

# MEETING MINUTES

## TOLLAND TOWN COUNCIL HICKS MEMORIAL MUNICIPAL CENTER 6<sup>th</sup> FLOOR COUNCIL ROOM JANUARY 24, 2012 – 7:30 P.M.

**MEMBERS PRESENT:** Jack Scavone, Chairman; Richard Field, Vice-Chair; Jan Rubino; Benjamin Stanford and Mark Gill

**MEMBERS ABSENT:** Sam Belsito; Joshua Freeman

**OTHERS PRESENT:** Steven R. Werbner, Town Manager; Michael Wilkinson, Administrative Services; Mr. Steve Clark, Board of Education Liaison; Vanessa Rossitto, Blum, Shapiro & Company, P.C; Chris Martin, Webster Bank; Steve May, Milliman

1. **CALL TO ORDER** Jack Scavone called the meeting to order at 7:30 p.m.
2. **PLEDGE OF ALLEGIANCE** Recited.
3. **MOMENT OF SILENCE** Observed.
4. **PROCLAMATIONS:** Honoring Tolland Project Graduation's 25<sup>th</sup> Anniversary.

Mr. Field read the Proclamation. On behalf of the Tolland Town Council, Mr. Scavone recognized the Tolland Project Graduation 25<sup>th</sup> Anniversary and the great group of volunteers who work tirelessly for the sake of Tolland's students.

Mr. Scavone presented the proclamation to Mr. Dan Fontaine, president of Tolland Project Graduation.

5. **PUBLIC PETITIONS, COMMUNICATIONS, AND PUBLIC PARTICIPATION** (*on any subject within the jurisdiction of the Town Council*) (2 minute limit)

**Ken Kitteridge, 37 Farm Brook Drive** – Noted that when looking at the budget that the Council keeps a mindful eye on the bigger picture which would include previous mill rate increases. He would like to see Tolland keep what it has. He added that the proposed BOE budget is a maintenance budget.

**Dierdre Goldsmith, 21 Marlboro Glade** – Commented she wants the opportunity to vote on a budget that supports the school district's current needs.

**Kelly Pabilonia, 33 Deer Meadow Road** – Is in support of a budget increase to support the school. She is in favor of having foreign language classes reinstated at the middle school and lower student to teacher ratios.

6. **PUBLIC HEARING ITEMS:** None.
- 7a. **REPORTS OF BOARDS AND COMMITTEES RESPONSIBLE TO THE COUNCIL:** None.
- 7b. **REPORTS OF TOWN COUNCIL LIAISONS:**

Mr. Fields went to the BOE workshop at the high school. He believes these activities should be done as often as possible.

## 8. NEW BUSINESS (ACTION/DISCUSSION ITEMS):

### 8.1 Presentation and discussion of 2010-2011 Comprehensive Annual Financial Report.

Vanessa Rossitto of Blum, Shapiro & Company, P.C. presented the Council with the Town's audit for the year ending June 30, 2011. The Town members received a copy of the Comprehensive Annual Report for the year ended June 30, 2011 and she reviewed same. Ms. Rossitto highlighted the main points of the 2010 – 2011 Comprehensive Annual Financial Report with the Council members. Ms. Rossitto explained that her firm has given the Town of Tolland a clean and unqualified opinion on its financial statement. She highlighted that the Town has net assets of \$97.7M. Of that amount, \$80M is invested in capital assets. Under Business-Type Activities the Town has net assets of \$10.3M. Further, on a budgetary basis, \$314K was returned to the fund balance. Ms. Rossitto added that the firm also did a federal and single state audit for the Town and has issued a clean opinion on compliance over the programs and over internal controls.

Mr. Field wished to commend everyone who participates in the financial reporting function in Tolland noting that the Town has a very solid financial operation.

### 8.2 Debt Management Plan Presentation by Christine Caruolo and Chris Martin of Webster Bank.

Chris Martin of Webster Bank presented the Review of Proposed Debt Issuance Plan & Financial Indicators to the Council members. This document was included in their packets. Over the past year, the Town's debt was refinanced and the Town's ratings were renewed with both S&P and Fitch. They affirmed both of these ratings and it was very complimentary to the financial practices of the Town and the policies in place. Mr. Martin reviewed proposed capital projects and the proposed debt issuance plan. The Town was able to achieve over 3% net present value savings on the refinancing. Based on the medians of the S&P, the Town falls into the average range on a national scale and in the middle range on the state scale. In summary, there is a well-defined process in place so that ratings agencies feel there is a great deal of transparency and it is easy to understand the Town's plans.

