

The fifth budget workshop was held on April 29, 1986, called to order at 7:30 p.m. immediately after a Special Town Council Meeting was held. Present were Council Members Bergamini, Diana, Gessert, Gouveia, Holmes, Killen, Papale, Polanski and Rys. Also present were Mayor William W. Dickinson, Jr. and Comptroller Thomas A. Myers. 286

Mr. Gessert referred to Page 137 and moved to PARKS - 503A, noting that Mr. Polanski did some research on replacing the existing pavillion columns at Lufberry Park where a request was made for \$10,000.

Mr. Polanski moved to appropriate the sum of \$2,500 for PARKS - 503A - PAGE 137 - REPLACE EXISTING PAVILLION COLUMNS AT LUFBERRY PARK, reducing \$7,500 from the \$10,000 requested, seconded by Mr. Rys.

Mr. Killen asked who would perform this work and Mr. Polanski said it would go out to bid. Mayor Dickinson asked if this has been reviewed with Mr. Deak and Mr. Polanski said he has reviewed the plans and he commented to Mr. Deak that he felt the \$10,000 requested was extremely high. Mayor Dickinson hopes everyone is comparing apples to apples and Mr. Gessert indicated that these columns can be replaced for \$2,500 with an outside contractor and Mayor Dickinson just wanted to be sure that the work that was originally designed is what the price is being obtained for because he did not want to get into this project and not have the money to complete it. Mr. Polanski said it was to replace the columns, putting in footings and lolly columns to hold the roof up and Mr. Polanski felt that \$10,000 was not necessary to replace 12 cedar posts and put in footings. Mayor Dickinson didn't want anyone to get hung up on the description because if the roof needed repair and this price doesn't include the roof. . .Mr. Polanski stated that he looked at the plans which just show the removal. . .Mayor Dickinson just pointed out that it won't get done if there isn't enough money. Mr. Killen indicated that the plans are specific about the work. Mrs. Papale asked if Mr. Deak showed Mr. Polanski how this amount was arrived at and Mr. Polanski said Mr. Deak did show him. Mr. Killen was satisfied that all bases have been covered. Mr. Diana wanted a letter sent to Mr. Deak to make him aware of this action so if he has any problem with this, it can be handled before adoption of the budget.

VOTE: Unanimous ayes; motion duly carried.

Mr. Gessert indicated that there is a matter to be addressed for Mr. Dunleavy regarding a maternity/sick leave request.

Mayor Dickinson asked Mr. Gessert to hold a special meeting to discuss the insurance package the consultants have prepared, preferably this week, since this meeting should be held before the budget is adopted. The Mayor felt that this meeting could be held prior to a budget workshop and Mrs. Collins will be present and it was suggested for Tuesday, May 6, 1986. The Mayor indicated that the insurance consultant would not be present since they were hired to put together specs and not necessarily come to a meeting. Mr. Gessert asked the Mayor to tell the consultant that a meeting goes with the specs.

Mr. Killen said that specs are only a lot of numbers and he wants the consultant present to explain them and Mr. Diana felt that if the Council is not going to be able to interact with the insurance consultant, it will do them no good. The Mayor felt the consultant could be present during the day but he couldn't promise an evening unless the Council wanted to pay him for it and Mrs. Bergamini felt if he had to be paid for attending a meeting, he should be paid.

VISITING NURSES ASSOCIATION - 305 - PAGE 76.

Present were Judy Pulaski, Office Manager, Robert Wuchert, President, Visiting Nurses Association Board, Betsy McCully, Treasurer and Muriel Lemay, Director.

Mr. Rys moved acceptance of VISITING NURSES ASSOCIATION - 305 - PAGE 76, seconded by Mrs. Bergamini.

VOTE: Unanimous ayes; motion duly carried.

