

THESE MINUTES ARE SUBJECT TO APPROVAL AT THE NEXT BOF MEETING

TOWN OF CHESTER, CONNECTICUT
BOARD OF FINANCE
REGULAR MEETING
Thursday, January 16, 2020
Community Meeting Room
Chester Town Hall

CALL TO ORDER

Chairman Carmany called the meeting to order at 7:31 p.m. In attendance included: Chairman Carmany, Rick Nygard, Jon Joslow, Richard Strauss, Greg Merola and Andrew Gardner (seated for Jennifer Rannestad). Also, in attendance were First Selectwoman Gister, Selectwoman Janecek, Susan Wright and Chief Grzybowski.

APPROVAL OF MINUTES

Rick Nygard made a motion to approve the minutes from the 12/19/19 BOF meeting as amended. Andrew Gardner seconded the motion. The motion passed unanimously.

Note: the Kate donated 118 new chairs to the Meeting House, not 10 as reported and Lauren will develop a written outline for Attorney Bennet relative to Town Meeting protocol.

NEW BUSINESS

2020/21 BOF Budget Calendar

The Budget Calendar has been distributed to BOF members.

Richard Strauss made a motion to schedule BOF meetings as follows: 2/20/20, 2/27/20, 3/11/20, 3/19/20, 3/25/20, 4/6/20, 4/15/20 and 4/22/20. Andrew Gardner seconded the motion. The motion passed unanimously.

VOTE SUSPENSION LIST

The revised Suspension List was distributed to BOF members.

Rick Nygard made a motion to accept the Suspension List as presented. Richard Strauss seconded the motion. Discussion followed.

Lauren reported that the Tax Collector develops the list of names for the Suspension List. Some individuals are deceased, have moved away or are unable to be contacted. John O'Hare will follow-up with the Tax Collector relative to the criteria used to place names on the Suspension List. Jon Joslow was hesitant to approve the list without the criteria. Comparative information from prior year's Suspension List was requested as well as information by sub-type (MV, deceased etc.). Virginia will ask the tax collector to provide additional information.

The Tax Collector's letter (included in the BOF packet) relative to the Suspension List was read aloud and discussed. If property taxes are not paid on a motor vehicle, the owner is unable to register the car with DMV.

John O'Hare made a motion to table the approval of the Suspension List. Jon Joslow seconded the motion. The motion passed unanimously.

ELECTION OF BOF CHAIR AND VICE CHAIR

Jon Joslow made a motion to nominate Richard Strauss as Chairman of the BOF. Richard Strauss seconded the motion. Discussion followed:

Virginia Carmany was asked if she was interested in continuing as chair, and she expressed an interest in remaining Chairman of the BOF.

Rick Nygard nominated Virginia Carmany as Chairman of the BOF. Greg Merola seconded the motion. Discussion followed:

A BOF member reported that Virginia has done an outstanding job as Chairman and remains enthusiastic relative to the position. He commended Richard Strauss for his work on the BOF; particularly with regard to the BOE.

The BOF voted via a paper ballot.

Votes for Richard Strauss – 2

Votes for Virginia Carmany – 4

Virginia Carmany remains BOF Chairman.

Richard Strauss reported that the election process for the BOF is mandated and requires that the BOF conduct an election for Chairman and for the Clerk of the Board after each municipal election by December. If such officers are not chosen within one month of the appointment or election of the Board or in the event of a tie vote, the BOS shall choose such officer (s). Statute 7-342.

On a motion made and duly seconded, the election of a Clerk to the BOF was added to the agenda and passed unanimously.

The BOF discussed the duties of the Clerk.

Jon Joslow made a motion to choose Suzanne Helchowski as Clerk of the BOF. The motion was not seconded and tabled for additional information.

Richard Strauss reported that the statute is silent on the possibility of an annual election of Chairman vs. only after the municipal election.

Discussion – John O'Hare read the State Statute relative to BOF elections. Virginia will follow-up on this for clarity going forward.

