TOWN OF CHESTER
SELECT BOARD MEETING
July 15, 2026, Minutes

Board Members Present: Lee Gustafson, Peter Hudkins, Tim Roper, and Lauren Fierman at Town Hall; and Arne Jonynas via Zoom.

Staff Present: Town Manger Julie Hance, at Town Hall; and Susan Bailey, Recording Secretary, via Zoom.

Visitors Present: Shawn Cunningham, Deb Epler, Hugh Quinn, Wanda Purdy, William Lindsay, Matthew A. McCarthy, Joe and Kass Palombo, Frank Bidwell, and Derek Suursoo at Town Hall; and Alexander Moreau, Michael Miller, Conner, Craig Lindsey, Cenate, M. Prescott, and Kirk MacGinnis via Zoom.

Call to Order

Chair Lee Gustafson called the meeting to order at 6:30 p.m. and welcomed everyone. He led with the Pledge of Allegiance. Lee thanked everyone for attending and reminded them to sign the sign-in sheet.

Agenda Item 1, Approve Minutes from July 1, 2026 Selectboard Meeting

Lauren moved and Peter seconded a motion to approve the minutes of the July 1, 2026, meeting. On page 3, line 4, Tim wanted "of the Class IV section of Ingraham Road" added after the word, discontinuance. Tim and Lee agreed that on page 4, line 32, "her" should be "she." On page 5, line 23, Lee had a question about spreading misinformation and Tim thought it should say "avoid the spread of misinformation." The minutes were approved, as amended.

Agenda Item 2, Citizen's Comments

There were none.

Agenda Item 3, Old Business

Report by Town Manager:

Sewer Projects

They are advancing on schedule and the line under the Green will impact an oak tree. In the next year or two they will discuss reconfiguration to allow for more parking, and the tree will need to be removed by then and they can discuss replanting.

Jeffrey Barn

Peter and Julie met with Steve, who is meeting with contractors about removing the barn and the costs associated with that. One of the contractors has a friend who may be interested in disassembling the barn at no cost to the town. Julie will keep the board updated.

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Brookside Trail

Many people access the trail through the cemetery, and some families are concerned about people, including kids, and dogs walking all over the cemetery where their family members are buried. This was expected. Julie met with Kirby and Eddie the other day and identified a couple areas where there is a clean path: one up near the front and then one down near the back. The town would do the work laying some gravel and marking the path with signs.

Services Review

There is an email in the packet with some recommendations. After they review all the departments, they'll consider the questions and suggestions and vet them.

Agenda Item 4, Review of Services: Recreation, Planning/Zoning/Assessing

Julie noted the packet included what the recreation department provides to the community. Matt McCarthy, Recreation Director, noted he opens and closes the pool himself; puts up and takes down the nets to the courts and pressure washes them; adds wood chips to the playground and makes sure equipment is in good working condition; maintains the basketball and pickleball courts and the track. In winter, Matt puts up the ice rink and takes it down himself. On the sledding hill, this year Matt installed two LED lights that pointed up the hill enabling it to be used through the evening and parents were very pleased. They've considered making electricity available at the pavilion on the Pinnacle. Matt maintains the frisbee golf course and mows the two Little League fields, including the field on Cobleigh, and tends to them daily. They received a grant for the walking path at the Pinnacle. Two loops around the path will be close to a mile and it will spruce up the area. Matt does mow, maintenance, paint, and anything that needs to be done. Matt added a big grill to the pavilion. He maintains and manages Cobleigh Field for football and soccer. A neighboring summer camp, including one from Ludlow, uses the pool in Chester which generates revenue. There is a new athletic director at Green Mountain and Matt wants to speak with him about doing some teen programing. Matt has also talked with Andrew at the Teen Center about doing some programming with them. Matt wants to do ice skating at night and teen nights at the pool and similar things with them. Matt wants to do after school activities for 7 and 8 graders like indoor soccer and basketball at Green Mountain. They currently do it for grades 3 to 6 at Chester Andover Elementary. For adults, there is Zumba, pickleball, outdoor yoga in August at the Pinnacle and indoors in the winter, and there may be line dancing classes. They have the Winter Carnival annually, which is a 2-day event. They partner with National Night Out and are doing something different this year during the next week. It will be at the Pinnacle with EMS and Fire. Matt and Steve assist each other with projects when needed. Lee wondered if the recreational facilities were very important to families and well used and Matt said they were very well used and very important, but more things could be added, and they can always be improved. Lee has gotten good feedback about what the town has and offers. Matt said the big project this year was the walking path, and Julie noted the senior population has asked for a level walking path and one that is ADA compliant. Tim wondered if the trees had been replaced at the Pinnacle and they had.

