

Town of Colchester, Connecticut

127 Norwich Avenue, Colchester, Connecticut 06415

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Nancy A. Bray
NANCY A. BRAY
TOWN CLERK

TOWN OF COLCHESTER
BOARD OF FINANCE – REGULAR MEETING
TOWN HALL
127 NORWICH AVENUE
Wednesday, February 1st, 2012
Immediately Following Budget Discussion at 6:30pm

MINUTES

MEMBERS PRESENT: Chairman R. Tarlov, Robert Esteve, Tom Kane, Cathy Pompei, and Art Shilosky

MEMBERS ABSENT: Bruce Hayn

OTHERS PRESENT: G. Schuster, M. Cosgrove, G. LePage, G. Cordova, R. Blessing, D. Wyckoff, B. Butcka, and C. Barnes (clerk)

1. CALL TO ORDER

Chairman Tarlov called this Regular Meeting to order at 7:22 p.m.

2. APPROVAL OF PREVIOUS MEETING MINUTES

a. January 18th 2012 Regular Meeting

R. Esteve moved to approve the minutes of the January 18th 2012 Regular Meeting of the Board of Finance. Seconded by A. Shilosky. All members present voted in favor. MOTION CARRIED.

3. CITIZENS COMMENTS

None

4. ADDITIONS TO THE AGENDA

a. Review of information provided to the public at our 2/1 Public Discussion on Police Plan

None

5. DEPARTMENT REPORTS

a. Finance Department

None

b. Tax Collector

None

c. Treasurer

None

6. FIRST SELECTMAN'S REPORT

6.1 Selectman's Agenda:

6.1.1 Transfer Requests

None

6.1.2 First Selectman's Update

First Selectman Schuster gave report.

7. CORRESPONDENCE

None

8. LIAISON REPORT

A. Shilosky reported on the Police Commission, C. Pompei reported on the Library and the Fire Commission R. Esteve reported on the Board of Education

9. OLD BUSINESS

a. Discussion and Possible Action on Establishment of By-Laws

C. Pompei made a motion to approve the By-Laws as presented. Seconded by T. Kane. All members present voted in favor. MOTION CARRIED.

b. Discussion and Possible Action on Fund Balance Policy

T. Kane made a motion to approve the Fund Balance Policy as presented. Seconded by R. Esteve. All members present voted in favor. MOTION CARRIED

c. Discussion and Possible Action on Capital Improvement Plan

This item was not discussed. It will be listed again on the next Board of Finance agenda.

10. NEW BUSINESS

None

11. CITIZEN COMMENTS

D. Wyckoff asked about privatization of town services. G. Schuster responded.

D. Wyckoff offered thoughts on the school project.

11. ADJOURNMENT

A. Shilosky made a motion to adjourn at 8:06pm. Seconded by T. Kane. All members present voted in favor. MOTION CARRIED.

ATTACHMENTS

- 1) By-Laws
- 2) Fund Balance Policy

**TOWN
OF
COLCHESTER**

**BOARD OF FINANCE
BYLAWS**

Approved: Board of Finance, xxxxx

ARTICLE 1. NAME, PURPOSE AND AUTHORIZATION

Section 1 The name of the board shall be the ‘Board of Finance of the Town of Colchester’ (hereinafter referred to as the Board).

Section 2 The Board shall be responsible for developing and presenting to the Town voters the budgets for all Town departments and the overall Town government and shall have all of the powers and perform all of the duties conferred or imposed upon boards of finance by the General Statutes and Town of Colchester Charter § C-601C.

ARTICLE 23. OFFICE OF THE BOARD

Section 1 The office of the Board shall be at the Colchester Town Hall where Board records will be maintained. Copies of all official documents, records, and similar items will be filed or recorded with the Office of the Town Clerk.

Section 2. All correspondence shall be addressed to the Board of Finance, 127 Norwich Avenue, Colchester, CT 06415.

Section 3. Copies of all agendas, minutes and resolutions of the Commission shall be filed with the Office of the Town Clerk.

ARTICLE 3. MEMBERSHIP

Section 1. The Board shall consist of six (6) members elected in accordance with the provisions of the General Statutes and the Town of Colchester Charter § C-202, § C-203, § C-601.

Section 2 All members of the Board shall participate fully in Board meetings and activities and shall have such duties as may from time to time be assigned by the Board.

Section 3. Resignation from the Board shall be in written form and transmitted to the Town Clerk who shall promptly forward same to the Board of Finance.