Mr. Myers presented the Council with a budget update and said that through April 28, 1986, the budget was reduced by \$84,169, a little over 1/10 of a mill, with \$5,000 placed in contingency for the janitorial contract at the Police Station, \$4,300 for lieutenant's wages in the Police Traffic Division, \$4,938 for Deputy Fire Marshal wages and \$62,500 for station renovation/Yalesville Fire Department. Mr. Gessert asked if any of the utilities monies had been placed in contingency for the Police Department and Mr. Holmes indicated that there is no track record. Mr. Myers has been keeping track and there is a list of items pending--Dog Pound building repairs and truck replacement, ZBA secretary, Robert Earley tabled for a report from Mr. Deak on the use of the gym, Purchasing maternity leave, fuel oil contract bid, disposition of the Civil Defense building, Community Pool Account #511, Fire Marshal Inspector (New), Fire Marshal Capital, increase Hypertension due to the death of Fire-fighter Kelly, discussion with Mayor Center Street Contribution, Beautification Committee. 287

Mr. Polanski pointed out that a reduction of work was effected in Central Services with the Police Department moving to a new facility.

ZONING BOARD OF APPEALS - 702 - PAGE 179.

Mr. Moraza returned with an accounting of the hours submitted by the ZBA secretary through April, 10 months of the fiscal year, 445 hours and with 2 months left, 80 or 90 hours more. Mrs. Bergamini felt that ZBA meetings last 4 hours, leaving 82 hours for transcription of minutes. Mr. Moraza said the last minutes took 86 hours and Mrs. Papale said those minutes were unusually long. Mr. Moraza said she also has to put the newspaper ad in. Mr. Gessert asked the Town Council Secretary how long it took to type a page and she felt that 35 pages took about 15 hours of typing time, up to 20 hours, about one-half hour per page.

Mr. Gouveia asked Mr. Moraza how many meetings the ZBA held per year and Mr. Moraza said that they had one meeting a month.

Mr. Holmes asked if the ZBA secretary would stay on at the current rate of pay and Mr. Moraza said if the \$50 meeting fee was taken away, he would look for an increase for her. Mrs. Bergamini said that at \$8.00 an hour, she would receive \$24 for a 3 hour meeting. Mr. Holmes said the Council was trying to have a somewhat uniform part-time hourly secretarial rate.

Mr. Holmes moved to remove the subject of the ZONING BOARD OF APPEALS - 702 - Secretary on Page 179 from the table, seconded by Mr. Rys.

VOTE: Unanimous ayes; motion duly carried.

Mr. Killen still can see how the PUC can do what they do with their secretarial wages and P & Z has a clerk typist at 19 hours a week for \$5,400, a full year.

Mr. Holmes moved to reduce Secretary, ZBA, \$500, for a new total of \$4,000 (Page 179), seconded by Mr. Polanski.

VOTE: Unanimous ayes with the exception of Mrs. Bergamini, and Messrs. Gouveia and Killen who voted no; motion duly carried.

PERSONNEL DEPARTMENT.

Mr. Holmes moved acceptance of PENSION FUNDS - 802 - PAGE 122, seconded by Mrs. Bergamini for discussion.

Mrs. Bergamini noted that the pension plan contribution is 22% and Mr. Myers would not recommend changing that figure with the amount of bonds Wallingford has and credit worthiness depends upon the town's abilities to pay its debts and great progress has been made in the pension plan area and Mr. Myers credits the Council for this positive move. Mr. Seadale said that in 1975, the entire pension plan for the town was worth a little over a million dollars and now there is about \$25,000,000 in the pension fund, in just 11 years. Mr. Myers said Wallingford has a split bond rating--A1 with Moody's and AA Standard & Poor and Mr. Killen felt that more the town proves its ability to pay, the less it is getting out of it. Mr. Myers said it was a different scenario in 1978 - 1980. Mr. Killen felt that it

hurts with Fact Finding and he felt it should be underfunded with the ability to tax. Mr. Seadale also pointed out that this money is invested and it has been yielding extremely well. Mr. Killen has not recently received a statement showing where the money was invested. 288

Mrs. Bergamini moved to reduce line 808 Consolidated Pension Plan by \$35,000, for a new total of \$1,850,000, seconded by Mr. Rys.

VOTE: Unanimous nos with the exception of Bergamini, Diana, Gessert and Rys who voted aye; MOTION DID NOT CARRY.

Mr. Gessert pointed out that the pension contribution is based on every position being filled all year and there are always existing vacancies. Mr. Myers said that he and Mr. Seadale took last year's payroll, added union increases, new positions, projected next year's increases and figured it at 22%.

Mr. Rys mentioned that we will be coming in about \$90,000 under budget from last year and Mr. Myers felt that this year will come in at \$1,740,000, about \$15,000 short but he does agree with the open positions, etc. and there may be \$15,000 play.