For future needs, the walking path and remainder of the split rail fence. The fence that already has been installed looks amazing. Matt will talk to Kirby about redoing the parking lot by the baseball fields and skating rink, squaring it off, and adding some gavel to make it look nicer. At the playground at Cobleigh they want a natural playground and have added wood chips, which are

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free. There will be a walking path from Cobleigh to the Green. Matt was approached by a town resident about creating a natural play area. They have a daycare and are going to try to write a grant at no cost to town. Peter asked about the rail fence being cut and it was noted it was cut in half. Lee asked about the walking path and Matt said they have 2 years, per the grant, to complete it. Matt expected it would be finished by next year. Lee asked what the next big project was, and Matt said the splash park at the Pinnacle. Matt said the one he looked at was $250,000. Julie said the next big project is the pool house, which is in desperate need of a lot of work. Matt got quotes a couple years ago for the roof: one was $25,000 and one was $35,000 because of the damage underneath. Tim asked about the footprint of the building and Matt wasn't sure but thought it was 35 x 18 feet. Julie wondered if they would rehab the building, take it down and do something different, or expand it, which they had discussed several times. Matt had seen a picture of it from the 1960s and noted the building was 60 years or older. A roof is needed and for the building to be more ADA compliant. Lee wondered what the building was needed for, and it was changing rooms, bathrooms, and showers. Matt said they've discussed having a community center. Julie thought they should consider the building being 4 seasons as the facility is used a lot in the winter and there are no bathrooms. Lauren noted that 50 to 60 people use the pool daily and wondered if Matt had similar numbers for other facilities and thought it would be helpful to have the numbers of how many people use it regularly. The ice rink is used daily in the winter. Lee wondered if there was a survey for the rec department because the information would be useful. They didn't but would develop one to assess the desire of the community to expand the facilities. It was noted that people are attracted to Chester for the facilities/activities offered.

Lee said they'd struggled with the image of some of the equipment and wondered how they should deal with it and referenced past damage, which Matt said had been fixed. Matt said when damage happens there are ways to fix it, and they put signs up. Lee said they struggle with communication so the more they can communicate, the better. Tim wondered about inactive activities. Matt said they wanted gymnastics and dance but the person who taught it moved. Tim said it would be a great benefit to the community. Peter agreed with Lauren about having more statistical data so they could figure out the cost benefit. Matt noted they brought in revenue from the camps. Tim said hard data would be helpful. Julie said they were running numbers and would make sure it was included when they present in September. Tim said this tied to business development. It was noted they are good on lifeguards this year. They thanked Matt for his presentation and time.

Hugh Quinn, Zoning Administrator, presented Planning, Zoning, and Assessment's goals which are promoting responsible growth, administering fair and consistent zoning, ensuring accurate and equitable property assessments, as well as excellent public service, as they interact with Chester's citizens constantly. Hugh said the Town Planner takes more of a long-range planning view for land use, economic development, housing, and conservation of natural resources. The Town Planner drives development and ongoing maintenance of the municipal plan, which they are preparing to update. The Town Planner provides significant leadership and vision, and strategic planning in support of both the Housing and the Economic Development commissions, which are both new. The Town Planner, a part-time position, also stitches together communications with Regional Planning, state agencies, and other stakeholders to implement Chester's long-term plan. Preston Bristow, Town Planner, also is backup to the Zoning Administrator which is unique to Chester.

