

THESE MINUTES ARE SUBJECT TO APPROVAL AT THE NEXT BOF MEETING

TOWN OF CHESTER, CONNECTICUT
BOARD OF FINANCE
REGULAR MEETING
Wednesday, May 21, 2020
Via ZOOM

CALL TO ORDER

Chairman Carmany called the meeting to order at 7:32 p.m. In attendance included Virginia Carmany, Richard Strauss, Rick Nygard, Greg Merola, Jon Joslow, Jennifer Rannestad, BOF members in attendance but not seated John O’Hare, Michael Joplin, and Andrew Gardner. Also in attendance Selectwoman Janecek, First Selectwoman Gister, Jamie Grzybowski, Peter Evankow, Finance Manager, David Fitzgibbons, Tyson Stoddard, Susan Wright, Superintendent White, and Richard Huot, Business Mgt R4.

Rick Nygard made a motion to amend the order of the agenda and move the discussion regarding the CES oil tank replacement project. Jennifer Rannestad seconded the motion. The motion passed unanimously.

A written report, developed by James Grzybowski, CES Facilities Manager, regarding the oil tank replacement project was included in the BOS packet (see attached) and discussed extensively by the BOF. Jamie was available to address BOF questions relative to the project.

Superintendent White reported that if the current tank fails during the school year, a potential 10 day to two-week disruption in school to replace the tank would be detrimental to students; especially in light of the current disruption relative to Covid-19.

If the tank fails and oil leaks into the ground, costs associated with clean-up will be substantially higher than the current bid for the project. The potential for insurance to cover such an expense will be investigated further by Richard Huot.

Virginia reported that per statute, “all school costs reside with the BOE” and the BOF has oversight over Capital maintenance projects at the school. The BOF discussed the additional funds necessary for the project, approximately \$50,000, and where said funds could be “found”; i.e. town budget or CES budget. Superintendent White reported that end of year CES projections have the potential to assist in funding this project. At this time, the Town’s end of year surplus is approximately \$300,000.00. Lauren reported that a portion of the anticipated town surplus is already allocated in next year’s budget.

Superintendent White reported that it is common in the 3 towns that some larger maintenance/Capital projects are facilitated through the Town(s).

The consensus of the BOF was to move forward with the oil tank replacement project and bid estimate of \$138,000 (ETT Environmental Services); understanding that there will be a shortfall of approximately \$50,000 from what is budgeted for the project (as of July 1, 2020). The BOF will schedule a special BOF meeting to determine the appropriate source of funding to cover the “shortfall” (\$50,000) for the project.

APPROVAL OF MINUTES

Jennifer Rannestad made a motion to approve the minutes from the 2/20/20 and 4/16/20 BOF meetings. Rick Nygard seconded the motion. The motion passed unanimously.

Jennifer Rannestad made a motion to approve the minutes from the 4/7/20 BOS/BOF Joint meeting. Rick Nygard seconded the motion. The motion passed unanimously.

Jennifer Rannestad made a motion to approve the minutes from the 4/15/20 BOS/BOF Joint meeting. Rich Nygard seconded the motion. The motion passed unanimously.

Jennifer Rannestad made a motion to approve the minutes from the 4/20/20 BOS/BOF Joint meeting as amended. Rick Nygard seconded the motion. The motion passed unanimously.

Amendment: Page 3, delete paragraph 3.

Jennifer Rannestad made a motion to approve the minutes from the 4/22/20 BOS/BOF Joint meeting. Rick Nygard seconded the motion. The motion passed unanimously.

NEW BUSINESS

Energy Initiatives

A copy of the Earthlight LED Lighting Contract is available in the First Selectman's office.

Details relative to the LED replacement at CES were not available when the BOF and BOS took action, several months ago, on similar projects at the Town Hall and Firehouse.

Parameters of the contract include:

- \$33,519.96 – total cost of project
- Minimum \$8,378.38 – Conservation Incentive
- Estimated net cost of project - \$25,141.58
- Eversource is offering additional incentives due to the Covid-19 crisis
- 0%, 4-year loan, from Eversource - approx. \$22 per month on bill
- After 4 years, the savings to the Town is approximately \$500 per month/\$6,000 per year (at CES).

