

**TOWN OF COLCHESTER
BOARD OF FINANCE – REGULAR MEETING
TOWN HALL
127 NORWICH AVENUE
Wednesday, December 16, 2009 – 7:00 p.m.**

Members Present: Chairman Hayn, John Ringo, Cathy Pompei, Brian Smith, Rob Tarlov, Rob Esteve

Members Absent: None

Others Present: Mike Caplet; Maggie Cosgrove, CFO; Gregg LePage, Treasurer; First Selectman Gregg Schuster; Annette Kluepfel, Tax Clerk Assistant; Ron Goldstein, BOE Chairman/Liaison

1. **CALL TO ORDER:** Chairman Hayn called the meeting to order at 7:00 p.m.

2. **MINUTES OF PREVIOUS MEETING:**

2.1 **December 2, 2009 Regular Meeting:** J. Ringo motioned to approve the minutes of the December 2, 2009 meeting amending the minutes to eliminate Brian Smith from Members Present, seconded by B. Smith. All members voted in favor with Rob Esteve and Brian Smith abstaining. **MOTION CARRIED.**

3. **CITIZENS COMMENTS:** None

4. **ADDITIONS TO THE AGENDA:**

J. Ringo motioned to add under Item 6. Selectman's Report: *Fire House Furnace*, seconded by R. Esteve. All members present voted in favor. **MOTION CARRIED.**

C. Pompei motioned to add under Item 10. New Business: *CCM Newly Elected Workshop Series* and Budget Training, seconded by B. Smith. All members present voted in favor. **MOTION CARRIED.**

5. **DEPARTMENT REPORTS**

5.1 Finance Department: M. Cosgrove provided members with a written side-by-side comparison of November 2008 and November 2009 collected revenue. Collections are close to the targeted amount, approximately 98%. Ambulance fee revenues have increased. Chairman Hayn questioned the additional wear and tear on the ambulance from the increase in calls. R. Esteve said he believes that while revenue has increased, the actual number of calls has decreased this year.

First Selectman Schuster added that when the State Police bill comes in from the State that this amount needs to be verified. There was a discrepancy as to how much of the Resident State Trooper's salary would be paid by the town. Originally it was said to be 70% with 100% for overtime that the Town would pay. The amount was later changed to 70% for both regular hours and overtime hours.

5.2 Tax Collector: Annette Kluepfel represented the tax department while Tricia Coblentz is out on maternity leave. Numerous people have paid the second portion of the real estate tax that is not due until January 2010. Building permits have already brought in \$105,000, a large increase over where building permit revenue was last year at this time.

6. **FIRST SELECTMAN'S REPORT:**

6.1 Selectman's Agenda:

6.1.1 Transfer Requests: None

6.1.2 First Selectman's Update:

- The library has formed a union and we will be going into negotiations. There is the potential for this to add to the already high legal fees.
- Union contract negotiations will begin in January.
- There is still no certainty with the Governor's proposed \$84,000,000 mid-year cuts in municipal aid to all 169 towns. Chairman Hayn believes that the Town should consider a budget freeze. First Selectman Schuster said he has asked his Department Heads what areas they can hold off on spending. He has received very little response. Board members agreed that they must be responsible to the public and a budget freeze would demonstrate that. Much discussion took place on this and it was decided to install a Freeze. J. Ringo motion to request a budget freeze on discretionary purchases subject to approval by the First Selectman, seconded by R. Esteve. All members present voted in favor. **MOTION CARRIED.**

6.1.3 Fire House Furnace: Two of the four furnaces at Station 1 have failed. Attempts to fix them have been made but were unsuccessful. The cost to replace the furnaces is \$11,000. The Building Repair Fund has \$3,000 that can be used for this purpose. The remaining \$8,000 needed can be pulled from Equipment Reserve according to M. Cosgrove. Board members agreed that while guidelines need to be developed as to when funds can be pulled from the Equipment Reserve, the furnace replacement needs to be done immediately, and therefore money should be pulled from the Equipment Reserve. B. Smith motioned to take \$8,000 out of Equipment Reserve to replace the two broken furnaces at Fire Station 1, seconded by J. Ringo. All voted in favor. **MOTION CARRIED.**

7. **CORRESPONDENCE:** A letter was received from the Vice-Chairman of the Youth Service Advisory Board. Chairman Hayn read the letter. Referencing the letter he indicated that we have to keep in mind that we have a responsibility to the people of the town. (Letter attached.)

8. **LIAISON REPORT:**

J. Ringo:

Police Commission - Considering K9 program but will table until July. Looking into regionalizing with other towns.

B. Smith:

Park and Rec – Have been working on their strategic plan. A meeting is being set up between the sports leagues and First Selectman Schuster to discuss the future of the leagues in town.

R. Tarlov:

Sewer and Water – The STEAP grant went out for RFQ. Regulations are changing and while they do not affect Colchester right away, significant changes to capacity and treatment could need to occur in the next couple years. An engineer will be hired to determine the cost to change the capacity and new stream flow regulations. The change could hinder the plan to extend the water line.

Library – Met with the new Director. She has asked to be on our second January agenda to discuss the need for a new computer system. The current system will not last much longer.