Hugh said Zoning does between 70 to 80 permits annually, which requires knowledge and

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understanding of the bylaws. Hugh gets 3 or 4 calls daily which includes educating and complaints, which he investigates. They offer staff support for both the DRB and Planning Commission. DRB has 10 to 15 hearings annually and each requires about 20 hours of staff time as everything must be by the book. They prepare for hearings and prepare high quality Findings of Fact. They manage the short-term rental program which involves renewals, tracking, waiting lists, and making sure people pay. There is turnover from property sales and people dropping out of the program. There are about 60 STRs. Zoning plays a role coordinating the E911 addresses and coordinates with the state to make sure the information is accurate. Hugh can also back up the Town Planner and assessors.

For Assessing, there are about 2,200 parcels in Chester and they make sure the corresponding data is accurate. There are about 115 property transfers annually and work associated with those transfers they are responsible for as well as subdivisions. The assessors handle the approximate 865 Homestead Declarations and all the current use processing of which there are about 195 parcels in current use. Any new construction must be assessed and added to the records. They must review properties and reassess, and a lot is factored into their tax bills. The online tax map is available to the public and the assessors spend a fair amount of time making sure it's accurate. Some properties have certain requirements the assessors must be aware of, such as subsidized and covenant restricted housing and other things. Hugh said Julie was very deliberate to set up an organization with cross-training. Hugh can provide backup to assessment, zoning, and the town planner and Preston can do the same. Hugh said there was a lot of synergy between zoning and assessing, and he was surprised to learn that most towns in Vermont don't do that which he thought could create suboptimization. Tim asked how many dwelling units were for 2,200 parcels and Hugh thought it was 1,800. Tim wondered about the number of households in Chester that included apartments and ADUs and Hugh thought the information could be mined from the Grand List. Tim said the information could be useful for housing. Hugh said Chester has quite a bit of land in current use. Peter added that you couldn't have a dwelling in current use. Tim said current use has worked well keeping wildlands wild and forest lands available for forestry use and wondered when it was first implemented. Peter thought it was the early 1970s. Peter said the State of Vermont sets the current use value, and the CA is used against it. Peter thought the state was double dipping. Peter said the county forester can assess penalties, if necessary, but the penalties weren't high. The buyout tax is about 10% of the fair market value to get the acreage out of current use. Peter said every ten years you must pay to have your plan updated by the forester.

Hugh said the staff were one full-time and 3 part-time. They must get the town plan done by May 2028. There will be a re-appraisal starting in July of 2027 that will run through June of 2029. The Housing Commission is trying to add one housing project to the building phase. Digitizing information and integrating it with tax maps may make sense at some point. Hugh felt there wasn't a high enough volume to justify an online system to automate permitting but every time a question comes in, they look at a file to answer the question and there could come a time when it's justified. Hugh didn't see a big projected increase for the budget. Julie said in the next 2 to 3 years, there will be a complete changeover in staff, and they need to discuss what it will look like long-term. Lee asked if Hugh felt overworked and Hugh didn't think so. Hugh said one of the best jobs you can have is one where you have enough time to do it well. Hugh said they were providing great service and were busy but didn't think anyone felt where they were over their head and couldn't catch up. Tim wondered about the reassessment. Hugh said it may create more work after it's done

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if there are a lot of grievances, and statute dictates how it is handled. Tim wondered about permitting and Hugh said most were questions about what someone can do on their lot or regarding a property they want to purchase. Peter said Preston brought a lot to zoning when he came to Chester which changed the view and helped. Lee asked if the short-term rentals had settled down if they had 60. Hugh said things were calm. The only complaint he heard was that the cap of 65 was for the whole town yet they liked hosted better than unhosted but hosted are subject to the same cap and waiting period as hosted. Some people who live in town were upset about it and thought it didn't support the rationale of preferring hosted and helping people make ends meet. Tim said it was an important point but could be a can of worms. From Hugh's perspective, it wasn't at a level of aggravation to address but if the Select Board revisits STRs, they may want to consider it. Lee questioned the STR fee. Hugh said the annual cost of the software was a little over $5,000 and they collected $25,000 to $30,000 from STR fees, which they could argue offset Hugh's time to administer it, but the rest gets pushed off to the Housing Trust Fund. They thanked Hugh.