Rick Nygard made a motion to authorize the First Selectwoman to enter into an agreement for a Connecticut Energy Fund loan up to \$26,000 at the interest rate of 0% for a 4-year term to fund the cost of LED lighting retrofits at the CES, as recommended by the BOS. Greg Merola seconded the motion. The motion passed unanimously.

Jennifer Rannestad made a motion to authorize First Selectwoman Gister to enter into a contract with Earthlight Solar and Energy Solutions to replace lights in the CES with LED fixtures as recommended by the BOS. Rick Nygard seconded the motion. The motion passed unanimously.

For informational purposes, Lauren reported that this item is on the BOF agenda next week, along with the budget, as part of the Town Meeting Call.

REPORTS

School Audits for full year 2018/19:

Virginia reported that the school audit resulted in the following:

- Supervision District – \$50,000 in surplus– Chester’s portion approx. \$13,000
- R4 - \$201,000 surplus with a \$429,000 Capital Deficit – R4 has approved using \$158,000 of the surplus to cover part of the Capital Deficit and return \$143,000 of surplus to the towns – Chester’s portion is approximately \$9,000.

The consensus of the BOF was to “give back” the \$9,000 to address the capital deficit.

Virginia’s questions relative to the 2018/19 Audit Health Insurance line have not yet been addressed by the school.

Monthly Financials – Monthly financial reports were included in the BOF packet and briefly discussed.

Grant for Municipal Projects – Lauren is currently in process of certifying the appropriate documents. These funds were used for infrastructure and roads.

LOCIP – the application will be forwarded to State tomorrow.

It is too soon to tell if the tax collection rate for next year will be in jeopardy due to Covid-19.

In response to BOF member’s request for clarification, Lauren reported that some expenditures were unexpected due to Covid-19. It is anticipated that the Town will be reimbursed, either by the State or FEMA, for these expenses. In addition, Peter and Lauren review expenditures on a regular basis.

Virginia reported that revenue is up approximately \$288,000 and the general fund approved expenses are down approximately \$18,000 as of 5/18 (total \$300,000 surplus); note, a large portion of that is Masonicare tax revenue as the request to reduce the tax for Masonicare has not moved through the courts and no court date has been set relative to the the requested review.

First Selectwoman’s Report

Lauren reported on the Main Street Project as follows:

- Currently in the 5th week of the project
- 10-hour days
- Issues in getting materials are being addressed – the contractors move onto the next portion of the project while waiting for supplies
- Contractors working through difficulties with curbing
- Jacobson and Ed Meehan on site regularly

A Re-Open Chester Committee has ben established and Carol Lewitt is chairing it. They are working with restaurants/merchants for appropriate permits, etc. to adhere to the Phase I protocols. Park & Rec has cancelled summer camps but is working to provide activities that will be permissible in the Phase II re-opening.

The Rotary’s 4 on the 4th road race will be done virtually and an app has been developed to facilitate same.

It is anticipated that most restaurants will have some type of outdoor seating this weekend.

The Farmer's Market will be open in mid-June via a "drive through" located at CES. It is expected there will not be conflict between the Farmers Market and the Oil Tank replacement project. They are considering a pre-order pick up of product somewhere in the town center.

Lauren is working on strategies to re-open town hall safely to the public. Systems are being upgraded to allow employees to work at home when possible.

OPEN ITEMS IN OLD BUSINESS

Revenue Tracker

Virginia continues to refine the Revenue Tracker document and is working with the Tax Collector and the new tax software that allows for the breakdown of real estate, motor vehicle and personal property taxes.

At the June BOF meeting, the Board will discuss revenue and the potential impacts due to reduced tax collections or revenue from the State vis a vis the Covid-19 pandemic.

E-Team Status Report on Cost Savings of Energy Projects

Virginia requested that the E Team provide a presentation on their projects over the last 5 years.

5-10 Year Roads Projects - Will be discussed at a future meeting.

AUDIENCE OF CITIZENS – None.

ADJOURNMENT

Jon Joslow made a motion to adjourn the meeting at 9:49 p.m. Jennifer Rannestad seconded the motion. The motion passed unanimously.

Respectfully Submitted,

Suzanne Helchowski
Clerk