Mr. Werbner explained that the historic lows have allowed the Town to acquire money at very low rates.

Mr. Martin added that Tolland is in the fairly unique position to take advantage of federal money on the geothermal lease in part because the finance people and the town manager had documentation in place and was were able to work through the process and submit the necessary paperwork. Seventy percent of the interest on the lease is paid by the federal government.

### 8.3 Health Insurance Update Presentation by Steve May of Milliman.

Steve May of Milliman provided a handout entitled "Tolland Town and Board of Education Predicting Hurricanes & Projecting Health Benefit Claims" to the Council and reviewed the document.

Mr. Werbner noted that in his opinion Mr. May is one of the leading health consultants in the state and has been beneficial in guiding the Town through the volatile health insurance market over the years. While the Town has changed carriers several times over recent years, it was due to service, rates and new activity in the market that the Town was able to save hundreds of thousands of dollars.

Mr. May presented the cone of uncertainty in terms of predicting hurricanes and the budget projection methodology. It relies on standard underwriting projection methodology. Mr. May also presented the monthly claims experience and noted an uptick over the last two months. He also reviewed the renewal projection FYE 2013 which showed a needed increase of 13.16%. Lastly, he covered options available under Connecticut Public Act No. 10-174 and Connecticut Public Act 11-58. Council members' questions

were addressed. Mr. Werbner noted that the platform cost for an HSA is significantly lower than that of a traditional plan and allows employees to save money.

- 8.4 Consideration of a resolution making an additional appropriation of \$188,390 in bond premium from the 2011 bond issue and setting aside this amount as “assigned” general fund balance to offset future debt service expenditures and the setting of a public hearing thereon for February 14, 2012.

Mr. Scavone read the agenda item. Mr. Werbner explained that the premium needs to be recognized as revenue in this fiscal year and the actual spending of the premium will occur in accordance with the debt service plan. Due to exceeding the \$40k threshold, according to the charter a public hearing needs to take place.

Mr. Field motioned to set a public hearing for the meeting of February 14, 2012 to discuss this motion.

Mr. Stanford seconded the motion. All were in favor.

- 8.5 Discussion on replacement of damaged and/or stolen recycling carts.

Mr. Scavone read correspondence he received from a resident. There was an accident on her front lawn and a vehicle drove over her recycling bin. She noted it was a grave inconvenience for her to have to purchase another bin and requested the Council to consider discussing this issue.

Mr. Werbner explained that the current policy, similar to mail boxes, there has to be a rule/law when dealing with such incidents. These rules were discussed by the previous council when the town went to automated recycling/pickup. The previous Council deemed the only replacement would be if there was a theft of a recycling cart that was reported to the state police. All other cases were the responsibility of the homeowner. In terms of the solid waste cart, there is no replacement unless the damage was due to the vendor. Mr. Werbner would be comfortable with extending replacements of recycling carts to those who report incidents of vandalism to the state police. Mr. Werbner explained that over the last two months there has been a downturn in recycling and an increase in solid waste. The community needs a better approach and is surveying residents with smaller bins if they would move to a larger bin. Mr. Werbner would like to review this when discussing the budget and requested setting a public hearing on the next agenda.

Mr. Field motioned to set a public hearing for the next meeting on February 14, 2012 for the purpose of discussing a change to the regulation for recycling. Mr. Stanford seconded the motion. All were in favor.

- 8.6 Authorization to expend up to \$15,000 from the CNRE fund for the purchase of a used generator to replace generators identified in the five year capital budget.

Mr. Scavone read the agenda item. Mr. Werbner explained that in the capital budget there is \$59k for a new generator for the senior center, the primary shelter. Over the past month and a half the electrical contractor has come across used generators (same or greater kilowatts needed) that could be purchased for \$8-10k. The cash needed to be available at the time and although this opportunity was missed, it is believed that others will become available. The authorization would allow the Town to be able to jump on such an opportunity and reduce the item within the capital budget from \$59k to \$15k and use the remainder of the funds to offset other general fund expenses in the capital budget.