Agenda Item 5, Q2 Financial Review

Debbie went over the second quarter financial report, which the members had. The first page compared the current year to the prior year. The report broke out each department, individually. Lee asked how they stood, and Debbie said they were doing fine and that she and Julie identified areas to look at closely and were working on a report for a management tool for Julie and Debbie, and the department heads to project fixed costs, such as salaries and benefits, project through the end of the year and assist with decision-making. The department heads all received the report and Debbie said they looked at their numbers and had questions and cared. It was a great tool. Debbie noted they were halfway through the year. They have not utilized the purchase order system yet because they haven't had any purchases of over $5,000. Lee wondered if there were any big expenses coming up. Debbie said they were conscientious about their budgets and when Julie sits down to discuss their budgets with them, Debbie will make sure they understand the reports and how she can help them understand better. Lee asked if Debbie was concerned about anything in the budget. Debbie said four employees left this year and had significant payouts of their unused PTO. One employee used FMLA, and because the employee had built up PTO, they were paid but the position had to also be covered. They are unbudgeted things that are out of their control. Debbie said Hugh was amazing at IT and helped them. As mentioned, people would be leaving in a few years and something they are preparing for. Julie said that's what Ron is talking about when he says they're running lean. Debbie said several people could utilize FMLA and if they have PTO, they get paid, and they still need to cover their work. Debbie said they were watching the budget closely. With respect to school taxes, to avoid what they just went through, they are going back to making them whole on December 31st. Debbie noted bills were current.

Derek Suursoo asked if they were going to discuss the balance sheet, as he thought they should, and Peter agreed. Debbie said the general fund was as of June 30, which had a negative cash balance which was timing and a NEMRC situation, and the warrant had to be ready because there was a Select Board meeting July 1st. Derek questioned a negative $425,000 and Debbie said it was due to all the departments using the general fund because there's only one checkbook and there will always be negative amounts showing due to and from when using the NEMRC accounting system. Many checking accounts would be necessary to avoid this, which wouldn't be practical. Derek was concerned about the amount of the TAN being $2.5 million and Debbie said it wasn't

a big number. She noted the budget was $4.7 million and dividing that by 12 and then multiplying it by 8.5 was what the TAN should be. They couldn't run for 9 months without money. Julie noted that Laurie had wanted to borrow $3.5 million, and Debbie agreed. Derek thought they should look at the balance sheet every cycle and watch it. Derek asked about the prior year negative fund balance and Deb said it was an auditor number, and she wasn't sure. Derek thought it had been corrected. Derek said fund balance was a critical part of reporting, and the P&Ls were good, and the department heads should use them. They thanked Derek for his comments.

Agenda Item 6, Follow Up to Auditor Presentation to include Preliminary Discussion re: Fiscal Year Change & Fund Balance

When the auditor was here, he had 3 recommendations for the town: to adopt a fund balance policy with a target of 60 days of operating expenditure; transition to a July 1 to June 30 fiscal year, which would require an 18-month transition budget; and implement quarterly tax payments due on the first day of September, December, March, and June. These initiatives will improve cash flow, strengthen financial reserves, reduce the need to borrow, and enhance long-term financial stability. Debbie noted they paid the auditor a lot of money for an opinion. If they went to quarterly tax payments, they wouldn't need to borrow. Peter wondered how it would affect people who were on Homestead which they get April 1. Debbie said if they were on a fiscal year, the Homestead would be spread out over four quarters. The first bill would need to raise 18 months of municipal tax only. It would require 1.5 times the municipal tax bill once to get on track. Lee confirmed the 18 months would be split into 4 tax bills and wondered how they would sell it to the public. Debbie said they just borrowed $2.5 million to support the town for 9 months and they wouldn't need to do that so they would save money. Tim said 3.5% of $2.4 million borrowed was $84,000. Julie has also heard people would prefer to pay their taxes quarterly. Tim suggested getting stories from other towns who had done this. Debbie said with Town Meeting in March, they would be ahead of the game since the budget wouldn't start until July. Julie said it wouldn't start hitting until 2029 and Debbie agreed. The voters would need to approve the fiscal year conversion and needed to be educated about it. In 2028, they vote their first budget. Derek thought to sell it, they should use a sample house with a sample tax bill as an example and show people how the change with quarterly billing won't change their overall bill and thought it would make it clear.

