

THESE MINUTES ARE SUBJECT TO APPROVAL AT THE NEXT BOF MEETING

TOWN OF CHESTER, CONNECTICUT
BOARD OF FINANCE
REGULAR MEETING
Thursday, February 18, 2021
Via ZOOM

CALL TO ORDER

Chairman Carmany called the meeting to order at 7:06 p.m. In attendance included: Chairman Carmany, John O'Hare, Jon Joslow, Rick Nygard, Jennifer Rannestad, Andrew Merola, Michael Joplin, and Richard Strauss.

Also, in attendance, First Selectwoman Gister, Selectwoman Janecek, and Peter Evankow, Finance Manager.

APPROVAL OF MINUTES

Richard Nygard made a motion to approve the 1/21/21 BOF minutes. Michael Joplin seconded the motion. The motion passed unanimously.

AUDIENCE OF CITIZENS

Richard Nygard made a motion to add two items to the agenda; a request \$25k for Dredging and an Executive Session regarding Assessments/Tax Collection and Jon Joslow seconded the motion. The motion passed unanimously.

The BOF discussed the possible funding of a Chester Creek Dredging Project (to provide a passable channel). If the Town does fund the project, grant funds will not be awarded to the Town; however, if the dredging is done in conjunction with a current project, savings will be realized.

Virginia reported that the project must be done in April (RFP process required); therefore, the BOF may need to schedule a Special meeting to fund the project. There are funds in Contingency to accommodate the project (\$25,000).

Virginia will schedule Special BOF meeting when information from State and Senator Needleman is available.

Jon Joslow suggested that Journal entries be made in the month they are incurred to accurately reflect the status of accounts. The Financial Records should reflect transactions in a timely manner. Peter reported that the Budget Status Report is updated regularly and shared with the BOF.

EXECUTIVE SESSION

Michael Joplin made a motion to go into Executive Session at 7:25 p.m. to discuss Executive Session regarding Assessments/Tax Collection. Rick Nygard seconded the motion. Virginia Carmany invited First Selectwoman Gister, Selectwoman Janecek and Peter Evankow into the Executive Session. The motion passed unanimously.

Regular Session resumed at 7:51 p.m.

No action taken.

NEW BUSINESS

Determine Areas in the Budget needing further Study or Analysis

Virginia developed a Budget Analysis spreadsheet including information on last year's budget, last year's actual, variance and this year's budget. The document was "screen shared" at the meeting.

Joslow suggested that a column be added "projection for balance for entire year/forecast" would be helpful for comparison purposes. Peter reported that he and Lauren, on a monthly basis, review potential "over" and "under" items. This information is shared with the BOF on a monthly basis (Budget Status Report).

Virginia reported that when the current year's budget was developed last year, Departments were asked to reduce their budgets; i.e. professional development, mileage, supplies, etc. Part of the proposed increases in this year's budget represent needs that were reduced or cut last year.

Lauren reported that the anticipated increase for Water Company costs was 5% instead of the 20% expected. The Water Company does need the State's approval to increase rates.

The BOF discussed ADM at Region 4 and the affect ADM has on Chester's school budget. Lauren reported that the First Selectmen from the 3 towns have had "conversations" relative to the potential restructuring of Region 4. The Pandemic stopped these discussions. The need for an Assistant Superintendent was briefly discussed as the job may have adjusted to address curriculum. The BOF encouraged the area First Selectmen to re-visit these discussions to include potential cost savings. Virginia expressed disappointment that school budget request did not include funds for a consultant/study on the school system.

BOF members were encouraged to review the Budget Analysis document and refer questions/comments to Lauren and she will follow-up at a future budget workshop.

Review Capital

Updated 5 and 10-year Capital Plans were included in the BOF packet.

To date, not all bills related to the Main Street project are accounted for; however, the majority of the Maple Street Parking Lot project is complete with approximately \$10,000 remaining in the account.

Virginia requested that Peter provide, for the next meeting, the actual budget for the current year Capital in a new column. Lauren reported that she and Peter are currently preparing the current Capital budget. Major changes from last year's budget will be reflected in "red" ink.

Jon Joslow suggested that the Public Works Capital be updated to reflect planned equipment replacement. Lauren reported that she and Peter are in the process of updating that report. As the report is updated, future years may reflect a "spike" for larger ticket projects (fire dept., public works, buildings/facilities). Since interest rates are low now, the BOF may wish to discuss possible bonding for large expenses that are expected in the next few years. The importance of understanding the school's long-term Capital needs as part of this discussion was stressed.

For informational purposes, Virginia reported that CES has a \$65,000 (additional \$40,000) Capital request in their budget that needs to be incorporated in the Capital documents.

REPORTS

Tax Collection and Revenue, Education and State of the State Updates

Virginia reported:

- Education
 - In the next 2 years, ADM shift does not favor Chester. Chester is forecasting an increase of 31 students while Deep River, Essex and Region 4 show decreases.
 - COVID-19 funding Allocation – CES (\$96,000), Deep River (\$124,000), Essex (\$183,000), Region 4 (\$218,000).
 - \$30,000 “disconnect” remains between Supervision District and CES and needs clarification.
 - An allocation of “head count” from the elementary schools into Supervision District was requested.

- State of the State
 - Representative Palm provided a report indicating \$700,000 to Chester from the Federal Government for Covid-19 relief. Clarification is necessary and it is anticipated that more information will be forthcoming if the Rescue Plan passes in Washington D.C.

Monthly Financials

Monthly financial reports were included in the BOF packet. No comments or questions were discussed

Tax Collector’s Report

Revenue

- The reduced Ambulance revenue is due to Covid-19 and residents’ reluctance to go to the hospital; however, in recent months, the number of calls has been increasing. Note that at the beginning of the Pandemic, volunteer ambulance staff did not feel comfortable working and paid staff was necessary to provide services.
- No rental income from the Meeting House was realized due to the Pandemic
- Interest rates are low.
- Conveyance tax has increased significantly.

As requested, a COVID-19 Status report has been developed and distributed to BOF members and includes Covid’s effect on revenues and expenses. It is a preliminary report as more information needs to be incorporated.

First Selectwoman’s Report

Lauren reported:

Covid-19

- Infection rate in the State is hovering around 2%
- Social Services Sub-Committee (volunteers) commended for assisting residents in registering for the vaccine.

OPEN ITEMS IN OLD BUSINESS

The Retirement Board meets on 2/22 and at that meeting, the fee agreement and investment guidelines will be discussed.

The Financial Report on the Main Street Project is in progress.

AUDIENCE OF CITIZENS – None.

ADJOURNMENT

John O'Hare made a motion to adjourn the meeting at 9:45 p.m. Michael Joplin seconded the motion. The motion passed unanimously.

Respectfully Submitted,

Suzanne Helchowski
Recording Clerk