

Minutes have not yet been approved

**BOARD OF FINANCE  
Room A  
Town of Essex  
29 West Avenue  
Essex, CT 06426**

**July 20, 2017**

**MINUTES**

In attendance: Keith Crehan, Chairman, Campbell Hudson, Vice Chairman, Jeffrey Woods, Mary-Louise Polo, Vin Pacileo III, Absent: Don Mesite

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

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

**APPROVAL OF THE AGENDA:**

Keith Crehan requested we move agenda item #5. Selectman's Report – item 5a. Police Vehicle Sinking Fund Request to item 3a. following the Approval of the Minutes.

***Keith Crehan made a motion to approve the agenda (as amended), seconded by Campbell Hudson, Passed unanimously. Motion Carried.***

**APPROVAL OF THE MINUTES:**

Vin Pacileo requested a change to Page 3- 6<sup>th</sup> paragraph down - under Selectman's Report. This paragraph should read as follows:

“Vin Pacileo mentioned the motion should note this is a fund that should not be used for this remediation and that this is an “exception” as the type of expenditure is inconsistent with the Board of Finance use of the contingency fund.”

***Vin Pacileo made a motion to approve the minutes (as amended), seconded by Campbell Hudson, Passed with Jeffrey Woods abstaining. Motion Carried.***

**SELECTMEN'S REPORT:**

3a. Police Vehicle Sinking Fund Request - Norman indicated that the lights are no longer supplied by

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Whelen and the added costs for the equipment are included in the latest estimate. Norman reiterated that there is a comfort and safety factor in having another 4-wheel drive vehicle in our fleet. MHQ out of Marlborough, Mass will be doing the installs. The Board of Finance agreed to proceed with a motion.

***Campbell Hudson made a motion to approve and recommend to Town Meeting an appropriation from the Police Vehicle Sinking Fund in an amount not to exceed \$58,000 for the purpose of purchasing a new Ford Explorer police vehicle and all necessary equipment, seconded by Mary-Louise Polo. Passed unanimously. Motion carried.***

#### **FINANCIAL REPORT:**

Kelly Sterner, Finance Director provided the following financial report for the fiscal year through the month ending June 2017:

#### **REVENUES:**

Despite a rough start to the fiscal year on the revenue side with the loss of over one-third of our Education Cost Sharing grant and fears of additional cuts by the State, we ended the fiscal year well on the revenue side. Current property taxes totaled \$22,296,654 for the year which is a collection rate of 100.3% of our budget. This compares to a collection rate of 100.2% as of June 2016 and 99.8% as of June 2015. Total tax collections, including prior year taxes and interest/lien fees, totaled \$22.486 million which is a surplus of \$58K. Local revenue stayed strong throughout the year and finished with a surplus of \$160,845 at the end of June. The combined result is a surplus of \$152,556 over budgeted revenue. With the accrual of the receivable as well as the recognition of deferred revenue, we may see some change in the final number but we should be in the ballpark.

#### **EXPENDITURES:**

We have our first look at expenditures for the full fiscal year 2016-2017, however with pending invoices, encumbrances and final payroll accruals yet to be recorded, we will not have final numbers until at least 60 days after the June 30 year end. At this point, expenditures for the month of June totaled \$1,342,278 bringing total YTD spending as of month end to \$22,974,639 or 96.6% of budget. This compares to a total expenditure rate of 96.5% as of month end June 2016 and a rate of 96.5% at June 2015. So we are right in line with historic levels. Within the Selectmen's budget we are seeing a number of accounts that are over budget. Most of them we have identified previously and at this point there are no surprises. Already we have one budget line (Legal Service) that is \$20K or more over budget (which requires a supplemental appropriation). By the time all is said and done we could see Town Clerk and possibly Highway department hitting or surpassing that threshold. Our latest projection shows expenditures under budget by \$65K in the Selectmen's budget. Our new business manager at Central Office is projecting Essex BOE expenditures under budget by \$90K for a total projected savings of \$155K. As always, I must caution that these are still subject to change.

So despite the originally budgeted deficit of \$115K, the special appropriation of approximately \$42K and the loss of over \$60K in State revenue, the preliminary revenue and expenditure projections would result in an overall surplus of \$192,294.

***Motion made by Keith Crehan to accept the Financial Report, seconded by Campbell Hudson. Passed Unanimously. Motion carried.***

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**OLD BUSINESS:** None

**NEW BUSINESS:** None

**COMMUNICATIONS AND CORRESPONDENCE:** None

**PUBLIC COMMENT:** None

**ADJOURNMENT:**

***Keith Crehan made a motion to adjourn at 7:35 p.m., seconded by Vin Pacileo. Passed unanimously. Motion carried.***

Respectfully submitted,

Yvonne Roziak  
Recording Secretary