



Town of Colchester, Connecticut

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Gayle Furman
TOWN CLERK

Town of Colchester
Board of Finance Meeting Minutes
May 12, 2020 – Virtual Meeting – 6:30 PM
BOARD OF FINANCE BUDGET WORKSHOP
(All items on this agenda are subject to possible action.)

MEMBERS PRESENT: Chairman Rob Tarlov, Michael Hayes, Mike Egan, Andreas Bisbikos, and Andrea Migliaccio, Bernie Dennler

MEMBERS ABSENT: None

OTHERS PRESENT: First Selectman Mary Bylone, CFO Maggie Cosgrove

***All members and citizens were present via Zoom webinar

1. **CALL TO ORDER:** Chairman Tarlov called the meeting to order at 6:35 p.m.
2. **CITIZEN COMMENTS:** Citizens need to be kept informed on the budget process and it clarified that per Executive Order there will be no referendum.
3. **CORRESPONDENCE:** See attached.
4. **BOF DISCUSSION**
 - a. **Reserve Accounts:** M. Cosgrove gave a brief overview of the various reserve accounts and their intended use.
 - b. **Town Budget:** Members shared where they are individually at in the budget process relative to additional reductions, change in the mill rate, use of general funds to offset any increase, and overall bottom line. Discussion included if the tax collection rate being used for budget purposes is conservative enough based on the unemployment rate due to COVID and if the two additional firefighters should remain in the budget. All members agreed that a zero percent mill rate increase is the desired goal and it is a matter when or how the general funds should be used to achieve that. It is critical not just what is done this year but impacts going forward such as on bond rating.
5. **CITIZENS' COMMENTS:** Apprehension was expressed regarding the use of unassigned funds, no discussion with unions for furloughs or concessions, and what will happen next year if ECS funding is not received.
6. **BOF DISCUSSION:** M. Cosgrove cautioned that when using the general fund balance how it is going to be replenished must also be looked at. There has been some criticism in the past for the balance being too big but looking at it to fund something year after year is not recommended.
7. **CITIZENS' COMMENTS:** Concern was expressed over the possible use fund balance to pay for the two additional firefighters.
8. **BOF DISCUSSION - NEXT STEPS:** The BOE voted to reduce their budget at a meeting held immediately prior to the BOF meeting. The BOE will present the details of their latest cuts at a meeting next week. Chairman Tarlov and M. Cosgrove will gather projected numbers on what the latest proposed budget would mean in relation to the mill rate or how much of the general funds would need to be used to maintain a zero increase.
9. **ADJOURNMENT:** M. Egan motioned to adjourn, seconded by M. Hayes. Vote was unanimous. **MOTION CARRIED.** Chairman Tarlov adjourned the meeting at 8:52 p.m.

Submitted by

Dawn LePage
Dawn LePage, Clerk

Attachment: Correspondence

Correspondence for 5/12 BOF meeting

From: JoAnne Roberts <joanneroberts150@gmail.com>
Sent: Thursday, May 7, 2020 4:39 PM
To: Robert Tarlov <BOFChair@colchesterct.gov>
Subject: Budget

PLEASE do not vote to increase the budget this year! There are so many people out of work. Our towns people and businesses are suffering. Increasing our budget when the people in town are not allowed to vote is absoutly wrong.

Thank you,
JoAnne Roberts

From: CINDY PRAISNER <praisner@comcast.net>
Sent: Wednesday, May 6, 2020 9:08 AM
To: Robert Tarlov <BOFChair@colchesterct.gov>
Subject: Comments on the budget

Dear Members of the Board of Finance-

First, let me thank you for your dedication and time in developing a budget that is fair and takes into consideration the viewpoints of many. I have tried to take part in the zoom meetings to stay abreast of the proposed budgets, considered reductions, citizens' comments, and discussions about a potential increase. I recognize the difficult task that you've been given.

As someone who works closely with families and the school district, I would like to caution the Board from becoming too lean. The schools and town services are part of a safety net for families as much as any financial assistance program might be. Covid-19 has caused fear, hardship, and stress for so many. Let's not take away or strip back the very services and programs that support us.

