

THESE MINUTES ARE SUBJECT TO APPROVAL AT THE NEXT BOARD OF FINANCE MEETING

TOWN OF CHESTER, CONECTICUT
REGULAR BOARD OF FINANCE MEETING
THURSDAY, JULY 20, 2017
COMMUNITY MEETING ROOM
CHESTER TOWN HALL
203 MIDDLESEX AVE.
CHESTER CONNECTICUT

CALL TO ORDER

Chairwoman Carmany called the meeting to order at 7:30 p.m.

SEATING OF MEMBERS

In attendance included Virginia Carmany, Charlie Park, Bob Gorman, Dave Cohen, Jon Joslow, Rick Nygard (seated for Jennifer Rannestad). Also in attendance included Selectwoman Janecek, Selectwoman Linn and approximately 35 audience members.

Jennifer Rannestad (arrived at 7:37 p.m., not seated), Lori Ann Clymas (not seated), Lauren Gister , First Selectwoman, arrived at 8:05 p.m.

APPROVAL OF MINUTES

Bob Gorman made a motion to approve the minutes from the May 4, 2017, May 18, 2017 and June 7, 2017 BOF meetings as presented. Charlie Park seconded the motion. The motion passed unanimously.

REPORTS

Monthly Financials

The monthly financial reports were included in the Board's packet. The Tax Collector's Report reflects a 99.94% collection rate. Virginia noted that this is less than previous years at 101% and will follow-up with the Tax Collector to understand why. The Fund Balance is currently at 15.74%. The Revenues/Expenditures report was included in the Board's packet. July figures are not yet available.

Current State Budget Implications

Virginia Carmany distributed an analysis of the Governor's adopted June 30th budget and its implications for the Town of Chester; Chester will have an additional reduction of \$388,000.00 in State Revenue, an additional 5% tax increase if it is fully additive. Because the State Legislature has not passed a two year budget, bond authorizations and grants (STEAP, Library, LOTCIP, etc.) are on hold. If the State reduces the full amount of revenue Chester receives, we could have a 10% tax increase. However, we will not know the full impact to Chester until a 2 year budget gets passed and the final impact could be very different.

Chester has had a tax increase in 7 of the last 8 years and anticipates a 2.5% increase each year going forward based on historic run rates as a baseline.

First Selectwoman's Report

Charlene Janecek reported that the BOS awarded the bid for the Prospect Street Culvert to VMS Construction. Their bid was \$230,200.00 (low bid). It is anticipated that the work will begin in early August.

The solar panel project at the elementary school is currently being reviewed by Town Attorney. It is anticipated that this project will be completed by the end of summer.

The Hose Company has a new Chief, John Brainerd and new officers.

The new constable, Craig Lee (recently retired Clinton constable) will be sworn in on Friday, 7/21. The Town is pursuing the sale of a police car. The BOF discussed the possibility of retaining the vehicle to be used as a "back up" vehicle for public works, etc. and requested the BoS review cost benefits.

Rick Nygard, BOF representative to the Retirement Board, will be sworn in as soon as possible. He had accepted this position back in January 2017 as the Retirement Board requires one member from the Board of Finance.

The "tree on car incident" at Cedar Lake is being resolved.

The BOF was not updated on the on-going repairs at the Meeting House and costs associated with same. The details regarding the placement of the furnace and other items were not available. There is \$60K budget for 2017/18 for use at the Meeting House.

Per the Secretary of State, adding the Library question to the ballot at the November general election is permissible; since there are two categories of voters (a) property owners that can vote on Chester issues and b) Chester residents that are registered voters for all elections), we would be required to have two different ballots and two separate areas for casting those ballots. We would utilize the Town Clerk's office to cast a ballot on the Library question.

Susan Wright updated the Board on the Plan of Conservation and Development (POCD) and Strategic Plan process. An RFP has gone out and several companies have responded. The intent is to retain a contactor (bids range from \$58,000 to \$100,000) to develop the POCD and the 10 year Strategic Plan. Interviews are scheduled for July/August. The project might start as soon as September and Input from residents will be an integral component as well as input obtained during the last POCD process. The due date for the POCD is 2019.

OPEN ITEMS IN OLD BUSINESS

Main Street Phase 3:

Kent & Frost and Jacobson made no substantial changes to the basic design. Kent & Frost reduced their price approximately 10% from the original price. Jacobson was paid \$10,000 to develop a LOTCIP grant proposal for the project and is now working through the design phase so we can be 'shovel ready' if the Lotcip Grant is awarded. Carolyn Linn informed the BoF that RiverCog Town's have not received any money for Lotcip Grant recipients for 2015/16 which puts funding in arrears for last year and 2016/17. It is unlikely if Chester is awarded a Lotcip Grant we would see any money for an additional 2 years into the future. The estimated cost for Main Street Phase 3 and the Lotcip Grant request is \$2.2M.

Bulky Waste

Carolyn Linn reported that no progress has been made to date to put a process in place to calculate Chester's usage at the Deep River Bulky Waste Facility. This item will be added to a future BOS agenda. The intent is to have stickers for Chester residents that will enable the Town to determine utilization and provide a tool for Land Fill staff to identify Chester cars vs. Deep River cars. A dumpster for Chester

waste has been placed at the facility. Since the review of the Bulky Waste process began, Chester has saved approximately \$10,000 in fees to Deep River.

NEW BUSINESS

The BOS scheduled a second special meeting on Monday, 8/7/17 @ 2:00 p.m. to continue their review of the Policy and Procedure Manual.