Mr. Rys moved to reduce line 808 Consolidated Pension Plan on Page 122 by \$15,000, for a new total of \$1,870,000, seconded by Mr. Holmes.

VOTE: Unanimous ayes with the exception of Mr. Polanski who voted no; motion duly carried.

Mr. Rys mentioned that an annualized figure for Social Security comes to about \$78,000 and Mr. Myers mentioned that in this case, that cannot be done on that account because he has placed an accrual on that because of litigation pending with the State of Connecticut. Mr. Myers wanted the Council aware of the fact that Congress passed a Medicare tax on top of Social Security of 1.45% of payroll and every new employee coming on is under Social Security--if they are under the town's pension--no but if they come on under Social Security, this 1.45% must be paid. Mr. Seadale said this was effective April 1, 1986 and this 1.45% must be matched by the town. Mr. Diana asked what the figures were for the pension plan for the Board of Education and Mr. Myers turned to page 133 which documented \$373,000 and while the Board of Education budget was approved at \$21,876,418, the real cost of education is \$23,515,788, the amount that should be reported to the State of Connecticut. Mr. Diana felt it was important to go on record showing this money going to the Board of Education. Mr. Holmes would like to see the report the Board of Education sends to Hartford detailing MER. Mr. Killen indicated that he has still not received the information he requested from the Board of Education regarding staff positions, length of service, current salary, etc.

Mr. Holmes moved acceptance of PENSION FUNDS 802 ON PAGE 122, as amended, seconded by Mrs. Bergamini.

VOTE: Unanimous ayes; motion duly carried.

Mrs. Papale moved acceptance of line 829 Self-Insurance-Unemployment of \$18,000 ON INSURANCE, PAGE 123 (NO SECOND).

Mr. Seadale said that this number is predicated on layoffs and how many people collect and charge to you and as a municipality you are charged dollar for dollar for unemployment and this has been a good year but the prior year was not good.

Mr. Rys moved to reduce line 829 Self-Insurance-Unemployment, Page 123, by \$3,000, for a new total of \$15,000, seconded by Mr. Killen.

VOTE: Unanimous ayes; motion duly carried.

Mr. Rys moved acceptance of line 829 Self-Insurance-Unemployment, Page 123, as amended.

VOTE: Unanimous ayes; motion duly carried.

Mr. Holmes asked if unemployment will have to be paid for the person who resigned from the Police Department and Mr. Seadale said that for a voluntary quit you shouldn't.

Mrs. Bergamini questioned Blue Cross and Mr. Seadale said this is for the actual number of people on board and is a very tight number and the new rate goes into effect May 1 and we are guessing for two months. Mr. Rys said he annualized the number and it comes out to around \$397,112 and \$450,000 was appropriated in 1985-86; he used a formula of 30% for 10 months and 45% for 2 months and he comes up with \$516,000. Mr. Gessert asked why we couldn't get someone other than Blue Cross to provide the service. Mr. Seadale said that Blue Cross is willing to put on a presentation to show how rates are determined and our rates with them are experience rated, based exactly on what Blue Cross pays out plus a retainer for them which runs probably around 3% and they don't pay a commission to their sales people and they are a non-profit organization and get a discount on the hospital bill which most carriers don't get. Mr. Seadale felt you could not buy equivalent coverage for this money but everytime we negotiate and comparable coverage is suggested, it gets shot down but it is tried. Mr. Seadale presented the Council with propaganda entitled Admission Planning Services and he said that benefits don't change but there could be penalties on employees who do not avail themselves of second opinions, who get admitted to a hospital without having the doctor check with the pre-admission unit but for \$2,400 it looks like a fairly good plan and Mr. Seadale would like to discuss this further at some other time. Mr. Holmes felt we should look at cost containment. Mr. Seadale said Blue Cross is instituting two things which may help the town and hurt the Board of Ed, birthday rule on coordination of benefits--the spouse with the earliest month of date of birth will be the primary carrier and pre-existing conditions for the first year of employment will be ruled out for the first year's coverage. Mr. Seadale pointed out that the Blue Cross number includes the dental and the dental actually went down. One case alone had a hospital bill of over \$100,000. Mr. Killen asked why unions fight comparable coverage and Mr. Seadale felt that it was because they thought you are trying to take something away from them. Mr. Seadale felt that the Council should view the Blue Cross presentation.

