Call to Order

- Welcome, Introduction and seating of members

The Chester Board of Finance held its regular meeting on Thursday, February 18, 2016, at the Chester Town Hall, 203 Middlesex Avenue, Chester, CT. In attendance and seated were Virginia Carmany, Jennifer Rannestad, Jon Joslow, Charlie Park, Rick Nygard (seated for B. Gorman) and Glenn Reyer (seated for D. Cohen). Others in attendance were First Selectwoman Lauren Gister, Selectwomen Charlene Janecek and Carolyn Lynn and Treasurer Liz Netsch. Chairman Carmany called the meeting to order at 7:35 PM.

- Approval of Minutes from January 2016 (and from Oct if we have the right people)

Motion made and seconded to approve January 21, 2016 Minutes amended as follows -

Under Old Business -

- various items of capital – last sentence should read, “Jon Joslow noted that is why this form is so important.”
- energy project page – the question was asked if the street light information had been distributed, Chairman Carmany replied no.
- budget guidelines, etc. - 2nd last sentence should read, “The Supervision District is a big portion of Chester's budget and we should show we are very interested.”

Under New Business -

- Improved Reporting – 2nd sentence should read, “Ms. Marian noted at the moment the revenue stream from the State will not be affected, but felt it was only a matter of time before it is.”
- Improved Reporting – last sentence should read, “CCM is working to get the Statute repealed.”

There was discussion as to whether there should be a 5 year or 10 year Budget Driver Plan. Chairman Carmany noted it should be 10 year as that is what the bonding agencies require.

Unanimously Approved.

Old Business

- Accounting and Financial Policy Manual – review Board of Finance Chapters

The Accounting and Financial Policy Manual was reviewed. Chairman Carmany noted anything pertaining to revenue, cash receipts, purchasing, accounts payable, payroll and capital assets should be reviewed by the Treasurer and/or Finance Manager.
With regard to budget oversight, there was further discussion regarding 5 year vs. 10 year Budget Driver Plan. Jon Joslow noted any major infrastructure items should be a 10 year view. He also noted the Plan should go 10 years out in order to manage what the Town wants to do. Carmany noted the BOF needs to see what the implications of projects are on our base that drives the taxes. Joslow noted there has been no money put aside for the Library.

First Selectwoman Gister noted there may be the need for new financial software in 5 years at a substantial cost which would be a budget driver and we should saving for that.

Chairman Carmany noted the Capital Budget goes out 10 years, not the Operating Budget. She further noted by State Statute, the Town has to create both Capital and Operating Budgets.

Jon Joslow suggested having a subcommittee review the wordsmithing and other issues, such as typos, etc. Chairman Carmany noted she will decide how to move forward with a subcommittee and who will participate.

• Review of Capital line items – evaluate for new or combined lines
  
  Chairman Carmany noted at the last meeting it was agreed the Main Street phases would be separated with individual numbers. There was nothing yet from the E-Team. There was discussion regarding Town Buildings Repairs/Code Compliance and Renovations. Do we want to separate these into individual buildings and also have separate line items for Repairs/Code Compliance and Renovations/Infrastructure Maintenance for Town Buildings. First Selectwoman Gister asked what the difference was between repairs and renovations. She noted replacing the Meeting House floor is a renovation not a repair. That is a Capital item as opposed to replacing one board in the wood floor. Jon Joslow noted he thought there was a dollar threshold that determined that. Carmany replied yes $25,000. First Selectwoman Gister suggested it be handled similar to Public Works. Carmany noted she didn’t that could be done. It was decided to have one line item called Town Buildings with Repairs and Code Compliance under that line item as well as another line item called Renovations. Each town owned building would be listed under those two line items.

Jon Joslow suggested inviting Peter Evankow to the next meeting so BOF members could meet him and maybe he could answer some questions.

Glenn Reyer noted the big ticket items should be saved for over a 10 year period.
Chairman Carmany noted she didn't want to see the Town bond for a Library for $7 million and not knowing it has to repair/replace a roof or boiler and its another $2 million because it did not investigate to understand what the maintenance repair and renovations will be. She indicated the BOF should work toward knowing what the full picture is. She was trying to initiate it as part of this new administration so its something we are working toward and setting up the foundation. Joslow noted he agreed. The first pass at this will set the stage for discussion over the next couple of months.

- Budget/Project/Education liaisons
Chairman Carmany asked if the BOF should liaisons to various groups, projects, etc. It was also noted the question has come up as to whether there could be quarterly meetings of department heads, boards, commissions, committees, etc. That might be a way for the BOF to collect information rather than having liaisons committing more time to meetings. Carmany noted she had been attending a lot of these meetings, but felt other BOF members should participate. Carmany also noted everyone needs to live within their budgets. Chairman Carmany will prepare a specific list separating it between operating and committees that are appointed.

Reports
- Monthly Financials
Chairman Carmany noted the Monthly Financials had been distributed. First Selectwoman Gister noted as of right now it looks like the overall revenue will be up.

