



Town of Colchester, Connecticut

127 Norwich Avenue, Colchester, Connecticut 06415

Town of Colchester
Board of Finance Meeting Minutes
May 21, 2020 – Virtual Meeting – 6:30 PM
SPECIAL MEETING and BUDGET WORKSHOP
(All items on this agenda are subject to possible action.)

RECEIVED
COLCHESTER, CT
2020 MAY 26 PM 1:00
Gayle Furman
GAYLE FURMAN
TOWN CLERK

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

MEMBERS ABSENT: None

OTHERS PRESENT: CFO Maggie Cosgrove, Tax Collector Michelle Wyatt, Chief Walter Cox, First Selectman Mary Bylone

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

1. **CALL TO ORDER:** Chairman Tarlov called the meeting to order at 6:31 p.m.
2. **APPROVAL OF MINUTES: Regular Meeting 5/6, Budget Workshops 5/5, 5/12, 5/14:**
 - M. Egan motioned to approve the regular meeting minutes from May 6, 2020, seconded by M. Hayes. Vote was unanimous. **MOTION CARRIED.**
 - M. Egan motioned to approve the budget workshop minutes from May 5 & 12, 2020, seconded by A. Bisbikos. Vote was unanimous. **MOTION CARRIED.**

***There was no 5/14 meeting.
3. **CITIZENS' COMMENTS:** Numerous firefighters and citizens spoke on the dire needs of additional staff. One citizen feels the budget needs to remain at zero due to the fact it will not go to referendum and does not feel the two requested firefighters will make a difference.
4. **CORRESPONDENCE:** Attached
5. **DEPARTMENT REPORTS:**
 - a. **Tax Collector:** M. Wyatt gave her report for the month of April. The collection rate in April was at 98.43%, which is slightly down from 2019. Today it stands at 98.6%. Lien notices have been sent out. She is encouraging anyone having difficulties to get on a payment plan. Seven applications have been received for the tax deferment plan. She has reached out extensively to make sure people are aware of the program being offered.
 - b. **Finance Department:** ECS funding has been received. Investments are still slightly ahead of last year. There have been savings on the expenditure side due to a loss of staff in some departments and the mild winter. Overtime for the police is being followed closely.

6. FIRST SELECTMAN

- a. **Transfer requests:** None
- b. **First Selectman's report:** Plans are in place to begin to open Town Hall on June 8th. Plexiglas is being installed in areas where there is direct contact with the public. The library will start curbside pickup next Tuesday. Openings will be done with restrictions.

7. OLD BUSINESS: None

8. NEW BUSINESS

- a. **Appoint Auditors - Discussion and Possible Action:** Two bids were received for the auditor RFP. PKF O'Connor and Davies was the less expensive option at \$49,000 for the first year and \$1,200 increments for the following two years. B. Dennler motioned to accept PKF O'Connor and Davies as the auditor for 3 years, seconded by M. Egan. Vote was unanimous. **MOTION CARRIED.**

9. LIAISONS' REPORTS: None

10. CITIZENS' COMMENTS: There was additional support for the increased firefighters, the BOE and Town budget, and the use of general funds to maintain a zero mil rate increase. It was suggested funds saved this year be used to offset the cost of items next year instead of the general fund. Chuck Maynard spoke to all the ways in which the volunteer firefighters have worked through donations to provide for many of the needs of the town. There was opposition to asking for furlough days or concessions from staff.

11. BOF BUDGET DISCUSSION - Town Budget: R. Tarlov said it is not a matter of a need for the firefighters. The decrease in volunteers and staffing needs is a much larger problem than what the addition of two additional firefighters will fix. There needs to be a long-term plan. There was general agreement that a long-term plan is needed. M. Cosgrove was asked if bonding would be affected if the general fund was used. She cautions against the use of general funds for operating expenses year after year but the fund balance has grown significantly over what the policy sets it at so she does not see issues with using some this year to allow for the budget increase but to maintain a zero percent mil rate. Savings from this year will be added to the funds as well increasing its total. R. Tarlov is concerned with capital needs being deferred and on the school side their lack of reserves. He asked Chief Cox if the volunteer incentive program could be eliminated if it is not working to bring in volunteers. Chief Cox said his budget reflects the fewer volunteers using the incentive program. A. Migliaccio sees the Fire Department's problems as much larger and would like to have a better understanding of their needs and why they appear to have been neglected for years. M. Hayes said while the needs are indeed much greater, right now, he would like to start by funding the two positions, either through fund balance or another way. A. Bisbikos will not support any budget that is not zero due to citizens not being able to vote in a referendum. He has reservations about the tax collection rate. He agrees there needs to be a larger plan but would support the firefighters if funded in another way such as by reducing an employee at Town Hall or concessions. R. Tarlov said he needs to have data to support that hiring two additional firefighters will make a difference. M. Egan agreed that there are many issues with the Fire Department