Mr. Rys felt that based on his formula, this figure will come in \$50,000 under budget and Mr. Seadale felt it would come up short.

Mr. Rys moved to reduce line 831 Blue Cross by \$35,000, for a new total of \$530,000, seconded by Mrs. Bergamini.

Mr. Seadale pointed out that the increases for May and June are not factored into that because Blue Cross increased 40% this year. The reserve accumulation lowered the increase. Mr. Seadale said that the number calculated very quickly is \$417,000 and the last 2 months are raised 30%.

Mr. Gouveia said that over 50% has not been expended in all the insurance accounts and Mr. Seadale said that as of 3/31/86, \$297,834 was spent on Blue Cross and \$119,000 on Blue Shield. Mr. Seadale pointed out that Retirement Sick Leave is predicated on the number of people who retire and that account is being used to pay the sick leave that remained with the two firefighters who passed away.

Mr. Myers said projecting Blue Cross out for 1986-87, you take \$44,700 times 10 months and Mr. Rys will let his original motion stand.

VOTE: Unanimous ayes with the exception of Mr. Holmes and Mrs. Papale who voted no; motion duly carried.

Mr. Rys asked what percentage increase was being requested in Blue Shield for next year and Mr. Seadale used actual numbers of people on the payroll and actual rates for 10 months. Mr. Seadale said Century 90 went up 22%, Home & Office went up 10.7% and Blue Cross increased 40.7%, increase on major medical 2.7% and dental decreased 6.2% and the big dollars are in the hospitalization and in Century 90. Mr. Rys gets an annualized figure of \$159,347 and allowing for a 30% increase, it comes to \$207,000, 10% above what Mr. Seadale has projected.

Mr. Rys moved to reduce line 832 Blue Shield (CMS) by \$8,000, for a new total of \$207,000, seconded by Mrs. Bergamini.

VOTE: Unanimous ayes with the exception of Messrs. Gessert and Killen who were not present for the vote; motion duly carried. 290

Mr. Rys moved acceptance of Page 124 INSURANCE - EMPLOYEES 804A, as amended, seconded by Mr. Diana.

VOTE: Unanimous ayes with the exception of Messrs. Gessert and Killen who were not present for the vote; motion duly carried.

Mr. Diana referred back to page 123, line 826 Education Insurance and Mrs. Bergamini said this could be addressed when Mrs. Collins comes back to the Council.

PERSONNEL AND LABOR RELATIONS - 159 - PAGE 48.

Mr. Rys moved Page 48 - PERSONNEL AND LABOR RELATIONS - 159, for discussion, seconded by Mrs. Bergamini.

Mr. Polanski asked how many people in management are taking college courses and Mr. Seadale indicated three, probably not more than \$1,000 this year.

Mr. Polanski moved to reduce line 570 College Reimbursement-Management, Page 48, by \$3,000, for a new total of \$2,000, seconded by Mr. Holmes.

VOTE: Unanimous ayes; motion duly carried.

Mr. Holmes moved to Physical Exams and asked if the same amount was anticipated this year and Mr. Seadale said a great deal depends on police hiring which requires a very thorough exam and normal employees require a routine physical, about \$30 compared to several hundred for police. Mr. Seadale presented the Council with a document detailing the steps used to fill outside and inside positions and he gave the Council a list of the positions filled in 1985, the date the authorization was received, when a certified register was submitted and when the position was filled. Mr. Seadale pointed out that the average time from authorization to certified register is 5.1 weeks and Mr. Seadale cannot control what the department does after receiving the register, average time 5.1 weeks and that figure includes some which took some length of time such as the Water & Sewer man which he felt the Council would want to take time with. Mr. Seadale presented the Council a listing of what he was involved with last year--85 grievances, 21 grievance hearings, 10 grievance arbitrations, 22 negotiated sessions, 11 mediation meetings, 21 Fact Finding sessions, 4 binding arbitration hearings, 4 American Youth Panels, 17 other major meetings, 2 prohibitive practice hearings, 4 Pension Commission Meetings, 2 unemployment hearings and 6 oral boards to give the Council some idea of what is going on in his office. There is a list showing that we have approximately 200 different job descriptions and 600 to 800 people are tested each year and 700 to 1,000 applications are processed and about 80 positions a year are filled.