Virginia Carmany made a motion to nominate Richard Nygard as Vice Chairman of the BOF. Jon Joslow seconded the motion.

Vote on the motion: The motion passed unanimously.

TOWN HALL ENERGY PRESENTATION

Richard Strauss made a motion to add to the agenda a request for forwarding to Town Meeting LED retrofit for the Town Hall and Fire House. Richard Nygard seconded the motion. The motion passed unanimously.

Lauren distributed a proposal, developed by Earthlight and recommended by the E-Team to BOF members.

The proposal calls for changing lighting fixtures in the town hall’s common areas and changing bulbs only in town hall offices.

Details of the proposals include:

<u>Town Hall</u>		<u>Fire Department</u>
Annual Energy Savings	21,768 Kwh	16,105 Kwh
Annual Cost Savings	\$4,290.45	\$3,129.27
Project Cost	\$20,756.72	\$15,160.21
Eversource Incentive	\$5,201.45	\$3,790.73
Loan Amount	\$15,555.27	\$11,369.48
Monthly Payment	(\$324.07)	(\$236.86)
Monthly Savings	\$357.54	\$260.77
Net Monthly Cashflow	\$33.47	\$23.91
Incentive %	25%	25%
Payback	3.63 years	3.63 years
5 year return	\$5,897.00	\$4,276.87
10 year return	\$27,349.26	\$19,923.22

Any such agreements require Town Meeting Approval

Lauren reported that Earthlight has agreed to a 5-year warranty on maintenance and labor. There are no upfront costs to the Town and considerable savings can be realized over the next 5 and 10 years.

The BOF discussed the proposal. Virginia requested a copy of the stats/spreadsheet developed by the E-Team relative to energy costs vs. changes as a result of the projects they have initiated.

Note that Earthlight is also working with CES staff on a project and the Fire Chief has been updated on the proposal. Representatives from Essex Savings Bank have also been updated on the project.

On a motion made and duly seconded, the BOF approved the Fire House and Town Hall proposal as submitted by Earthlight Solar and Energy Solutions. The motion passed unanimously.

CONTNUED BUSINESS

BOF Tasks for the New Year

Virginia requested assistance from BOF members relative to initiatives at the State level, Main Street Project, mill rate/grand list by towns analysis and Operating Budget.

Note that Mike Joplin is on the Main Street Committee and the First Selectman provides a Main Street report to the BOF on a monthly basis. However, the Town is hiring a project/construction manager once the project goes out to bid, and the Main Street Project Committee will not be overseeing the construction. Additionally, the project is subject to some reporting per guidelines in the Policy Manual.

John O'Hare will pursue initiatives at the State level.

Andrew Gardner will pursue mill rate/grant list by towns analysis.

Richard Strauss reported that when the BOF went through the process for dedication of the Annual Report, BOF members were not aware of the potential nominees for the report. The process for nominations and selection was not clear and also, information regarding a "celebration" of the individual chosen was not available.

Laruen commented that at the next Town Meeting, corresponding to when the Annual Report is published, she will include a "celebration" and invite the honoree and family.

Richard Strauss suggested that perhaps Board/Commissions and the public could be solicited for input on the dedication of the Annual Report. Richard Strauss will develop a draft process/procedure to be discussed at a future BOF meeting.

Jon Joslow requested additional information on the tax status for the Guest House and Masonicare.

Laruen reported that the status of the Guest House has been settled (the Town lost). They must reapply regularly to the Assessor relative to the status of their taxes. The process is on-going relative to the status of Masonicare.

Jon Joslow requested additional information regarding the tax status of the Guest House. He stated that it is a "for profit" business. Laruen reported that they are permitted to have 10% of their activity "for profit"; however, she is not privy to their books but understands that they have reapplied to the Assessor and their status did not change. Their "990" forms are public information.

Determine Funding Source for \$25k Dredging Request

As previously discussed, the mouth of Chester Creek is in need of dredging at a cost of \$25,000. The BOF approved the funds contingent upon having DEEPs approval of the project. DEEP has approved the project. The Army Corps of Engineers approval is pending. It is anticipated that the dredging will occur in March.