- First Selectwoman’s Report
The Bridge Project is moving along. The State has agreed to additional signage. There has been good feedback from the Merchants. It looks like they are way ahead of schedule and should be done early. The contractor will be working next 3 Sundays to be on track for switching over the sidewalk to the other side.

At the last meeting, the Tax Collector’s Suspense List was approved. Since that time the Tax Collector has collected 22% of that money ($3,214) in February.

Street Lights – it was noted money was available in the State for Eversource to pay for additional towns to get on the demonstration project for LED street lights. Gister and Woomer met with Eversource to discuss the pilot program where Chester would probably be approved for up to 50 street lights. However, Eversource will be going to LED street lights within 3-5 years. Chester has 338 street lights. The question is should the Town go with the pilot program or just purchase the lights outright. Pat Woomer is checking
into this matter and will advise.

- Update on Expenditures for Library Bldg and Main Street East Project
  There was much discussion regarding the Library project (package includes restoration of North Quarter Park). It was noted there is no budget yet. First Selectwoman Gister noted the question is what will $7 million do to the mil rate. We can't just do nothing with the Library. There are real issues that must be dealt with – ADA compliance, asbestos in the floor, etc. Jennifer Rannestad noted the community hasn't been asked yet what they want. It was noted the Library can't go to referendum without BOF approval. Gister noted $92,000 has already been spent for the architect. She also noted there are potentially other grant opportunities out there, particularly with other parts of the Park. Gister briefly reviewed what occurred at the last Library Building Committee meeting noting the next meeting will be March 2nd at which time the architect will do a presentation of a new design.

Main Street East – waiting for final calculations for paying final bill. Retainage doesn't have to be paid until landscaping is done in the Spring. Hopefully final bill will be received by the next meeting.

New Business
- Request for $18,000 be released from Capital for Meeting House Repairs
  Motion made and seconded to release $18,000 from Capital for Meeting House Repairs covering electrical, curtain and pipes. Gister noted they are working on safety issues first. Unanimously Approved.

- Request for $115,000 be released from Capital for New Truck – detail previously sent
  Motion made and seconded to release $115,000 from Capital for new Truck. Discussion followed. Jon Joslow asked if we complied with the bid policy. Gister replied yes. Glenn Reyer noted the old truck was 2006 and our policy says it should last 20 years. First Selectwoman Gister explained why the truck is being replaced now rather than waiting. There were two trucks scheduled to be replaced at the same time, but if we do this one now, the trade in value is higher. All the money in the future would then go to the second truck. Chairman Carmany noted this was a conversation that Ed Meehan had with John Divis before Lauren Gister came on board. It was a decision that had been made and not given to the BOF when it was being made with Mr. Divis. Approved with Glenn Reyer opposed.

- Budget Books
First Selectwoman Gister noted the budget books were incomplete. She is working on completing them with all the supporting data.

First Selectwoman Gister explained a couple of items in the book - the administrative assistant was paid out of Board of Selectmen and Planning & Zoning regular payroll. That has been taken out of P&Z and put into BOS. It looks like an increase but its not.

Rentals, Town Office Operations went up quite a bit because of new copier contract for downstairs. New Library copier comes in under same bill, but will be separated out into the Library budget.

Registrar of Voters shows an 834% increase in Special Development due to mandated State Training.

Police Protection budget is up particularly in the Resident Trooper’s pay. The Town is required to pay 85% of salary and benefits now, instead of the previous 70%. There was a brief discussion about sharing a State Trooper with another town. Chester has one Resident Trooper and one Constable. The part time Constable took a full time job in Essx and hasn’t been replaced yet.

Bulky Waste and Recycling – First Selectwoman Gister noted she is talking with Dick Smith about the $20,000 increase in Transfer Station Fee. Perhaps this could be split between a couple of years. They are also talking about how the Town is being billed.

Legal Contingency Account is being split between the Board of Selectmen and Planning & Zoning.

- Presentation of Grand List and Revenue 10 year history

Glenn Reyer noted he had been asked to look at historic revenues to see if historic trends would help going forward. He noted he has done a lot of research on this and collected data for the last 10 years. He briefly reviewed the 3 sources of revenue – property taxes, State contributions and fees. Reyer noted 73% of property taxes are from residential properties. He noted the Grand List has grown by less than 1% per year over the last 11 years. The value of existing properties has not increased. The mil rate has grown by 1.36%. What that says is there is no opportunity for the Grand List to grow on its own. The State’s contribution has been constant at $1 million a year. There have been rumors about the State reducing that amount, but it hasn’t happened yet. Reyer noted he and Chairman Carmany have started a conversation as to where this goes from here. We
don’t know the “what if’s” yet.

- 2012 Grand Lists and Current Mil Rates by Town
Chairman Carmany distributed a list of all Towns in Connecticut, their mil rate and 2012 Grand List.

Audience of Citizens – none.

Adjournment
**Motion made and seconded to adjourn at 10:20 PM. Unanimously Approved.**

Respectfully submitted,

[Signature]

Judith R. Brown, Recording Secretary