G. LePage -Bank service charges we are approximately \$1300 a month. In previous years the interest earned has paid for the service fees. This year the amount of interest being earned is only about \$100 per month. At the end of the year it will mean owing the bank \$16,000. Chairman Hayn questioned if we need to create a separate account for this. Last year the service fee cost was \$5000 and came out of professional services. Mr. LePage spoke with David Webster at People's Bank and he believes that they might be able to credit us back some of the fees. Services that can be cut to lower the fees are being considered. The only way to increase the amount of interest being earned would be if the town had money they could invest for 6 months or more. R. Goldstein felt that an RFP for bank services should be issued and tell People's we are going to do it. The matter will be discussed further at the next BOF regularly scheduled meeting.

B. Hayn:

He has given the Fire Department to C. Pompei and she will join him on the Risk Management and Insurance Advisory Committee. R. Esteve will take BOE. B. Hayn will try to attend BOE meetings as well.

R. Goldstein:

BOE – The Collaborative for Colchester's Children had an important meeting with executives from the William Caspar Graustein Memorial Fund. They were really impressed by the blueprint that the Collaborative has developed and the possibility of being awarded a 5 year, \$190,000 grant appeared favorable. Attended a "Race to the Top" event with Karen and are going to apply for the related grant. The BOE voted to implement block scheduling at Bacon Academy starting next year.

9. **OLD BUSINESS**

9.1 Fiscal Year 2010-2011 Budget Workshop/Meeting schedule: First Selectman Schuster and M. Cosgrove will discuss this when they meet on Friday.

10. **NEW BUSINESS:** C. Pompei distributed information from a CCM Newly Elected Workshop Series that she attended. R. Tarlov and C. Pompei are going to Municipal Budget Training as part of this CCM Series.

11. **ADJOURNMENT:** J. Ringo motioned to adjourn, seconded by R. Esteve. All members present voted in favor. Chairman Hayn adjourned the meeting at 8:50 p.m.


Dawn LePage, Clerk

Gregg Schuster, First Selectman
Town of Colchester
127 Norwich Avenue
Colchester, CT 06415

December 15, 2009

Dear Mr. Schuster:

I am writing you as the Vice-Chair of the Colchester Youth Services Advisory Board to ask for your help in protecting the invaluable services provided by the Colchester Youth Services Bureau. The Colchester Youth Services Bureau is one of the few local agencies that actually gives back several-fold more to the Town than they get from it. How do they do this? They provide safe and structured programs to local youth, many of which don't have the ability, guidance, or financial means to participate in other youth programs, such as school-based extracurricular activities or parks and recreation programs. Many of these kids are at high risk for such things as drug and alcohol use, violence, legal troubles, and school failure, and might otherwise pursue these avenues without the support and guidance they get from the staff of their local youth services bureau.

We are all well aware of the seriousness of the current economic downturn, and I commend the Board of Selectmen, the Board of Finance, and you personally for your commitment to approach the restructuring of our Town's budget in a thoughtful way. As you know, when agencies are given a flat percentage-based mandate to cut spending, without consideration for the variable value of individual agencies to the residents of our Town and/or consideration for which agencies currently operate with the bare minimum of necessary resources to support programs that work and which have numerous redundancies, often the baby is thrown out with the bath water. Under pressure to make deep cuts, the State of Connecticut has proposed several cuts to state agencies that provide funding for municipal-based social services, including youth services, as well as cuts to municipal funding directly. The Colchester Youth Services Bureau has been doing a lot with very little for many years and so the small amount of funding they receive from state sources represents a critical resource for them, and the loss of this funding will prove devastating.

As an example, in 2007 Colchester Youth Services received \$5,000 from the State of Connecticut as part of the Department of Education's Youth Service Bureau Enhancement Grant Program. The Bureau used this money to support a newly developed program to provide homework help and other academic support to middle school students who were at risk for failing the school year. These are students who would likely have eventually dropped out of school. A single school dropout on average costs taxpayers \$260,000 over their lifetime (Cecilia Rouse, Princeton University, <http://www.all4ed.org/files/archive/publications/HighCost.pdf>). If only one of the 12 middle school kids helped by the Colchester program last year alone graduates from high school, they will represent a **624-fold return** on that initial investment. Conversely, since that money is continuously in jeopardy of being lost, so is the cost savings it represents. This is only one example of how the small amount of money dedicated to our Town's Youth Services Bureau pays for itself many times over. There are many more ideas for programs and

services that have been developed by the Youth Services Bureau and the Youth Services Advisory Board in recent years and, if the Bureau had sufficient funding to support any of these, similar cost savings could be realized.

I would implore the Board of Selectmen, the Board of Finance, and you to protect one of the few good investments left in our Town, our youth, and direct any budget restructuring process to maintain (or even increase!) the funding currently provided to the Colchester Youth Services Bureau. It is hard to imagine that anyone who thinks minimizing funding for youth services is a good long-term cost saving strategy has ever taken a thoughtful and intelligent look at the numbers.

If you have any questions or would like any additional information, I'd be happy to talk to you or any Board member at any time.

Sincerely,



Thomas St. Louis, Vice-Chair
Colchester Youth Services Advisory Board
27 Brindlewood Path
Colchester, CT 06415
(860) 303-1238
t_stlouis@yahoo.com

cc: Colchester Board of Selectmen
Colchester Board of Finance
Colchester Youth Services Bureau ✓