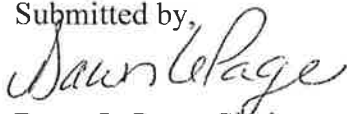
that need to be looked at but he believes that any of the solutions will include additional staff; he is open to looking at other ways of funding them and thinks R. Tarlov should meet with Chief Cox and First Selectman Bylone to try to get the data he needs to feel comfortable making a decision. B. Dennler agreed that he sees this as the next step.

12. CITIZENS' DISCUSSION: Citizen's spoke favorably for both the BOE budget and the Town. There were additional pleas by firefighters for the two positions to be added. C. Maynard said there is a committee that starts next week to look at the incentive program and evaluate if it works. Furlough days, concessions, not filling the Youth Services position, and ACO line item were suggested as ways to balance the budget. J Knapp said that R. Tarlov is not getting the data because it does not exist due as the pattern of activity that often packs a lot of calls into short periods of time making it impossible to record the data for those calls.

13. BOF BUDGET DISCUSSION AND POSSIBLE ACTION: The agenda for May 19th had not stated there would be action on the BOE budget therefore, the item was acted on again. B. Dennler motioned to move the BOE budget with a .4% increase to Public Hearing, seconded by M. Egan. Vote was 4-2 with A. Migliaccio and A. Bisbikos opposed. **MOTION CARRIED.**
M. Egan motioned to move the Town budget with a .36% increase to Public Hearing, seconded by M. Hayes. Vote was 3-2-1 with A. Migliaccio and A. Bisbikos opposed and R. Tarlov abstaining. **MOTION CARRIED.**

14. ADJOURNMENT: A. Migliaccio motioned to adjourn, seconded by A. Bisbikos. Vote was unanimous. **MOTION CARRIED.** Chairman Tarlov adjourned the meeting at 10:15 p.m.

Submitted by,



Dawn LePage, Clerk

Attachments:

Correspondence

Proposal for Audit Services

CORRESPONDENCE FOR MAY 21 BOARD OF FINANCE MEETING

From: Taras Rudko <trudko@colchesterct.gov>

Sent: Wednesday, May 20, 2020 8:55 PM

To: Board of Selectmen <BoardofSelectman@colchesterct.gov>; Board of Finance <boardoffinancemembers@colchesterct.gov>

Subject: Submission of Correspondence

BOS/BOF,

Please accept the attached correspondence into the record of your next public meeting.

Thank You,

Taras W. Rudko
Member Board of Selectmen
Town of Colchester

From: VINCENT ROMANO <vinromano@comcast.net>

Sent: Wednesday, May 20, 2020, 10:18 AM

To: Andreas Bisbikos

Subject: Unassigned Fund Balance

Andreas,

I support using the unassigned fund balance to relieve the burden on Colchester taxpayers during this epidemic. This being more than just a rainy day. However, we should not apply these funds to hire new employees. Unless those employees will not be on next year's payroll, their salaries and compensations will no longer come from the remaining fund balance, and not intended for that purpose, and will be directly transferred to the town budget. I feel this could appear be an end around play, and must be presented to the public so this is very clear.

Thank you.

Regards,

Vincent Romano
Vinnie

May 19, 2020

Taras W. Rudko	Andreas Bisbikos
71 Jurach Road	155 Standish Road
Colchester, CT 06415	Colchester, CT 06415
(860) 705-3070	(860) 908-2392
trudko@colchesterct.gov	abisbikos@colchesterct.gov

Mr. Corey R. Amundson
Chief, Public Integrity Section
Office of Professional Responsibility
U.S. Department of Justice
950 Pennsylvania Avenue, N.W., Suite 3266
Washington, DC 20530-0001
(202) 514-1412

Dear Mr. Amundson:

We are drafting this correspondence to seek assistance in order to gain a remedy to an existing situation here in the state of Connecticut. Please accept this correspondence as an official complaint against Governor Ned Lamont.