Students will hopefully return to school in late August. It will be over 5 months since most of them will have been in formal schooling (or for all students if summer school is also canceled). I urge you to lessen the impact on our schools, administration, and teachers in recognition of the tremendous challenge that they will face in the fall due to the loss of learning and the lack of social-emotional supports for so many for so long.

I believe that the original proposed budgets were presented in good faith and did not contain unnecessary expenses; that the budgets were carefully crafted with goals and a vision for our community members in mind. Therefore, given these unprecedented times, I support a balanced use of "rainy day" funds *and* an increase of around 1-2%. I believe this would be a fair compromise and could produce a budget that is reasonable in the short term while still supporting our long term outcomes. I see our First Selectman, Superintendent, and most Board members working hard together to come up with a solution that meets the needs of everyone now and in the future. I deeply appreciate those efforts.

Respectfully,
Cindy Praisner

From: James McNair <jmcnair3@comcast.net>
Sent: Tuesday, May 12, 2020 7:56 AM
To: Robert Tarlov <BOFChair@colchesterct.gov>
Cc: First Selectman <selectman@colchesterct.gov>
Subject: Re: our present position

Thanks for your time and patience. I do appreciate the gravity of history upon you and the BOF.

On May 12, 2020, at 4:50 AM, Robert Tarlov <bofchair@colchesterct.gov> wrote:
Current collection rate is 98.8.

But I agree, the difference between 98.8 or 98.7 or 98.6 is not a lot on a 57,000,000 budget.

Non tax revenue is the difference between the 1st line and the bottom line, but the BOF has more discussions on the amounts initially assumed on this list.

Last Tuesday, Maggie presented mil rate increases based on current numbers and 3 assumed collection rates. Based on those numbers the change is between 2.05% and 2.25% increase in the mil, but we have more meetings to come that will continue our discussions on the two budgets and the revenue, so these are initial or interim numbers, they are not our present position.

Tonight we will be discussing the reserve accounts and Town budget, that discussion could continue to Thursday night. Next Tuesday we will be reviewing the school budget again. That could continue to Wednesday and/or Thursday night. The following week we have planned to hold the public hearings.

Rob

Rob Tarlov, Chairman, Board of Finance
860-608-4293

From: jmcnair3@comcast.net <jmcnair3@comcast.net>
Sent: Monday, May 11, 2020 1:54 PM
To: Robert Tarlov <BOFChair@colchesterct.gov>
Cc: First Selectman <selectman@colchesterct.gov>
Subject: RE: our present position

That is the same information sent to me. So, I guess that should answer the "I don't know where I got my non tax revenues from. You guy are looking at a 5% increase to adjust. The collection rate shown is from this year's budget. So any downward adjust drives the stated mill rate up not down. Also, given the debate over the collection rate, you're arguing pennies versus dollars.

From: Robert Tarlov <BOFChair@colchesterct.gov>
Sent: Monday, May 11, 2020 1:48 PM
To: James McNair <jmcnair3@comcast.net>
Cc: First Selectman <selectman@colchesterct.gov>
Subject: Re: our present position

The revenue chart BOF reviewed is attached to the May 5 minutes

Rob
860-608-4293

From: James McNair <jmcnair3@comcast.net>
Sent: Monday, May 11, 2020 12:05 PM
To: Robert Tarlov <BOFChair@colchesterct.gov>
Cc: First Selectman <selectman@colchesterct.gov>
Subject: Re: our present position

I was sent a chart I thought was presented for non-tax revenues.

On May 11, 2020, at 9:26 AM, Robert Tarlov <bofchair@colchesterct.gov> wrote:

As you know, the mil rate calculation is based on expenditure budgets, non-tax revenues to be assumed, collection rate. As none of these have been determined yet, we cannot publicize a mil rate at this time.

I would expect that we will have a proposed mil rate that will be presented at the Public Hearings which are in advance of the Public Comment period.