Mr. Seadale said he received a copy of a Fact Finding report of a supervisory union in Stamford that will justify what the labor negotiator said the other evening in terms of percentages. Personnel has, at the Council's suggestion, modified the personnel rules so that we can be open for a minimum of 10 days and you must be very careful with that for several reasons-- (1) the implications in terms of affirmative action that we don't want to be accused of closing positions so fast that people can't apply for them and (2) when you get something like an electrician and we went out twice for chief electricians and got -0- response the first time and Mr. Seadale can't guarantee a response this time either.

Mrs. Bergamini asked if line 903 was Attorney Lynch and Mr. Seadale said Ed Lynch is in the Mayor's budget. Mr. Seadale mentioned to the Council that Don Powers had a heart attack and died on Thursday. Mr. Seadale explained that line 903 Labor Relations Actuary is Martin Segal. Mr. Myers explained that he has asked for a pension evaluation annually from Martin Segal, at least for a few years while going to the market with major projects and if Mr. Myers feels it is not necessary, it can go back to an every other year basis, leaving the costs

the same every year with the difference charged to the pension fund. 291

Mr. Holmes moved acceptance of PERSONNEL AND LABOR RELATIONS - 159 ON PAGE 48, as amended. Mrs. Bergamini seconded the motion.

VOTE: Unanimous ayes; motion duly carried.

Mr. Gessert felt that with computers being what they are today, actuarial figures could be obtained readily and Mr. Seadale said one of Martin Segal's competitors came in at \$7,995 and Martin Segal has done a good job and you can go with a time-hour charge rate rather than fixed annual rate.

Mr. Holmes brought up the matter of the people not covered by the bargaining unit which includes Mr. Seadale, Mr. Myers, Fire Marshal and some others and the time frame for the merit increases. Mr. Seadale explained that management increases are effective in January and the date can be changed but with the supervisory union of 40 people you have a contract which runs from January to January.

Mr. Gessert asked if Mr. Seadale has reviewed the position of Fire Marshal in comparison with other towns and Mr. Seadale said he did and made a recommendation from 11-4 to 12-4, a 5% increase and Mrs. Bergamini asked how much the \$793 would increase in January and Mr. Seadale said \$38 more, or \$831. Mrs. Papale asked why this was not in the budget book and Mrs. Bergamini asked Mr. Scionti if he requested this when he presented his budget and Mr. Scionti said he did and Mr. Seadale felt that it was not put in the budget since it may not have had his okay for the budget but this increase does meet with Mr. Seadale's approval.

Mrs. Bergamini mentioned that she talked with Attorney Mantzaris and said that the Council appointed Don Harwood and the union filed a grievance and went to court and, in spite of what the Charter says, Harwood's position is a union position. Now Harwood has left and the problem is not that it's not a union position because that round was lost but the problem is whether or not the Council can appoint or if it must be posted, advertised, etc. because it takes away the power of the Charter. Mr. Killen felt that the courts are interfering with the legislature because of the decision with the Deputy Fire Marshal. Attorney Mantzaris felt that you couldn't fight this and it is a unionized position and Mr. Killen feels that we live in a unionized state. Mrs. Bergamini feels the job should be filled as soon as possible and Adam's recommendation is that it is a union position and Mr. Seadale felt the position could be posted within the Fire Department and handled internally. Mr. Killen asked who would make the appointment and Mr. Seadale said you might have it go through the testing and have the Council make the appointment and Mrs. Bergamini said the Council will choose from the top 3 although she did not ask Adam if the Council could make the appointment. Mrs. Papale said we can't wait too long and Mr. Seadale said that as soon as Adam issues an opinion, we'll proceed on that basis. Attorney Mantzaris will be in touch with Mr. Seadale in the morning after he makes a couple of phone calls. Mr. Gessert said someone could be hired but asked when the next Fire Marshal school began because this person cannot begin inspecting buildings until he has completed Fire Marshal school. Mr. Scionti said that the Deputy Fire Marshal works under him and can go out and inspect but can't sign any letters. Mr. Gessert said that last year, a volunteer offered to help the town out at no cost, on his own time, he was certified and had been through Fire Marshal school, agreed to sign a waiver of liability, agreed that he would not apply for the job if it opened it up and the union wasn't too big on it. Mr. Scionti asked if someone could be hired to work under him such as other towns do and Mr. Gessert did not see any sense to putting someone in that office just to sit for 9 months until he finishes Fire Marshal school but if he can be put to work doing inspections under Mr. Scionti's signature, he can be put to work. Mrs. Bergamini felt that this matter will be held off until Attorney Mantzaris' opinion is received.