Bill Lindsay mentioned the payment schedule was more viable quarterly. Bill and his bride discussed it at lunch with local retired people over 50 and thought there was overwhelming support among the elderly to go to quarterly billing and didn't think it was a hard sell. Lee noted people would also have the option to pay the whole bill at once. Derek said it could be incentivized and Bill agreed. Peter mentioned some states had penalties if they didn't pay the whole tax bill. Lee didn't think they should start out that way and the town benefits by collecting them quarterly. Lee wanted to reduce the pain as much as possible to the taxpayers. Derek noted statute says you cannot charge penalty or interest until after the final bill when you move to quarterly payments. Derek meant incentivizing them to pay their bill in full the first payment by giving a discount. Julie said they could do that work if the board was interested. Tim and Lauren supported it, and Peter noted the voters would decide. Julie said they wouldn't want to put something before the voters that the board didn't support. Debbie has spoken with other towns' finance directors who were surprised they only bill taxes once a year. Ron will attend the September 2nd meeting and Julie said they will have some drafted policy to discuss at that time.

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Peter asked about the fund balance policy and if a penny raise was $40,000, which it was. Peter thought six cents was necessary to get them close to where they wanted to be and probably more. Julie said they were conversations they, as a board, needed to have, but noted she didn't think it was attainable and would not propose it to the voters.

Bill asked if quarterly taxing would include both municipal and school taxes and it would. Bill was concerned about co-mingling funds. When someone pays their tax bill, it's for both the school and general fund and wondered why they don't put one in the school fund account and one in the general fund. Julie said NEMRC can't break down payments that way, so they use percentages. If they collect $50,000, 75% is education. Bill wondered where the money is allocated, and Julie said it was part of the cash flow. Debbie set up internal spreadsheets to track it. Bill said his point for bringing it up was that there's now a system.

Derek said the fact they have chose to make the school whole on December 31 was a key part of that problem as the money will no longer be available as a float. Debbie said they may not have collected the money. Julie said that's why they started making them whole on June 30. Debbie said it wasn't right that the town must borrow money to make the schools whole. If they have delinquent taxes, they pay the school's portion on December 31 whether they have money or not. Derek said it would be a wonderful thing to address to the legislators.

Agenda Item 7, Discuss Change to Municipal Budget Adoption Process

The members had a paper copy of the Title XVII elections. Peter had asked for this to be on the agenda. Peter didn't think there was a good cross-section of the population when they voted on the budget at Town Meeting and suggested having an informational meeting and vote the budget by Australian ballot. They would likely get a better cross-section of voters. Lee said there were typically 100 people at Town Meeting and usually they get 500 people to cast ballots, so Peter's point that they would have more voter participation made sense and Lee was in favor of it. The downside was the uninformed voter who only sees a number and votes against the budget. Julie said towns that have everything voted on by Australian ballot lose their town meeting, and so would Chester. Julie appreciated what Peter was saying but thought it was worthy of a good discussion before changing it. Tim said they struggle with getting people involved and noted tonight was a good turnout and only 8 were in attendance. Julie said some towns have their Town Meeting on a Saturday and offer food. Peter said another alternative was to do it by paper ballot at Town Meeting which would give privacy to people's vote. Wanda Purdy thought it was unfair for 100 to 150 people who attended Town Meeting to determine the tax rate and budget and there should be more access for those having to work 3 jobs to pay their tax bill. Wanda said a lot of people come to vote and don't have a clue what they're voting for, so the uninformed voter argument didn't hold up. Wanda said more than half of people in town don't have a clue how to read the budget. She thought having the town budget on a paper ballot or Australian ballot was the best way to go. Wanda wondered if the board could choose to do that and Julie explained the town would have to vote for it – vote from the floor in 2027 and be Australian ballot for 2028. Derek asked if it would be on the mail-in ballot. Lauren's understanding about Town Meeting value was that for a long time it was something everyone attended, and it isn't that way anymore. Lauren said the way Australian ballot voting is set up is if you can't come in on election day, you can vote at other times. Lauren said it's infuriating the number of people who react that they don't want the

