

Minutes have not yet been approved

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

September 28, 2017

SPECIAL MEETING MINUTES

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

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

Meeting called to order at: 7:40 p.m. by Keith Crehan, Chairman

APPROVAL OF THE AGENDA:

Keith Crehan made a motion to approve the agenda, seconded by Mary-Louise Polo, Passed unanimously. Motion Carried.

APPROVAL OF THE MINUTES:

Campbell Hudson made a motion to approve the minutes, seconded by Don Mesite, Passed unanimously. Motion Carried.

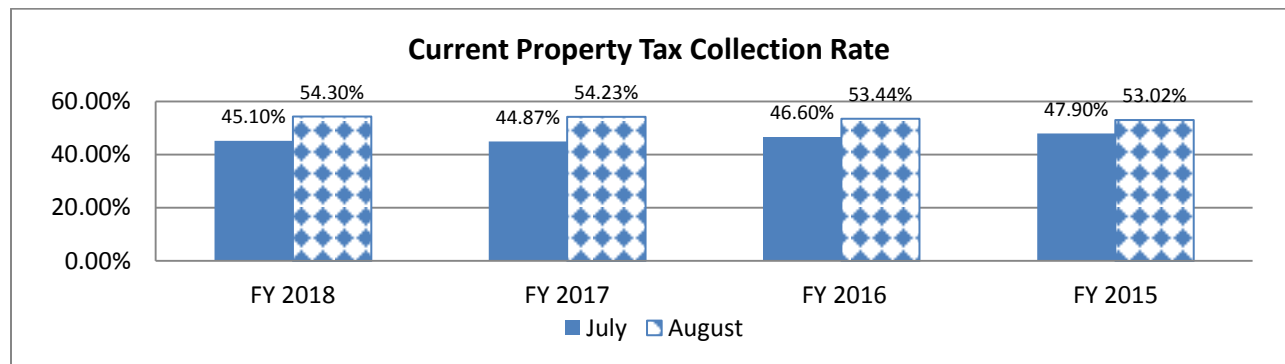
FINANCIAL REPORT:

Kelly Sterner, Finance Director, provided the following financial report for the fiscal year for July and August 2017:

REVENUES:

Current property tax collections rates of 45.1% for July and 54. 3% for August tracked right along historical rates for their respective month-end as shown in the chart below.

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As of August month end, the YTD total tax collections were \$12,425,057 or 54.20% of the fiscal year total. As an added note, the FY 2017/2018 is the first tax bill cycle where the Town accepted credit cards as a payment method. The taxpayer must pay the convenience fee so that the Town receives the full amount of the taxes due. Credit card receipts were \$140,796 in July and \$44,518 in August. Revenue from State sources, based on the continuing State budget stalemate, is non-existent. Local revenues are starting the year strong in several categories. Building permits, Town Clerk Fees and Conveyance Tax are the primary contributors. Miscellaneous Receipts is already at 82.1% of full year budget based on the equity distribution from CIRMA. Additionally, Interest Income already exceeds budget as Citizens Bank bumped the interest rate on our Investment Account from 10 basis points to 65 basis points. Total revenues collected came in at 51.98% of budget versus 52.15% the prior year which is not bad considering the absence of State Funds.

EXPENDITURES:

Expenditures for the months of July and August totaled \$5,013,558 or 20.82% of budget. Selectmen's budget expenditures totaled 23.96% as of the end of August 2017 compared to 24.46% as of August 2016 and 23.6% at August 2015 month end. No out of the ordinary spending patterns have appeared. Public Works has started the year off with numerous road maintenance repairs and chip sealing. First quarter payments to the Libraries, Insurance, and 911-services as well as the semi-annual Fire Department distribution and annual bond payment all hit the budget during July and August each year causing our spending to appear high at the front end of the fiscal year.

OTHER NOTES:

On Wednesday, September 6, 2017 the Town of Essex accepted bids for an issue of \$6,000,000 of General Obligation Bonds. A total of nine bond underwriters bid on the bond offering. Janny Montgomery Scott LLC was accepted as the underwriter with the lowest True Interest Cost (TIC) of 2.429222%. Prior to the bond issue, Standard & Poor's performed a credit profile review and assigned the Town a long term rating of AA+. This is an upgrade from our prior credit rating of AA2 with Moody's. The bond closing was on September 19, 2017 and the Town received a total of \$6,519,998.20 including a bond premium of \$519,998.20 which will be amortized over the life of the bond.

Motion made by Keith Crehan to accept the Financial Report, seconded by Mary-Louise Polo. Passed unanimously. Motion carried.

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SELECTMEN'S REPORT:

- a. Supplemental Appropriation – FY 2016-2017 – Kelly distributed the Fiscal Year End Supplemental Appropriations for 2016-2017. Norman 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	100,000.00
Fringe Benefits – Retirement	Merit Service Pension Plan – additional contribution to improve funding level	10494-501500 Supplemental appropriation	50,000.00
Capital & Sinking Funds Marine Patrol Boat	Additional appropriation for Marine Patrol Boat sinking fund	10496-508350-870 Supplemental appropriation	35,000.00
Capital & Sinking Funds Police Vehicle	Additional appropriation for Police Vehicle sinking fund	10496-508350-850 Supplemental appropriation	25,000.00
Capital & Sinking Funds Road Reconstruction	Additional appropriation for Infrastructure improvements	10496-508700 Supplemental appropriation	50,000.00

TOTAL APPROPRIATIONS: \$260,000.00

Kelly indicated that we should have a surplus of approximately \$423,277 for the year ending June 30, 2017 prior to these requested appropriations..

Keith Crehan made a motion to approve and move to Town Meeting the supplemental appropriations for a total amount of \$260,000.00 (as listed in the above breakdown), seconded by Campbell Hudson. Passed unanimously. Motion carried.

OLD BUSINESS: None

NEW BUSINESS:

- a. Annual Report Dedication Determination

Keith Crehan made a motion that the 2016-17 Annual Report be dedicated to a nominated official and spouse, seconded by Mary-Louise Polo. Passed unanimously. Motion carried.

COMMUNICATIONS AND CORRESPONDENCE: None

PUBLIC COMMENT: None

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ADJOURNMENT:

Vin Pacileo made a motion to adjourn the meeting at 8:00 p.m., seconded by Don Mesite. Passed unanimously. Motion carried.

Respectfully submitted,

Yvonne Roziak
Recording Secretary