Mr. Diana moved to increase Fire Marshal by \$1,624 on page 169, FIRE MARSHAL - 203FM and change step grade to 12-4, seconded by Mrs. Papale.

Mr. Holmes would like Mr. Seadale to provide some figures if salaries such as the Fire Marshal's were incorporated into a July 1 starting period and Mr. Killen pointed out that the management union starts in January. Mr. Gessert felt that the next time a union contract is negotiated, everyone can be on a July 1 starting period and Mr. Seadale said it is too late for this contract because it is in Fact Finding but it can be approached for the next contract. Mr. Holmes is referring to the 10 management personnel who are not in the union. Mr. Seadale will present this to the Council Thursday night. 292

VOTE: Unanimous ayes; motion duly carried.

Mr. Gessert asked if the position has been advertised for Assistant Dog Warden and Mr. Seadale said that Susie handles this area. Mr. Gessert can understand the 4 months it took for a Water & Sewer Manager and Deputy Comptroller 6 weeks, Electrical Inspector 2 months which seems like a long time, legal secretary and Mr. Seadale said it was advertised with the closing date, test was given and an oral test was also given. Mr. Gessert said the time span for the second legal secretary was 9 weeks and mechanic III, Public Works, 5 weeks, accountant, 17 weeks, plant superintendent, 2 months, senior clerk, 1 month, police officer, 12 weeks, junior engineer 5 or 6 weeks and the authorization was received 4/25 and the job filled 8/12 and Mr. Seadale said the first list was submitted on 6/4 and the department head requested the list again on 7/19. Mr. Seadale felt that 5.1 weeks is not bad for an average and Mr. Seadale has explained some of the delays on the document he presented to the Council. Mrs. Papale felt that maybe department heads sit on the list and suggested that Mr. Seadale should call them but he said that after being given a certified list if a department head doesn't want to fill a position, that's his problem. Mr. Seadale pointed out that what you don't see on his list is the date the vacancy was known until the authorization is received in the Personnel Department and he will not advertise without authorization signed by the department head, himself and the Mayor. Mr. Seadale said the span has been cut, based on Dave's suggestion, to a minimum of 10 days. Mr. Polanski felt that receiving a list with this information periodically would be helpful to the Council and Mr. Seadale agreed to provide this.

Mr. Rys moved acceptance of PERSONNEL - 159, PAGE 154, seconded by Mrs. Bergamini.

Mrs. Bergamini asked if the new Personnel Assistant requested would begin in January and Mr. Seadale mentioned that if workmen's compensation and safety is moved to his office with Mrs. Collins retirement, with the constraints upon his time that he mentioned earlier to the Council with labor relations and putting out fires, this person may be needed earlier. Mr. Holmes felt that for a town the size of Wallingford, to have one person handling personnel is out of touch and he felt that ideally, there should be one personnel director and two assistants and he has no problem expanding this critical department and he goes along with this 100% and Mr. Gessert disagrees 100% since he would like to find out where we are going and this should be discussed with the Mayor to determine Charlotte Collins duties and responsibilities. Mr. Seadale pointed out that the Treasurer of the town by Charter is the Treasurer of the pension funds and Mr. Seadale signs all the applications for retirement and the applications to become a member of the fund and she calculates the retirement benefit. Mr. Polanski asked if it's time for a consultant to review the departmental responsibilities with related job descriptions and Mr. Holmes suggested non-paid consultants such as Hamden recently had and Mr. Holmes will find out about this and return with the information. Mrs. Bergamini felt that when Charlotte leaves, there will be some changes in that office and Mr. Seadale indicated that Charlotte is a unique individual and there are very few people who will be combination Treasurer and Industrial Engineer and that is what she is and the town has been the beneficiary of that. Mr. Seadale is familiar with safety and a little with workmen's comp but not as much as he would like and those areas are normally under Personnel. Mrs. Papale realizes that if these offices are changed around,

there is no way Mr. Seadale can do it alone. Mr. Diana agrees with what Dave is saying and doesn't feel that new positions should be funded with haste because however the decision is made, we all know that we don't get rid of people. Mr. Diana happens to think that Stan does need the help and taking all this on face value he would agree to fund the position and if he votes against it, it would merely be because it wouldn't be the proper thing to do at the time. Mr. Diana thinks a group should be put together from the Council to title each department head and see what their functions are and see where interchanges could be made, whatever the case may be. 293

