



Memo

From the Town Manager's Office

To: Colchester Selectboard

From: Renae Marshall, Deputy Town Manager

CC: Aaron Frank, Town Manager; Lara Alemy, Finance Director

Date: November 4, 2024

Re: External Funding Requests – Analysis and Recommendations

Each year a number of external organizations request funding through the municipal services budget. This year, the Manager's office has reviewed the requests and offers recommendations in three categories, for the Selectboard's consideration in the FY 25 budget: 1) Recommended without qualifications; 2) Recommended with qualifications; and 3) Not recommended.

Not recommended is not a value judgement, but rather a consideration of Town-wide budget pressures, similar to a department asking for funding for a new service to the community. This next fiscal year continues to be challenging, as we are faced with a reduced employment pool for people willing to perform in-person physical work as is necessary to provide municipal services.

Below is an analysis of the requests with context for the recommendation. Attachment A is provided, showing the full request from relevant agencies.

Public Safety Requests

Police Department

- A. **Howard Center Community Outreach:** This program began in 2018. Since the beginning, it has been funded partially by the State of Vermont and the University of Vermont Medical Center, with the remainder of funding received from collaborative towns (South Burlington, Colchester, Essex, Williston, Winooski, Shelburne, Richmond, Milton and Hinesburg). However, the State of Vermont recently notified Howard Community Outreach that they would no longer assist in funding this program. This news led to an immediate shortfall of \$160,000 in annual funding. Last year, the program was increased from four to six community outreach staff members during the week, with on-call service outside of normal hours available through additional staff, and Colchester's FY25 share was \$44,184, which was a 10.5% increase over the prior year. This increase was planned as part of an updated agreement in FY 22 to expand the service to additional communities and give them access to their fair shares of a grant from the State and a grant from UVMCMC, which those grants did not expand when we extended the services to the additional communities. Now with the State of Vermont removing its annual funding for this program, Howard Community Outreach is asking each town to contribute more for FY26, in order to continue to provide these services.

The FY26 budget request is \$60,000, which is \$15,816 more than FY25, or a 35.8% increase. The Howard Community Outreach funding is included in the Police Budget under annual contracts, as it is a service contract versus direct funding.

The program has been well received by all participating towns and their respective Police Departments, which have first-line contact with individuals in need of services. Colchester Police Department would like to continue this service.

Manager's Recommendation: Recommended without qualifications. Should the Selectboard desire we could share expectations of less than double digit increases with Howard going forward.

- B. **Essex Community Justice Center:** This is a diversion program that addresses some criminal charges in a way that potentially resolves issues without a permanent criminal record. The Essex Community Justice Center (ECJC) is staffed by Town of Essex employees and is legally part of the Town of Essex. It is overseen by a Director who reports to the Essex Police Chief. The Center serves Essex, Colchester, Milton and a number of smaller communities on the Rt. 15 corridor. Their primary funding source is through the State of Vermont Department of Corrections. After starting this program, recruiting local communities to operate Justice Centers that serve surrounding communities and providing funding for the full costs, including cost increases over time, the State of Vermont froze funding. This shifted funding responsibilities for all increases to the host community, which, in our case, is the Town of Essex. Essex covered these increases for a few years entirely itself, but then, asked Colchester and Milton to contribute. The State Attorney General's Office (AG) will become responsible for the "pre-charge" services beginning in FY 26 due to a legislative change. This will require two sets of grant agreements with two different state agencies, the AG and the Department of Corrections. The AG's office has shared a desire to combine the pre-charge services into a single agency in each county. This is not desirable from the ECJC's perspective as they already provide regional services but still maintain close contact with the communities and police departments and offices who are involved in restorative justice. The Colchester Police Chief and Town Manager have been attending meetings to support the continuation of ECJC's services with as little change as possible.

Essex currently provides in-kind oversight and services as well as cash to fund their facility rental costs of \$16,200. Colchester agreed to provide \$16,200 of funding in FY25 but had reduced in past years to \$13,300, with the potential to go to \$16,200 based on justifications about the costs and that the Town of Essex either receive funding from, or discontinue service to the non-paying communities. Milton did not fund Essex Community Justice Center in FY 20, FY 21, FY 22, FY 23, FY 24 or FY25, and previously communicated that Milton didn't plan to do so into the future. However, the Center does not wish to stop providing service to the non-paying communities. This is not a direct contribution but rather a contractual contribution where costs are included in the Town of Colchester's Police Department Budget, as the relationship is between the Police Department and the Justice Center.

Manager's Recommendation: Recommended level funding of \$16,200 without qualifications.

Intergovernmental Requests

- A. **Winooski Valley Park District (WVPD):** WVPD requests \$61,186 for FY 26, which is a \$3,087 (5.3%) increase over the current year. WVPD's operating budget comes from its eight municipal members in the form of dues, based on each member community's relative population and the equalized property tax grand list. WVPD has stated that they will continue to seek new revenues that reduce the reliance on municipal shares for operations and will continue to work as hard as possible to multiply the dollars that Colchester provides by motivating volunteers to steward the parks, soliciting donated services, performing fee-based services for municipal clients, accepting donated or discounted property, acting as a fiscal agent for other organizations, and by writing grants.

Manager's Recommendation: Recommended FY26 funding of \$61,186 or 5.3% increase over FY 25 request.

