



March 10, 2014

Honorable Daryl Finizio  
Mayor  
City of New London  
City Hall  
State Street  
New London, CT 06320

Re: Mitchell College Contributions to City

Dear Mayor Finizio:

It was a pleasure to meet with you recently and hear about your fiscal challenges and vision for the City of New London. During my tenure here as President over the past 20 years, I have also dealt with many financial issues and had to generate the resources needed to upgrade the College's facilities and move our institution forward during good times and bad times, so I fully appreciate your situation.

Mitchell College generally supports your concept of asking some of New London's leading institutions and non-profits to contribute voluntarily to the City as good neighbors and in recognition of the occasional burdens placed on municipal services by the operation of large facilities. Notwithstanding the tax-exempt status of the College's properties and activities, we have been making voluntary payments to the City since 2003 pursuant to a Tax Settlement Agreement. I am pleased to report that as of July 1, 2014, the College will have made a total of \$312,500 in voluntary payments to the City under this agreement. In some years, the annual payment by the College has approached the level of the 1 mil annual supplemental tax on the College's assessed properties (\$41,581) which you discussed at our lunch.

To the extent that you are seeking an additional contribution from Mitchell College, I am not in a position to accommodate your request at this time for several reasons. First, there was significant pressure on the College's enrollment, tuition costs and staffing during the recent recession. Although we weathered that pressure and our enrollment is increasing again, it will take us some time to fully recover from that slowdown and its financial consequences.

Second, our College continues to provide a quality education, student scholarships and more than 118 full time and 94 part time jobs at living wages to New London residents. Our scholarships include a free tuition program for City employees.

Third, we provide numerous recreational opportunities for New London residents through College facilities and the Alfred Mitchell Woods. As you may know, the College serves as the trustee for the Woods and administers that 24 acre parcel as a public park and recreation place. It features a new basketball court, tennis courts, two Little League baseball fields, playground, volleyball court, walking trails and other amenities, and is enjoyed by residents from throughout New London. The College uses its own personnel and resources as well as trust funds to maintain those facilities and grounds.

We are committed to continuing to look for ways to assist the City government and New London residents in building a stronger and more economically vibrant community. Although the College is unable to commit to making an additional one time payment to the City for budget relief, we stand ready to partner with you on other projects that will enhance the quality of life in the City.

Sincerely,

A handwritten signature in cursive script that reads "Mary Ellen Jukoski". The signature is written in black ink and is positioned above the printed name and title.

Mary Ellen Jukoski  
President

MEJ/ah



# CONNECTICUT COLLEGE

Katherine Bergeron  
*President*

March 6, 2014

Hon. Daryl Justin Finizio  
City Hall  
State Street  
New London, CT 06320

Dear Mayor Finizio:

Thank you again for meeting with me over lunch. It was a great opportunity for us to begin a conversation that I look forward to continuing over time.

I also appreciate that you gave me advance notice of your plan to request one-time payments from all of the non-profit institutions in the city. Following our meeting, I had the opportunity to consult with the College's Board of Trustees, and we are not in a position to provide the additional level of funding you have requested. We will, of course, continue to honor the financial commitment we made to the city in 2007.

As a native of Old Lyme and a graduate of Wesleyan University, I am personally committed to supporting the community that has been so important in my life. Connecticut College is an educational institution, and so our primary mission is, as you know, to our students. We are certainly aware of the responsibility we have to maintain and strengthen our connections to the community. Civic engagement is what brings a liberal arts education to life, and the opportunities for our students to contribute to—and learn from—our many community partners enhances their educational experience while also benefiting the region. The commitment that the College has to the city of New London, in particular, is shown not only through the thousands of hours that students, faculty, and staff donate in volunteer services, but also in the way we open our doors to our neighbors. We offer several hundred cultural and athletic events free of charge or at a nominal cost each year, while also providing community members access to core facilities such as the Charles E. Shain Library, the Olin Observatory, the Athletic Complex, and the Arboretum. And, through our Jane Bredeson scholarship, we have awarded \$1.4 million since 1996 to New London residents who enroll full-time at Connecticut College.