Mr. Field read the following resolution:

BE IT RESOLVED by the Tolland Town Council that it authorizes the expenditure of up to \$15,000 from the CNRE fund for the purchase of a used generator to replace the generators identified in the five year capital plan. Mr. Gill seconded the motion. All were in favor.

After discussion, Mr. Werbner noted that it could be amended to say \$15k from the CNRE fund and \$15k from the ambulance fund then the Town would be prepared to do something for the fire department as well. Mr. Field stated that he was willing to add those changes to the motion if it was agreeable to the seconder. Mr. Gill seconded the motion. All were in favor.

8.7 Appointments to vacancies on various municipal boards/commissions.

Council members had a brief discussion on vacancies. No appointments were made at the meeting.

9. **OLD BUSINESS (ACTION/DISCUSSION ITEMS):** None.

10. **REPORT OF THE TOWN MANAGER (A WRITTEN REPORT SHALL BE PROVIDED THE 1<sup>ST</sup> MEETING OF THE MONTH ONLY)**

Mr. Werbner noted that the TVA meeting to be held on Wednesday, January 25, 2012 has been rescheduled to February 9, 2012.

11. **ADOPTION OF MINUTES**

11.1 January 10, 2012 Regular Meeting Minutes. Mr. Field moved to adopt the minutes. All were in favor. None opposed.

12. **CORRESPONDENCE TO COUNCIL**

12.1 Mr. Scavone received a letter from the Coventry 300<sup>th</sup> Anniversary Parade Committee. He will pass it on to the Tolland 300<sup>th</sup> Anniversary Committee.

12.2 Mr. Scavone received a letter from the Juvenile Justice Advisory Committee noting that funds were available.

12.3 Mr. Gill read an e-mail received from **Vickie Hadge, 8 Timber Trail** which shared her concerns regarding the budget process and is concerned with what she sees as a negative relationship between the Town Council, Town Manager and BOE. She would like to see a budget that would not only maintain current services but also one that is publicly backed by everyone involved.

13. **COMMUNICATIONS AND PETITIONS FROM COUNCILPERSONS:**

Mr. Field would like to see the Council hour and the Town Council/BOE Hour be continued in some form. He explained that it is a service to the community. Ms. Rubino agrees that it is a nice idea to be available and that it is beneficial to the community. Mr. Field would like this added to the next agenda and Mr. Scavone would like this conveyed to the BOE. Mr. Steve Clark from the BOE commented that he was awaiting hearing from the Council.

14. **PUBLIC LISTED PARTICIPATION** *(on any subject within the jurisdiction of the Town Council)*  
*(3 minute limit)*

**Jackie Colb, 34 Susan Drive** – Asked the Town Council that when it reviews the BOE budget that its approach be to maintain or improve service levels, not to work toward a specific number but to know the implications.

**Lou Deloreto, 169 Wildwood Road** – Shared his thoughts on the superintendent’s budget. Understanding that the 5.98 number may put the Council in a difficult situation, he asked that it not consider a 0% or 1% increase and noted that based on his review that it would be catastrophic.

**Sam Adlerstein, 164 Pine Hill Road** – Encouraged the Council to get as many people as possible thinking of the substance of the budget. Whatever number discussed should also include its implications and a good process is needed to communicate those implications.

**Rich Bozzone, 9 Elm Road** – Inquired about the THS field lights and asked Mr. Werbner what the Town’s liability was if the fundraising effort was not successful. Mr. Werbner explained that it would be a liability and that the organization would present a plan in February. Further, regarding the \$188k refund due to financial markets, why was it applied to 2016. Mr. Werbner explained the reasoning behind this. Lastly, he inquired if the used generators discussed would have a warranty. Mr. Werbner will look into this.

15. **ADJOURNMENT** – Ms. Rubino moved to adjourn the meeting; seconded by Mr. Field at 9:04 p.m. All were in favor.

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Jack Scavone, Council Chair

Lisa A. Pascuzzi  
Clerk