Mr. Killen asked what contingency account this position is in and Mr. Myers said 805-323 and Mr. Killen's problem with that is that it must be understood. . .Mr. Myers will provide a breakdown of that account. Mr. Polanski felt that Mr. Holmes suggestion was a good one and non-paid consultants should be used because he felt that the Council simply did not have enough time.

VOTE: Unanimous ayes; motion duly carried.

CONSERVATION COMMISSION - 704 - PAGE 111.

Mr. Polanski moved acceptance of CONSERVATION COMMISSION - 704 - PAGE 111, seconded by Mrs. Papale.

Mr. Rys pointed out that he voted against a budget which had nobody present to represent it and Mr. Killen said that his point has been all along that he would freeze the ones if their last fiscal year figures were no problem at all. Mrs. Papale asked who presented this budget and Mr. Myers said Judy Singer. Mr. Myers knew that at one point, a conservation course was attended at UConn by Mrs. Singer and this is put in for this. Professional Services are dues to the New Haven Soil Conservation organization and miscellaneous expense is for paper, tapes, etc.

VOTE: Unanimous ayes with the exception of Mr. Gessert who passed and Mr. Rys who voted no; motion duly carried.

Mr. Killen moved acceptance of CONSERVATION COMMISSION - 704 - PAGE 179, seconded by Mrs. Papale.

VOTE: Unanimous ayes with the exception of Mr. Rys who voted no; motion duly carried.

Mr. Gessert reminded the Council of the letter received from Mr. Dunleavy which was handed to them this evening. Mr. Myers asked the Council to allow him some time to review this matter since this matter must be handled with care and reviewed with Mr. Seadale.

Mr. Killen moved to table personnel matter for Clerk Typist, Central Services - 146 on page 154, seconded by Mr. Holmes.

VOTE: Unanimous ayes; motion duly carried.

Mr. Killen noted a request from Mrs. Collins on page 123, line 841.

Mr. Killen moved to increase line 841 Hypertension-Fire-Page 123 by \$16,000, for a new total of \$48,500, seconded by Mr. Holmes.

VOTE: Unanimous ayes; motion duly carried.

Mrs. Bergamini moved for discussion acceptance of TOWN COUNCIL - 111, PAGE 28, seconded by Mr. Holmes.

Mrs. Bergamini would like a small amount for seminars since the last seminar she and Iris attended was paid for out of the Mayor's account. Mr. Myers suggested an account for Seminars & Dues, line 799.

Mrs. Bergamini moved to appropriate \$2,000 for line 799 Seminars & Dues - Town Council - 111, Page 28, seconded by Mr. Holmes. (AMENDED ON PAGE 128.)

Mr. Myers felt that this was a good idea and CCM will send a copy of every available program and Mr. Killen felt that \$2,000 was a little too high.

Mrs. Bergamini amended her motion on page 127 to appropriate \$1,000 for line 799 Seminars & Dues - Town Council - 111, Page 28, seconded by Mr. Holmes. 294

Mr. Killen indicated that if additional money is needed later, it can be requested.

VOTE: Unanimous ayes; motion duly carried.

Mr. Gessert requested a motion to go into Executive Session to discuss a personnel matter.

Mr. Holmes moved to go into Executive Session to discuss an existing personnel problem, seconded by Mrs. Papale.

VOTE: Unanimous ayes; motion duly carried and the meeting moved into Executive Session at 9:55 p.m.

Mr. Holmes moved that the meeting come out of Executive Session, seconded by Mrs. Papale.

VOTE: Unanimous ayes; motion duly carried and the meeting moved out of Executive Session at 10:10 p.m.

Mrs. Bergamini moved acceptance of TOWN COUNCIL - 111, PAGE 28, as amended, seconded by Mr. Killen.