Richard Strauss made a motion to fund the dredging project in the amount of \$25,000 from Contingency to facilitate the project contingent upon Army Corps of Engineers approval. Andrew Gardner seconded the motion. The motion passed unanimously.

REPORTS

Monthly Financial reports were included in the BOF packet.

The Tax report, through December, 2019 indicates a 70.24 collection rate.

Lauren will confirm with Peter when the Capital Non-Recurring Expenditures are updated in the expenditure report vs. the off line Capital Non -recurring expenditure report which is updated quarterly. This report may not be updated until the end of the year.

The BOF budget line is primarily used for the Audit, legal, printing and minutes. Outside Contractor funds were used for the special analysis of the school cafeteria.

Virginia reported that the Auditor is available to present the Audit on 2/13/20 @ 7:00 p.m. A special meeting of the BOF will be scheduled to present the Audit.

Revenues – most revenue from the State has not yet arrived. Lauren reported on the process for receipt and recording of state grant funds in the Town’s financial statements. Virginia reported on the funding of the Main Street project (2 STEAP grants and 1 DOT grant). It is unclear where these funds are recorded (Peter will be asked to provide an update). Contingency in the Main Street project was discussed.

P&Z permits are up significantly. Lauren reported that part of that revenue was from the last fiscal year.

Jon Joslow reported on the format of the Revenue report and commented on the importance of the report being more “current”. He requested the \$200k be booked in the received column. Virginia will forward this request to Peter.

Expense Summary Report – Jon Joslow questioned the \$28,000 Building and Grounds line – These funds were for the Environmental Study.

Capital – Jon Joslow reported that for this year’s Capital Plan, we cannot continue, in the Fire Department, “pushing off” items. This will be discussed further during the budget meetings.

FIRST SELECTWOMAN’S REPORT

Lauren reported on the following:

- Main Street Project – Lauren reported on her continued frustration as the Town is still awaiting the State’s response to the information the Town submitted to the State regarding the Main Street project. The Town is anxious to put the project out to bid. Lauren has been assured that the Project Authorization Letter should be received by 1/17/20. When signed and returned, the Town will have authorization to bid. Jacobson is on stand by for same. These State delays have put the project behind. The Main Street Committee has developed a new schedule. This schedule shows construction through July. They would like to include a 24-hour construction period meaning that contractors will be able to work multiple shifts per day to extend the work day.
- Main Street Project – the DOT is considering work on Maple Street (past the flagpole) as a participating project. They do not consider the continuation of Spring Street as a participating project; however, the area to approximately the staircase (approx. 70 ft.) is considered a participating project. The area from the staircase to the storm drain is considered a local road and the responsibility of the Town.
- Landscaping on the top of the “wall” is a participating but from stairs to the brewery will be the Town’s responsibility. The “wall” staircase is not a participating project (approx. \$40,000)

because it is not ADA compliant. Lauren has expressed disagreement with the DOT relative to the staircase.

- Additional non participating elements of the project include the upgrade of the guardrail and weather boarding in sidewalk areas.
- It is anticipated that the road will remain open (one way) for the duration of the project.
- Ron Rose, Building Official, has retired. The BOS has temporarily appointed Dick Leighton as Acting Building Official for a period of 90 days. The position will be re-posted. We are currently working with the Town of Killingworth as they too are in need of a part-time Building Official. River COG is considering a grant for a feasibility study of a regional Land Use office.
- The RFP for the Meeting House floor has been posted. Several contractors have expressed interest in the project. The Meeting House should be available at the end of March.
- The Cherry Hill Small Cities Grant project is moving forward. It is anticipated that the documents will be signed allowing them to get an architect and contractors in place for work in the Spring. The amount of the grant is \$800,000.00.
- Many years ago, the Town received a Small Cities Grant for residential rehabilitation projects for qualified homeowners. The majority of those loans have been paid back and the Town has approximately \$195,000 available to reinstate the program. Dale Kroop, Grant Writer, is working on the paperwork to re-start the program.
- 150 copies of a Town Volunteer Handbook have been received and will be distributed to appropriate individuals.
- The Roads Committee will be discussing the status of town roads and developing priorities for next year.
- There have been cyber security issues in several municipalities in the past 6 months; including ransomware attacks. RiverCOG has been encrypted for the past week. Lauren is meeting with our IT contractor regarding cyber security. Homeland Security has protocols in place for cyber attacks and town employees will be further trained.
- Sustainable CT – surrounding Towns that are currently certified have staff available to pursue the program. It is very labor intensive and has several requirements. A Chairman has just been named for a committee in Chester.
- The old police vehicle has been placed on the auction site. Title issues have been resolved with DMV.