Section 4 The Board shall fill vacancies in accordance with Town of Colchester Charter § C-601D

ARTICLE 4. ELECTION OF OFFICERS

Section 1. At a December Board meeting following a municipal election a Chair and Vice Chair will be elected.

Section 2. Nominations shall be made from the Board membership in attendance and elections of the officers specified in Section 1 of Article 5 shall follow immediately thereafter.

Section 3. A candidate receiving a majority vote from the members of the Board present shall be declared elected and shall serve for two (2) years.

Section 4. An officer can be removed from their position, without cause or prejudice, by a vote of four members of the Board of Finance.

Section 5. Vacancies in offices shall be filled by vote of the Board following the procedures in Sections 2 and 3. The newly elected officer shall serve the unexpired term of the member he has replaced, or until his successor shall take office.

ARTICLE 5. OFFICERS AND THEIR DUTIES

Section 1. The officers of the Board shall consist of a Chair, and a Vice Chair.

Section 2. The Chair shall preside at all meetings and hearings of the Board and shall have the duties normally conferred by parliamentary usage on such officers. The Chair shall have the authority to appoint committees, call special meetings, and generally perform other duties as may be prescribed in these By-Laws.

Section 3. The Vice Chair shall act for the Chair in his absence and have the authority to perform the duties prescribed by that office.

Section 4. All correspondence addressed to the Board shall be presented by the Chairman to the Board at its first meeting held after such mail has been delivered. All mail shall be deemed "received" when so presented.

ARTICLE 6. MEETINGS

Section 1. Regular meetings will be held at 7:00 p.m. on the first and third Wednesday of every month, except when the Town Hall is closed due to public holiday or some other reason. In the event of such a scheduling conflict, an alternative meeting date may be scheduled by the Board. All meetings of the Board are open to the public as required by the Connecticut General Statutes.

Section 2. Special meetings shall be called as necessary by the Chair. Notice of such meeting shall be posted in the Office of the Town Clerk in accordance with State Statutes.

Section 3. A majority of the membership of the Board shall constitute a quorum, and the number of votes necessary to transact business shall be a majority of members of the Board present and voting. The Chair, or in his absence the Vice Chair, shall not vote to transact business other than to break a tie.

Section 4. Robert's Rules of Order, shall govern the proceedings at the meetings of this Board except as modified by State and Federal Statutes and the Ordinances and Charter of the Town of Colchester or by these By-Laws.

Section 5. While meetings are open to the public they are not public hearings. The agenda shall contain a Public Comment section where the public shall have the right to address the Board on matters not otherwise on the agenda. Requests to speak on items on the agenda shall be made to the Chairman. Decisions on such requests shall be made by the Chairman unless objection is raised by any member, in which case, a vote of the Commission shall decide.

Section 6 At a meeting the Board may vote to go into Executive Session only for those purposes identified in the Freedom of Information Act. The minutes must record the times at which an Executive Session begins and ends.

Section 7 Board members may participate and vote at the meeting via a speaker phone provided that the means of communication does not hinder the quality of the discussion and that any members of the public attending can clearly hear the discussion.

Section 8 The dates of Board meetings for the following year shall be set by vote from the members of the Board present at one of the December regular meetings and the forwarded to the Town Clerk prior to year end.

ARTICLE 7. ORDER OF BUSINESS

Section 1. Unless otherwise determined by the Chair, the order of business at regular meetings shall be:

1. CALL TO ORDER
2. APPROVAL OF PREVIOUS MEETING MINUTES
3. CITIZENS COMMENTS
4. ADDITIONS TO THE AGENDA
5. DEPARTMENT REPORTS
6. FIRST SELECTMAN'S REPORT
7. CORRESPONDENCE
8. LIAISON REPORT
9. OLD BUSINESS
10. NEW BUSINESS
11. CITIZENS COMMENTS
12. ADJOURNMENT

Section 2. The order of business for work and special meetings will be determined by the Chair.

ARTICLE 8. COMMITTEES/ LIAISON ASSIGNMENTS

Section 1. Membership on committees shall be appointed "ad-hoc".

Section 2. Special Committees may be appointed by the Chair for purposes and terms, which the Board approves.

Section 3. Liaisons to the Departments, Boards and Commissions overseen by the Board will be assigned by the Chair at a December Board meeting following a municipal election or as necessary following vacancies.

ARTICLE 9 CODE OF CONDUCT

Section 1. Each member of the Board must disqualify himself: from discussion or acting on an issue by which he will derive a direct or indirect gain or suffer a direct or indirect loss.

