

These minutes have not yet been approved

BOARD OF FINANCE

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

January 16, 2020

MINUTES

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

Others in attendance: Kelly Sterner, Finance Director

Meeting called to order at 7:03 p.m. by Keith Crehan.

APPROVAL OF THE AGENDA:

Vin Pacileo moved to approve the agenda, seconded by Ed Tedeschi. Passed unanimously. Motion carried.

APPROVAL OF THE MINUTES:

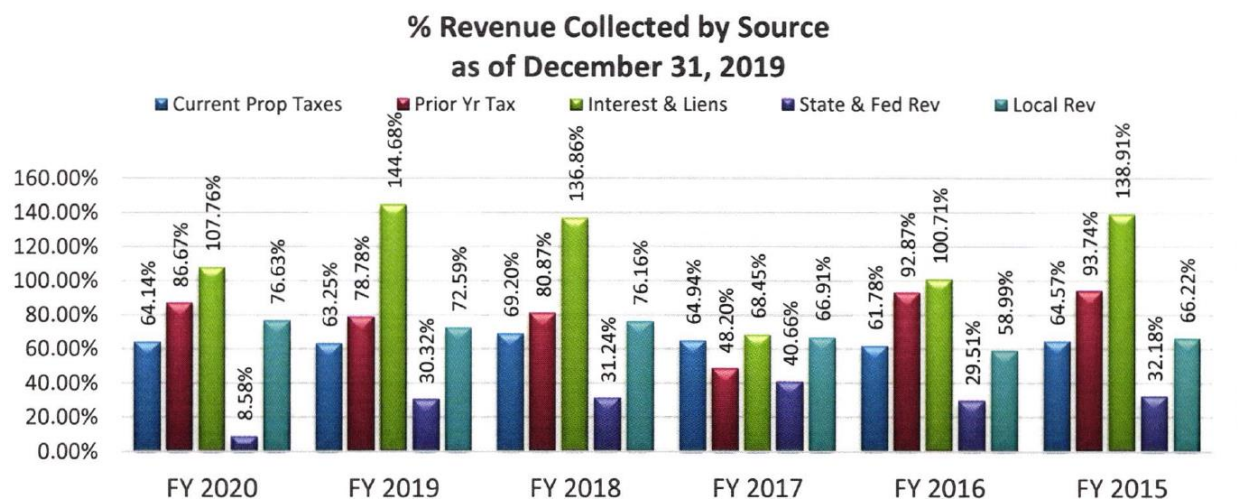
Keith Crehan moved to approve the minutes of December 19, 2019, seconded by Ed Tedeschi. Passed unanimously. Motion carried.

FINANCIAL REPORT:

Kelly Sterner, Finance Director, provided the following financial report for the fiscal year through the month ended December 2019:

REVENUES

Current property tax collections totaled \$1.781k for December 2019 which compares favorably to December 2018 which reported collections of \$1.323k. This brings the collection rate to 64.14% which also compares favorably with historical rates. Prior years' collections and interest & Liens accounted for \$49.8k. Online tax payments (credit card and echecks) continue to grow in popularity.



As of December month-end, the YTD total tax collections were \$14,806,152 or 64.39% of the fiscal year total compared to 63.53% as of December 2018 and 69.43% as of December 2017. State revenue received in December consisted only of \$3.3k for Veterans Tax Relief funds. Local revenues totaled \$42.7k in December 2019 and consisted primarily of interest income (\$6.2k), Conveyance Tax (\$10.8k), Building Permits (\$7.6k) and Town Clerk fees (\$13.3k). This brings the local revenue collection rate to 76.6%, not bad for half way through the fiscal year. Total revenues collected finish December 2019 at 63.3% of budget versus 68.38% for December 2018 and 62.79% for December 2017 month end.

EXPENDITURES

Expenditures for the month of December totaled \$2,200,432 bringing spending YTD to \$11,248,432 or 53.5% budget. Selectmen's budget expenditures made up \$974,847 of the total spending. As of December month-end, the Selectman's budget spending YTD is \$5,000.491 or 59.55% of budget compared to 57.54% as of December 2018 and 51.21% at December 2017 month-end. For the month, payroll and fringe benefits accounted for \$305.7k of the monthly spending. This makes up 31.4% of the Selectmen's budget spending for the month. As we touched on in last month's report, December expenditure would include significant billings for Public Works. This included \$110k for road maintenance, \$15.2k for catch basing cleaning and \$26k for tree work. Other significant expenditures include \$103k payments to libraries, \$166k payment to the Fire Department and quarterly payments of \$37k for insurance premiums and \$29.5k for 911 services. With the exception of the 2 items listed on the following page, no new items of note/concern have come to our attention at this point.

Keith Crehan made a motion to accept the Financial Report, seconded by Ed Tedeschi. Passed unanimously. Motion carried.

Vin Pacileo inquired as to any new updates with regards to R4 and their budgets. Kelly responded in that she believes that the Supervision budget is underway with a possible increase of 3.57% (does not include anything new being moved into Supervision district) and basically catching up on a few things.

Keith indicated he is under the impression that they (R4) will let each Town's Financial Manager be kept in the loop and keep the lines of communication open with regards to their finances.

SELECTMEN'S REPORT: None

OLD BUSINESS: None

NEW BUSINESS: None

Kelly distributed the Audit and reiterated that it is a clean audit. She also discussed the fiscal year ending fund balance and the changes in it. She indicated the most recent is based on 20 years which gives us a visual of how it's moving. The percentage is at 15.1% after the \$650k of supplemental appropriations and leaves us in a healthy spot right now.

Keith would like to discuss at our next meeting upping the current percentage. Kelly agreed and we'll add to the February agenda.

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Mary-Louise inquired about the Encumbrance Policy that the auditors are/were looking for. Kelly will get a sample and deliver to the Board at the next BOF meeting in February.

Keith asked about our pension actuarial return is currently trending at 7.00% and may decrease as time goes on.

COMMUNICATIONS AND CORRESPONDENCE: None

PUBLIC COMMENT: None

ADJOURNMENT:

Keith Crehan made a motion to adjourn the meeting at 7:45 p.m., seconded by Campbell Hudson. Passed unanimously. Motion carried.

Respectfully submitted,

Yvonne Roziak
Recording Secretary