OPEN ITEMS IN OLD BUSINESS

R4/Supervision/CES– A copy of the Supervision Analysis, developed by Virginia, was distributed to BOF members.

The Supervision District draft budget was distributed. Lauren clarified the .7 vs. .3 full-time position (Librarian) transfer. Virginia requested the methodology vis a vis the “splits”. The Superintendent has committed to providing this information. The draft Supervision District budget shows a 3.57% or \$276,000 increase. The Supervision District budget shows health estimates only (18%).

The BOF discussed various aspects of the draft budget report extensively, including ADM/enrollments, health insurance and reserve fund. Bus transportation was discussed. By statute, we are required, in the event of an emergency, to have a seat on the bus for EVERY student, regardless of whether or not they take the bus. There may be an “opt” out option. The BOE discussed the possibility of an analysis of bus services/usage.

BOF members encouraged the BOE to thoroughly consider cuts to their budget and to bring the BOF(s) into to the discussions early, prior to the Supervision District budget being approved. Virginia expressed concern that the Supervision District budget is not voted on by the public and there is no opportunity for the public to engage in the Supervision District budget.

Staffing levels of CES were discussed. Over the past 15 years, staff has been cut from CES. Some teachers are moved into Supervision District to allow for “sharing” teachers throughout the region.

To facilitate a process, Virginia reported on requests made by the BoEd members and some additional questions she had requested: the Administration provide information including the status of the disposition of surplus Supervision District funds, a policy on moving staff in and out of Supervision District, a request for 4 year enrollment projections, information on contractual agreements, reductions in administrative relative to enrollments, understanding of self-funded medical costs and allocation of same, analysis of transportation costs, software contracts, status and allocation of IT support at CES and can food services costs be reflected in the Supervision District budget.

A BOF member encouraged the BOE provide a \$0 based budget and to justify the number of Administrative staff in light of decreased enrollments. Note that state mandates and special needs have increased significantly over the past several years.

The BOF discussed the sustainability of increasing BOE budgets. A BOF member discussed a program for private pay students (Chinese).

AUDIENCE

Susan Wright expressed concern that the public is unable to vote on Supervision District’s budget. Richard Strauss reported that the joint BOEs adopts/approves the Supervision budget. It is then built into the R4 approved at referendum and CES budgets which is approved by the BOF and public. We do have the opportunity to request a cut in CES and the CES BOE can then request that the Supervision District budget be “re-opened” thus there is an indirect opportunity for public participation in the Supervision District budget vote. The process for Supervision District budget approval was initiated through legislation when Region 4 was created many years ago; however, the role of Supervision District has “morphed” over the years.

Susan Wright expressed dismay at the lack of dialog between the BOE and the public at BOE meetings. Education budgets are becoming unsustainable throughout Connecticut. She encouraged the BOE to “justify” each position.

Lauren reported that \$0 in taxes is due to Deep River for the Mislick Property; however, because it is not being used currently for “educational” purposes, Deep River may be able to request tax payment but would have to do so through the budget process and would not be entitled to any back payment of taxes.

ADJOURNMENT

Rick Nygard made a motion to adjourn the meeting. Jon Joslow seconded the motion. The motion passed unanimously.

Respectfully Submitted,

Suzanne Helchowski
Recording Clerk