- B. **Greater Burlington Industrial Corporation (GBIC):** GBIC is level funded at \$3,000.

Approving this request would allow GBIC to continue to offer Colchester services the same or similar as in recent years. GBIC is helpful regionally in economic development, and owns the Fabtech and Hayward Tyler buildings on Hercules Dr. and Roosevelt Highway, respectively. Colchester does not have significant ongoing business with GBIC.

A reduced funding amendment to this proposal may diminish future business assistance services.

Manager's Recommendation: Recommended without qualifications.

- C. **Lake Champlain Chamber of Commerce (LCCC):** LCCC does not have a specific request, however, the Town has funded them in the past at \$1,500 per year with an additional \$500 for the Vermont Council on World Affairs (which is housed by the LCCC). Similar to GBIC, LCCC is important regionally, although the LCCC relationship with the Town is more direct, as the Town Manager and Economic Development Director attend chamber functions and converse with chamber leadership and members on a monthly basis. LCCC was the one non-governmental organization which offered assistance and identified potential champions for causeway repair fundraising after the 2018 storm.

Approving this funding would allow LCCC to continue to offer Colchester services the same or similar as in recent years. A reduced funding amendment may jeopardize those services.

Manager's Recommendation: Recommended without qualifications.

Health Agency Requests

- A. **UVM Home Health & Hospice** (formerly Visiting Nurses Association): UVM Home Health & Hospice is headquartered here in Colchester, and their property at 1110 Prim Road and the Respite House on 3113 Roosevelt Highway are exempt from municipal services taxes that would total \$57,916 annually based on FY 25 tax rate. The FY26 request is \$38,000, or an approximate 5.6% increase from the Town's FY25 funding amount of \$36,000. UVM Home, Health & Hospice contributes a support payment, in lieu of taxes, to the Town in the amount of \$18,000 annually, so the net annual municipal services tax break is \$39,916. The Town did not ask for an increased support payment when the Respite House was built, as we had a multi-year support agreement with UVM Home Health and Hospice. It is not likely that level funding would affect services to Colchester residents.

Manager's Recommendation: Recommend level funding at FY25 rate of \$36,000.

- B. **Age Well:** Age Well has requested \$1,500, which is \$500 or a 50% increase over FY25. Many of the communities which fund Age Well also receive E&D transportation from SSTA/GMT via Age Well. Colchester contributes more to E&D transportation than any other single municipality in the State of Vermont. At some point, if SSTA/GMT E&D costs can be controlled, Colchester may wish to consider transferring its E&D transportation responsibility and funding to Age Well.

Manager's Recommendation: Recommended level funding at FY25 rate of \$1,000

- C. **Steps to End Domestic Violence:** Steps to End Domestic Violence is asking for \$4,000, which is \$3,450 more than was funded in previous years, or 627% more. Based on the FY 25 tax rate, the Town forgoes \$8,390 in municipal service tax revenue since their acquisition of a property in Colchester for the purpose of providing a shelter to those folks fleeing domestic violence.

Manager's Recommendation: The \$3,450 increase is not recommended. Funding at the \$550 level is recommended.

- D. **Howard Center:** The Howard Center is an important human services organization, but they are essentially a contractor of the State of Vermont that provides health services on behalf of the State of Vermont with state funding and state-provided federal funding. The Town of Colchester funds the Howard Center directly via the Community Outreach program.

Manager's Recommendation: Funding is not recommended.

Other Agencies

- A. **Green Mountain Transit** – formerly known as CCTA: Colchester has a contract with Green Mountain Transit, which provides bus transportation on Rt. 15 and Rt. 7 (\$53,147) as well as ADA qualified riders on the Route 15 corridor (\$74,531) whereby the total FY 26 estimated contract cost is \$127,678. Colchester also participates in the Special Services Transportation Agency rider grant program that subsidizes rides for qualified elderly and disabled riders, whereby our estimated funding is about \$40,000 for FY 26. For this program, the Town pays the 20% match until the grant is exhausted, then we pay 100%.

Under previous contracts, costs for GMT bus services increased no more than 3% annually, but there was no cap on ADA costs. The current contract was developed, with an eye toward more stable cost increases across both fixed route bus and ADA costs. Costs for SSTA services contracted through GMT (ADA and E&D) are increasing from a combination of trip cost increases and more people riding, but importantly as GMT is utilizing less of their flexible federal funding for the ADA program than in the past. The local share of ADA funding is increasing from 50% to 55% of ADA costs. The ADA program is also changing slightly in how it is billed, in that each round trip will be shared between the origin and destination community vs. the residence of the rider. This change may benefit some communities more than others.

Manager's Recommendation: Recommended without qualifications.

- B. **Membership Organizations: VLCT & CCRPC** These are dues-based organizations that supply a variety of services and are long established partners. Costs are going up by the cost of living.

Manager's Recommendation: Cost of living increases are recommended without qualifications.

- C. **Vermont Adult Learning** – This organization has not been previously funded. Vermont Adult Learning serves adults 16 years of age and older throughout Chittenden County, with one location at Fort Ethan Allen. They offer language classes, skill-building in the essential areas of math, reading and writing and help adults achieve their high school diploma by working with local schools. The FY26 request is \$1,000

Manager's Recommendation: Funding is not recommended.