Section 2. No member can appear before the Board representing himself or another party

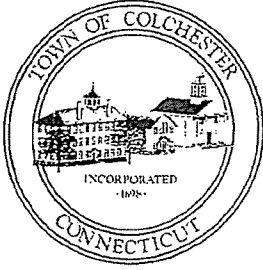
ARTICLE 10. AMENDMENTS

Section 1. These By-Laws shall be reviewed at a December Board meeting following a municipal election.

Section 2. These By-Laws may be amended by a majority vote of the seated Board.

ARTICLE 11. ADOPTION

These By-Laws shall be adopted by vote of the Board and shall become effective on the date adopted.



Town of Colchester, Connecticut

127 Norwich Avenue, Colchester, Connecticut 06415

TOWN OF COLCHESTER Unassigned Fund Balance Policy

The Town of Colchester (the "Town") shall maintain an Unassigned Fund Balance (the "Fund Balance") to improve and maintain the Town's financial stability. The Fund Balance provides a reserve to the Town in the event of unforeseen or unbudgeted situations, such as declining tax collection rates, loss of a major taxpayer, sudden changes in revenues or spending requirements, natural disasters, major infrastructure failures or unexpected litigation.

DEFINITION AND TARGET

The Fund Balance represents available financial resources of the Town that have not been designated for a specific purpose.

The Town strives to maintain a level of Fund Balance of 7% to 10% of its annual operating expenditures (including debt service). The level of Fund Balance may exceed 10% and may fall below 7%, but it cannot be allowed to fall below 5% without a determination of a **specific urgent situation** in accordance with this policy.

USE OF FUND BALANCE:

If the Fund Balance exceeds the 7% target, then the excess over 7% may be used as determined by majority vote (but no less than 3 members) of the Board of Finance members present at an official meeting. The funds can be used to repay debt (if permissible), capital projects, other designated accounts or other one-time uses.

If the Fund Balance is between 5% and 7%, then the excess over 5% may be used for a **specific urgent situation** as deemed by the Board of Finance (by regular voting procedures) and approved by a vote of 4 members of its members at an official meeting. The Board of Finance shall adopt a plan to restore the Fund Balance to greater than 5% over the next 2 fiscal years and to replace funds over 5 fiscal years

If the Fund Balance is less than 5%, then Fund Balance can only be used as determined by a vote of 4 members of the Board of Finance at an official meeting, and only upon the determination of a specific urgent situation by both the Board of Finance and the Board of Selectmen (by regular voting procedures). In addition, in such an urgent situation, the Board of Finance shall adopt a plan to restore the Fund Balance to greater than 5% over the next two fiscal years.

Updated February 1, 2012

TOWN of COLCHESTER Unassigned Fund Balance Policy

		POTENTIAL USES	REQUIRED ACTION TO USE
Hi Caution Zone	< 5%	Specific Urgent and Unexpected Situation Only as deemed by the Board of Finance and the Board of Selectman	<p>Requires approval by a vote of 4 members of the Board of Finance at an official meeting, and only upon the determination of a specific urgent situation by both the Board of Finance and the Board of Selectmen (by regular voting procedures).</p> <p>Board of Finance shall adopt a plan to restore the Fund Balance to greater than 5% over the next two fiscal years</p>
Cautionary Zone	5% to 7%	Specific Urgent and Unexpected Situation as deemed by the Board of Finance.	<p>Requires approval by 4 members of Board of Finance.</p> <p>Board of Finance shall adopt a plan to restore the Fund Balance to greater than 5% over the next 2 fiscal years and to replace funds over 5 fiscal years</p>
Confidence Zone	7% to 10%	<p>Capital Projects</p> <p>Repay debt, if permissible</p> <p>Other Designated Accounts</p> <p>Other One Time Projects</p>	<p>Should not bring Fund Balance below 7%</p> <p>Requires a majority vote of Board of Finance members present, but no less than 3 members in favor of approval</p> <p>Identify one time expenditure; or expected revenue or expense reduction to occur in next fiscal year.</p> <p>Board of Finance shall adopt a plan to restore the Fund Balance to greater than 7% over the next 2 fiscal years and to replace funds over 5 fiscal years</p>
High Confidence Zone	>10%	<p>Capital Projects</p> <p>Repay debt, if permissible</p> <p>Other Designated Accounts</p> <p>Other One Time Projects</p>	<p>Should not bring Fund Balance below 7%</p> <p>Requires a majority vote of Board of Finance members present, but no less than 3 members in favor of approval</p> <p>Board of Finance shall adopt a plan to restore the Fund Balance to greater than 7% over the next 2 fiscal years and to 10% over 5 fiscal years.</p>