As I told you over lunch, there is enthusiastic support from current students to deepen and expand the College's connections to the surrounding community, and we are committed to working together with you and other leaders to find productive ways of moving forward.

I am delighted that you will be participating in the inauguration ceremonies on April 5. In the meantime, I wish you all the best with the continuation of this year.

Yours sincerely,

Katherine Bergeron  
President

March 3, 2014

Hon. Daryl Justin Finizio  
Mayor, City of New London  
City Hall  
State Street  
New London, CT 06320

Dear Mayor Finizio:

Thank you again for lunch last Wednesday. As always, I enjoyed our discussion, and promise to invite you to Lawrence + Memorial Hospital soon to provide more information about our operations and finances here.

On the topic of finances, I am afraid that neither the hospital nor its parent corporation, L+M Healthcare, is currently in a position to contribute the nearly \$200,000 one-time contribution you are requesting for the City of New London. While I can empathize with the fiscal challenges you and the city are facing, L+M and other hospitals throughout the state are facing severe financial difficulties of our own.

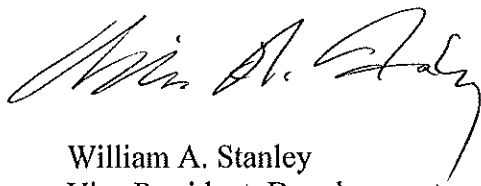
Enactment by the legislature three years ago of Gov. Malloy's gross receipts tax on hospitals; continued substantial cuts by the state and federal governments in Medicaid and Medicare reimbursement; additional losses associated with the Affordable Care Act; and nationwide declines in patient volume have all combined to create financial hardship for L+M and many other not-for-profit hospitals. For the fiscal year ending September 30, 2013, L+M Healthcare (which includes L+M Hospital, Westerly Hospital, the L+M Medical Group and the Visiting Nurse Association of Southeastern Connecticut) lost \$7 million. Additionally, the cost to L+M from the recent labor dispute between the hospital and two of its unions cost millions of dollars, leaving us with a deep budget gap that will almost certainly result in an even greater loss this fiscal year. As I mentioned Wednesday, we have a third contract negotiation coming up in 2015 with the largest of our three unions, the Healthcare Workers. Your kind offer notwithstanding to help explain it to union leadership, you can surely appreciate how difficult it would be for us to provide a six-figure grant-in-aid to the city while simultaneously trying to explain how those same funds are not available for raises to our service personnel.

L+M, other hospitals, and the colleges from which the city is seeking financial support, are among the leading economic drivers within their home communities. As you also know, L+M provides millions of dollars in community benefits each year, ranging from financial support to various local charities to free and subsidized care for uninsured and under-insured patients. None of the 10 communities in our service area benefits more from these community benefits than New London. Few are aware of the contributions hospitals make to the local and regional economies. The public – and apparently our elected leaders, too – may well be surprised to learn of the sharp reversal in the economic condition and financial outlook that has occurred for hospitals over the past two years, a projection which is only expected to become more difficult in future years.

Finally, we are reluctant to even consider such a voluntary payment to the City at a time when the Speaker of the state House of Representatives, Brendan Sharkey, has just proposed legislation that would require not-for-profit hospitals and private colleges to begin paying local property taxes. Were this to pass, the likely result for hospitals would be still more employee layoffs and reductions in programs, services and community benefits.

I wish you well in the coming months as you strive to overcome New London's challenges – some of which are common in urban settings, others that are unique. L+M looks forward to remaining as a leading economic force in New London – and throughout the rest of the area – where our mission remains “to improve the health of the region.”

Very truly yours,

A handwritten signature in black ink, appearing to read "William A. Stanley". The signature is fluid and cursive, with a long, sweeping tail that extends downwards and to the right.

William A. Stanley  
Vice President, Development  
+ Community Relations

cc: Bruce D. Cummings