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tax. Lauren supported the change because of all the barriers for people to attend Town Meeting but also hated losing Town Meeting because it was valuable. Lauren thought having it on Saturday would help. Derek wondered what would happen to bond issues, special appropriations, and similar things. Julie said bond issues must be by Australian ballot, but things like the loan for the highway truck are special questions which are currently voted from the floor, but they can have two articles that put everything to Australian ballot, or they can have the budget by Australian ballot and special questions from the floor; they are two separate things treated separately in statute. Derek wondered about charitable giving and Julie said they were considered special questions. Debbie thought it would be a shame to lose Town Meeting because they would lose the point of discussion. Lee wondered how they maintain the informational aspect of Town Meeting but also vote by Town Meeting or Australian ballot.

Joe Palumbo suggested, if possible, generating content in the most modern way, and making the information from each department as digestible as possible for the public either through social media or wherever people get their information. Julie agreed and said this is why municipalities bring in people for communication. Tim said the draw to Town Meeting was the discussions and voting and if they took the vote away, he wondered what would happen to the turnout. Peter said they would still have the Town Meeting and vote the special issues. Peter didn't think they should give responsibility to the Trustees of Public Funds but rather allow the voters to decide. Peter hasn't seen anyone change the budget from the floor since his father. Lee thought the issue was communicating it. Peter asked Joe if he ever got the Town Report and Joe said no, as he was still somewhat new. Peter offered to give Joe his report. Julie suggested including it monthly on the agenda. Lauren said it would provide an opportunity for people to attend. Lee wondered how to get communications with their current resources and suggested using people from the community. Julie would speak to some people about communications and find out how much they would charge. Lee hoped they could get something for free.

Bill clarified that no decision had been made, and it would appear monthly on the agenda which he suspected would encourage people to pay attention and attend.

Agenda Item 8, Sign Bond Documents

This was the money for matching the sidewalk grant and paving and approved by Australian ballot totaling $705,000: $400,000 for the sidewalk and $305,000 for paving.

Lee entertained a motion to accept the resolution and certificate to borrow a certain sum of money. Lauren moved and Tim seconded the motion. The motion carried, unanimously, and the members signed.

Lee entertained a motion for the general obligation bond for $705,000. A motion was made by Tim and seconded by Lauren. The motion carried, unanimously, and the members signed.

Peter moved and Lauren seconded a motion to authorize signing the loan agreement. The motion carried, unanimously, and the agreement was signed.

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Agenda Item 9, Liquor License: Second Class – Sugar Bob's

Julie said second-class was beer and wine. Tim moved and Peter seconded the motion for a second-class license for Sugar Bob's. The motion carried, unanimously.

Agenda Item 10, New Business/Next Agenda

- Julie said Jim promised she would have the ordinance by Friday, so they would not have the traffic ordinance for August 5th. Julie said it had noticing requirements which she would notice for August 19th.
- Reviewing police, fire, and ambulance and Naomi's update will be a handful.
- There will also be a coin drop request, and a vendor permit application.

Agenda Item 11, Adjourn

Tim moved to adjourn, and Peter seconded the motion. The motion carried, and the meeting was adjourned at 8:45 p.m.

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