The recent STEAP grant was discussed in that it will be started in the spring with regards to the sidewalks to be done in Centerbrook and several issues downtown Essex.

Ryan Welch will be putting together a projection of the funds that will be required for a 25 year sidewalk and road replacement. We will also be clearing snow covered sidewalks with the new machine this year. The EDC project (how to improve Main St.) that was put together by the UCONN intern appears to be similar to what the EDC was originally thinking. The exception being a new recommendation to update the rotary (people currently do not treat it as a traffic circle) and possibly brick paving it.

**OLD BUSINESS:** None

**NEW BUSINESS:**

BOF Meeting Calendar for FY 2019-2020:

***Vin Pacileo made a motion to accept the 2019 BOF Meeting calendar, seconded by Ethan Goller. Passed unanimously. Motion carried.***

**COMMUNICATIONS AND CORRESPONDENCE:**

Keith reviewed the BOF budget form that Kelly put together and he agreed with the proposed BOF budget submission.

***Keith Crehan made a motion to set the BOF budget at $110,500 for 2019, seconded by Mary-Louise Polo. Passed unanimously. Motion carried.***

**PUBLIC COMMENT:** None

**ADJOURNMENT:**

***Keith Crehan made a motion to adjourn at 7:45 p.m., seconded by Ed Tedeschi . Passed unanimously. Motion carried.***

Respectfully submitted,

Yvonne Roziak

Recording Secretary