DEFINITION OF ROLES

Taras W. Rudko, currently serving as a member of the Board of Selectmen in the town of Colchester, CT
Andreas Bisbikos, currently serving as a member of the Board of Finance in the town of Colchester, CT

BACKGROUND

Colchester, Connecticut operates under a TOWN MEETING FORM OF GOVERNMENT. This means that over the course of our annual budget season, the Board of Finance proposes what we consider to be a reasonable budget at a PUBLIC HEARING, and subsequently, at our ANNUAL TOWN MEETING, which serves as the voting body to send the proposed budget on to referendum for an in-person/absentee vote.

Governor Ned Lamont has issued a series of Executive Orders that have culminated in the usurpation of the right to vote by the taxpayers of the town of Colchester. The most recent Executive Order supersedes all others with regard to voting:

"Clarification of Executive Order No. 71, Section 13 - Mandatory Suspension of In-Person Voting Requirements by Members of the Public on Municipal Budgets. Executive Order No. 71, Section 13 shall be deemed to require the budget-making authority of every municipality to adopt a budget for the July 1, 2020 - June 30, 2021 fiscal year and to set a mill rate sufficient, in addition to the other estimated yearly income of such town and in addition to such revenue surplus, if any, as may be appropriated, not only to pay the expenses of the municipality for said fiscal year, but also to absorb the revenue deficit of such town, if any, at the beginning of said fiscal year using the procedures set forth therein, and to suspend any requirement for a vote on such budgets or mill rates by residents, electors, or property owners, including, but not limited to, any vote by annual town meeting or referendum. All conditions precedent to any such adoption, including without limitation, public notices, hearings, or presentations, shall proceed in a manner as closely consistent with the applicable statutes, special acts, town charters, municipal

ordinances, resolutions or procedures as possible, and in compliance with the open meeting provisions set forth in Executive Order No. 7B. Nothing in this order shall invalidate or repeal the results of any vote on a budget or tax rate held by annual town meeting or referendum before the effective date of this order."

The Executive Order in its entirety may be found here:

<https://portal.ct.gov/-/media/Office-of-the-Governor/Executive-Orders/Lamont-Executive-Orders/Executive-Order-No-7HH.pdf>

In years past the town has operated under the previous year's budget until at such point a town referendum could be scheduled. Governor Lamont has already taken measures for in-person voting in August of this year for primaries and is coordinating with local Boards of Selectmen and Registrar of Voters to lay the groundwork for that event.

Currently our avenues of redress are limited. Local courts are either closed or running under suspended operations. Privately held conversations with legal counsel is anticipating that the advancement of such a case as this to the Supreme Court would be accompanied by an untenable financial burden. Our legislature is currently out of session due to the Covid-19 pandemic and I am uncertain when they will re-convene again.

We also question the legal ramifications of simply not complying with the Executive Order and holding a town referendum during the already scheduled primaries in August of this year.

COMPLAINT

We believe that Connecticut Governor Ned Lamont is in violation of his oath of office, as a result of a series of Executive Orders which usurp the right to vote from the taxpayers of Colchester, by incrementally restricting and ultimately depriving us of our right to vote by referendum on our annual budget.

CONCLUSION

We seek no remedy other than the restoration of our voting rights and the freedom to vote in our Town Meeting Form of Government through an in-person/absentee referendum on the 2020-21 annual budget. The Governor's Executive Orders denying our right to vote not only disenfranchises the voters of Colchester, but also any Board of Finance and Board of Selectmen members, who are now struggling with an unconstitutional authority that we neither anticipated nor want. It is our sworn duty to uphold both the State Constitution as well as the Constitution of the United States of America, not only as citizens but as duly elected officials on behalf of our constituents.

I thank you for both your time and consideration.

Sincerely,



Taras W. Rudko
Member Board of Selectmen
Town of Colchester, Connecticut



Andreas Bisbikos
Member Board of Finance
Town of Colchester, Connecticut

Sealed Dollar Cost Proposal

APPENDIX A - FEES

To be submitted on your firm's letterhead in a separate sealed envelope.