Looks like your numbers assume the budgets presented at the public hearing and not sure where you are pulling the non-tax revenue from.

We have not agreed on a collection rate yet. Your assumed collection rate was not one the amounts we had discussed, but we are still doing research on what other towns are doing.

Rob

Rob Tarlov, Chairman, Board of Finance
860-608-4293

From: jmcnair3@comcast.net <jmcnair3@comcast.net>
Sent: Monday, May 11, 2020 8:41 AM
To: Robert Tarlov <BOFChair@colchesterct.gov>
Cc: First Selectman <selectman@colchesterct.gov>
Subject: our present position

Rob,

I developed a what if model to try and see the big picture. My understanding is all of the important pieces are public domain. The yellow highlight is not. Yet, in the grand scheme of things, their impact on the mill rate is not significant.

Assuming the math and public data is correct, based upon this model we're looking at a 5% mill rate increase give or take. We'd need about a \$2 million reduction in amount to be raised by taxes. If appropriations are held flat to this year, that would only be a \$ 1.5 million reduction.

I hope the official mill rate calculation is released well before the public comment period. It will help people give the BoF input. If this is way off base for known information let me know.

Be well,

James

Sent: Monday, May 11, 2020 7:12 PM

To: jmcnair3@comcast.net <jmcnair3@comcast.net>

Cc: mbylone@colchesterct.org <mbylone@colchesterct.org>

Subject: Re: assessor estimates

Yes, they are part of John Chaponis's power point, attached to I believe our 4/28 minutes.

On May 11, 2020, at 6:03 PM, jmcnair3@comcast.net wrote:

Rob,

Are these numbers public yet for the upcoming mill rate calculation?

Be well,

James

Sent: Sunday, May 10, 2020 7:18 AM

To: Robert Tarlov <BOFChair@colchesterct.gov>

Cc: First Selectman <selectman@colchesterct.gov>

Subject: RE: Making Munis report for Town public record

Rob,

Let me reposition my suggestion the voter will be better served to get one more public report.

Yes, open gov does allow elected official and voter see Town expenditures in a fresh new way. Yet, I'm hearing open gov's days are numbered. I won't get into the flaws in the process. The fact the voter nor elected officials used the software was it's demise.

Which gets me back to suggesting that the Town adopt the same summary format used by the BoE. I am assuming they both use the munis system to generate reports.

Be well,

James

From: Robert Tarlov <BOFChair@colchesterct.gov>

Sent: Saturday, May 9, 2020 1:20 PM

To: jmcnair3@comcast.net
Cc: First Selectman <selectman@colchesterct.gov>
Subject: Fw: Making Munis report for Town public record

James,

Although BOF does not get a summary like Maggie prepares for BOE, Town Munis reports are available online for most months.

When I receive these reports early enough, they are part of our online agenda packet.

Otherwise, they are part of the minutes. Wednesday's minutes have not been posted yet, but will have March attached. The 5/20 meeting should have April, if received for the agenda packet, but if not the reports will be in the minutes. We did not meet in March, but the 2/19 meeting has January, and January 15 meeting has December.

Rob

Rob Tarlov, Chairman, Board of Finance
860-608-4293

From: jmcnair3@comcast.net <jmcnair3@comcast.net>
Sent: Saturday, May 9, 2020 6:01 AM
To: First Selectman Bylone <mbylone@colchesterct.org>
Cc: Robert Tarlov <BOFChair@colchesterct.gov>
Subject: Making Munis report for Town public record

Mary,

Good day. You and I have discussed some practices from past administrations. Your comment about leaving the past in the past was encouraging. I made this request several times when on the BoF. Every time the CFO said they were too busy. She didn't seem too enthused to do so. Also, there is not a great outcry. Yet, some of my "why can't taxpayers get this type of report" post a lot of public interest is generated.

So here we go. The public financial reporting on the BOE side presents line items account summary. In my opinion, it will enhance the award winning budget presentations on the Town side. Presently, that report is not public. Do you see any merit to making this public. It's got to be a push button report. Or at least the format used in the BOE budget.

Be well,

James