Library Project – Discussion and Next Steps

Virginia Carmany reported on the process for moving the Library proposal forward including:

- The BOS approved the Library proposal and has forwarded it to the BOF for review with the request the BoF forward the project to Referendum
- Upon BOF approval, the project goes back to BOS who then sets the Call and date of a Town Meeting or a Referendum.
- If the BOS determines that the project should be voted on at a Town Meeting, residents may petition to send the project to a vote at Referendum.
- If The BOF denies the proposal as submitted, the project goes back to the BOS to determine the next steps.

Virginia Carmany reported that the financial information regarding the Library proposal has been published and the BOF as a group will now begin their deliberations/discussions on same.

At the 7/6/17 BOS meeting, the BOS made a motion to adjust their vote from the 6/28/17 meeting to recommend to the BOF that the Library Proposal be sent to town for Referendum for a decision by Chester tax payers with no set date.

A copy of First Selectwoman's memo to the BOF dated 7/13/17 was included in the BOF packet. This memo outlines the recent steps taken by the BOS regarding the Library proposal.

Virginia Carmany reported that it is now time for the BOF to begin their review of the "financials" of the proposed project.

Jon Joslow expressed an interest in determining how the proposed Library/NQP project would financially relate to the Plan of Conservation and Development and Strategic Plan. Virginia Carmany reported that the BOF owes it to the taxpayers to carefully review a project of this magnitude in the context of a "bigger picture"; including input regarding Region 4 projects and any infrastructure or other needed/requested projects.

The BOF discussed the possible Referendum question. It was reported that the Library/NQP Committee has spent thousands of hours over the past 3 years in development of the plan submitted. One hundred thousand in tax dollars has been spent to develop this comprehensive plan and investment to Chester's infrastructure.

Dave Cohen and Jennifer Rannestad debated whether or not the BOF is to offer guidance on this proposal regarding possible budget criteria or other issues, or just vote the \$7.4 million dollar project up or down.

The BOF will solicit opinions/guidance/advice on financing options for a project of this magnitude from bond counsel, auditor, Region 4,OPM, etc. and will invite the Library/NQP Committee to a BOF meeting to discuss the project, provide a presentation and a Q&A session. It was requested the BoF have a dedicated meeting to review this Library Proposal.

AUDIENCE OF CITIZENS

3 Letters received from residents unable to attend this evening's meeting were read into the record (see attached).

Denny Tovey, Chairman of the Library/NQP Committee, reported that the current BOS and BOF have never bonded for a project of this magnitude. He agreed that the appropriate "experts" (bond counsel, auditor, etc.) should be solicited for guidance. He suggested that the BOF let the appropriate advisors determine financial impact of the proposal. This information will enable voters to make an educated decision.

Terry Schrieber reported that the 1999 POCD and the 2009 POCD recommended a library project. This is not a new project. Also, to date, \$150,000 in donations have been pledged for the Library project in a short period of time.

A gentleman in the audience expressed disappointment that the BOF has not yet reviewed the proposed project. He also expressed concern on the condition of the current Chester Library and felt the facility was detrimental to attracting young families to Chester. He encouraged the BOF to forward the project to a Referendum and let the voters make the decision.

Richard Strauss requested the State Statute referring to the process of forwarding an item to Referendum. If the BOF does not forward this project to Referendum, do the residents have an option to bring issue to a special meeting and vote to send project to Referendum by petition. Virginia Carmany responded that if the BOF does not approve an appropriation to move the project to a Referendum, no one else can do so. She will provide the requested State Statute. Lauren Gister added she had checked with legal counsel and confirmed that if money is attached to a question on a Referendum, it must go through the BOF.

Carol Carpenter commented that this contentious issue has been discussed for many years. She is encouraging the BOF to do their due diligence on the "financials" of this proposal. She continued that tax payers rely on the BOF to keep the Town on the right path with a reasonable mill rate. She expressed her appreciation to the BOF.

Matthew Griffiths commented that he would value input from financial experts to identify knowns and unknowns. He continued that we need to look at this project in a wider context before funding is committed to the project.

Marjorie Warner commented that we will continue to lose young families in Chester if adequate facilities are not provided. She reported on a recent library event that had to be held at the church because of inclement weather and the lack of adequate library space.

Leslie Strauss encouraged the BOF to forward the project to a Referendum in November. She commented that this project is much more than just a library; it is a development project for NQP including trails, playground and community center.

Carol Carpenter commented that it is possible to renovate the playground without a library/community center in the same space. While she agreed that something needs to be done about the library, the proposed project may not be the right thing to do at this time.

Joe Cohen commented on the lack of facilities in Chester for senior citizens. He continued that the Town of Lyme's library project cost \$3.1 million. He encouraged individuals to research library projects in other towns.

Steve Tiezzi clarified the costs of items in the proposed project including hard costs, site work, drainage, parking, playscape, library, contingencies, furniture, fixtures, escalation, etc.

Joe Cohen expressed support for a new library/community/senior center but urged the BOS and BOF not go to Referendum this November. He felt the Town should go back to a realistic plan that we can afford. He continued that people are moving out of Chester not because of the lack of an adequate library but because of high taxes.

ADJOURNMENT

Jon Joslow made a motion to adjourn the meeting at 9:45 p.m. Charlie Parks seconded the motion. The motion passed unanimously.

Respectfully Submitted,

Suzanne Helchowski, Clerk
Virginia Carmany reviewed