Name of firm Blum, Shapiro & Company, P.C. dba blumshapiro

Location of office staffing the audit West Hartford, CT

Number of Municipal professional audit staff in this office 64

Number of Municipal professional audit staff to be assigned to Colchester 3-4

Connecticut municipal audit clients:
List fiscal year 2019 engagements
for municipalities with population
of 15,000 or higher.

1. City of Hartford
2. City of New Britain
3. Town of Wilton

Audit Fees

	FYE 6/30/20	FYE 6/30/21	FYE 6/30/22
Annual financial statements	\$37,000	\$37,700	\$38,400
Federal and State Single Audits	\$14,000	\$14,200	\$14,400
EFS	\$4,000	\$4,100	\$4,200
Total	\$55,000	\$56,000	\$57,000

Rate/hour for services outside the scope of the annual audit	\$245	\$250	\$255
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Hours provided for in above stated fees:

Partner	40	40	40
Supervising Manager	60	60	60
Audit Staff	250	250	250

Blum, Shapiro & Company, P.C. dba blumshapiro

(Firm) Leslie Zoll Leslie Zoll, Partner

(Authorized Signature) 860.570.6376 (Title) May 4 2020

(Telephone) (Date)



Dollar Cost Proposal for Audit Services to: Town of Colchester

For the Years Ending June 30, 2020
through June 30, 2022

Date: April 8, 2020

Submitted by:

Joseph Centofanti, CPA, CFE, FCPA, CFF, CGFM
Partner
860-419-3402
jcentofanti@pkfod.com

A large, thick, dark gray circular ring is positioned on the left side of the page. Inside the ring, the words "KNOW GREATER VALUE" are written in a bold, sans-serif font, stacked vertically.

**KNOW
GREATER
VALUE**

PKF O'Connor Davies, LLP

100 Great Meadow Road
Wethersfield, CT 06109
860-257-1870

APPENDIX A – FEES

Professional Services and Fees

Name of firm: PKF O'Connor Davies, LLP

Location of office staffing audit: Wethersfield, Connecticut

Number of Municipal professional audit staff in this office: 15

Number of Municipal professional audit staff to be assigned: 3-4

Connecticut municipal audit clients (FY2019 engagements for municipalities with population of 15,000 or higher):

Berlin	Farmington	New London
Bethel	Monroe	North Haven
East Haven	Naugatuck	Stonington
Fairfield	New Canaan	West Haven

Audit Fees:

	Year Ending June 30,		
	2020	2021	2022
Annual financial statements	\$ 40,500	\$ 41,500	\$ 42,500
Federal and State Single Audits	5,500	5,600	5,700
EFS	3,000	3,100	3,200
Total Audit Fee	\$ 49,000	\$ 50,200	\$ 51,400

Rate/hour for services outside the scope of the annual audit:

	Year Ending June 30,		
	2020	2021	2022
Partner	\$ 325	\$ 325	\$ 335
Managers	225	225	235
Senior Accountants	150	150	155
Staff Accountants	125	125	130
Administrative Support	75	75	80

Hours Provided for in Above Stated Fees:

	Year Ending June 30,		
	2020	2021	2022
Partner	50	45	45
Supervising Manager	150	95	95
Staff	350	310	310
Totals	550 *	450	450

* The 100 hours of "startup" time in the first year will not be billed and is our investment in establishing a professional relationship with the Town.

PKF O'Connor Davies, LLP

(Firm)



(Authorized Signature)

(860) 419-3402

(Telephone)

Partner

(Title)

April 8, 2020/ Updated May 5, 2020

(Date)

Manner of Payment

Our fees will be billed as work progresses on a monthly basis and are payable on presentation. We would expect all invoices for services to be paid within 30 days of receipt.

Our fee is quoted with the understanding that the accounts and records will be properly and currently maintained and in balance prior to commencement of our year-end audit. This includes trial balances of all individual funds, bank reconciliations, balancing of subsidiary records with general ledger control accounts, adequate detail of receivables, payables, etc. and other account analysis. Should any unusual circumstances, originating from the Town or its personnel require an excessive amount of time on our part, we would consult with you regarding any possible additional charge for the time involved prior to commencing the work.

Should any professional pronouncements issued by the GASB, the AICPA, the Federal or State governments, or should the number of major funds increases or should the number of Federal or State programs that are required to be tested increase significantly affect the audit hours, we would discuss possible fee changes with you prior to commencing the work.