VOTE: Unanimous ayes; motion duly carried.

Mr. Diana moved to approve a rate change for secretarial services for Town Council - 111, Page 28, seconded by Mr. Polanski.

VOTE: Unanimous ayes; motion duly carried.

Mr. Diana moved acceptance of TOWN COUNCIL - 111, PAGE 151, seconded by Mr. Polanski.

VOTE: Unanimous ayes; motion duly carried.

Mr. Gessert presented the Council with information regarding a transcribing machine and indicated that a \$459 quote was received from Business Machines Center, Inc. in Middletown, Connecticut for \$459.00 for transcription equipment. Mr. Gessert explained that the Council recording machine is difficult to use for transcribing the minutes because it does not have a foot pedal and earphones and a machine specifically for transcribing will enable more efficient transcription of the minutes.

Mrs. Bergamini moved to establish Capital 131 - Transcriber - Town Council, Page 134 and appropriate \$460 for this item, seconded by Mr. Holmes.

VOTE: Unanimous ayes; motion duly carried.

There was some discussion regarding the various different typewriters purchased for the town with many different service contracts and it was felt that uniform equipment would reduce service contract costs. Mr. Killen felt that once an amount has been established for a basic electric typewriter, the amount approved should be consistent for all departments. Mr. Myers pointed out that the Town Attorney's Office had specific needs for a typewriter with memory, etc. and the Council agreed that this would be an exception. It was felt that due to the significant number of typewriters being purchased, a better price could be obtained by buying in quantity. This matter will be researched further to determine the model of the Olivettis and other typewriters requested for the 1986-87 budget to determine if in fact the town is obtaining the best available price.

A motion to adjourn was duly made, seconded and carried and the fifth budget workshop adjourned at 10:25 p.m.

VOTE: Unanimous ayes; motion duly carried.

Meeting recorded by:
Lisa M. Bousquet, Council Secretary

Meeting transcribed by:
Delores B. Fette

SPECIAL TOWN COUNCIL MEETING

392

APRIL 29, 1986

7:00 p.m.

A special meeting of the Wallingford Town Council was held on Tuesday, April 29, 1986 in Council Chambers for the express purpose of considering adoption of a resolution regarding the sale of \$11,800,000 General Public Improvement Bonds, Series A, and \$5,875,000 General Public Improvement Bonds, Series B, called to order at 7:12 p.m. by Mr. Gessert.

Answering present to the roll called by Rosemary A. Rascati, Town Clerk, were Council Members Bergamini, Diana, Gessert, Gouveia, Holmes, Killen, Papale, Polanski and Rys. Also present were Mayor William W. Dickinson, Jr. and Comptroller Thomas A. Myers.

Mrs. Bergamini read and moved adoption of the following resolution, seconded by Mr. Rys:

**RESOLUTION FOR TOWN COUNCIL
TOWN OF WALLINGFORD**

RESOLVED, That

SERIES A

(i) \$20,000 of \$100,000 principal amount of MacKenzie Dam Bonds, Series A, authorized by Ordinance No. 306 enacted by the Town Council on the 23rd day of November, 1982, and as later amended by Ordinance Nos. 321 and 339,

(ii) \$1,780,000 of \$1,880,000 principal amount of MacKenzie Dam Bonds, Series B, authorized by Ordinance No. 306, enacted by the Town Council on the 23rd day of November, 1982, amended by Ordinance No. 321 enacted by the Town Council on the 12th day of June, 1984, amended by Ordinance No. 339 enacted by the Town Council on the 25th day of February, 1986,

(iii) \$10,000,000 of \$38,300,000 principal amount of Sewage Treatment Plant Bonds, authorized by Ordinance No. 329 enacted by the Town Council on the 22nd day of January, 1985,

SERIES B

(i) \$325,000 of \$785,000 principal amount of Pond Hill Pump Station Bonds authorized by Ordinance No. 313 enacted by the Town Council on the 23rd day of August, 1983,

(ii) \$2,100,000 of \$2,400,000 principal amount of Police Station Bonds authorized by Ordinance No. 307 enacted by the Town Council on the 26th day of April, 1983,

(iii) \$1,300,000 of \$1,450,000 principal amount of Road (Med-Way) Bonds authorized by Ordinance No. 311 enacted by the Town Council on the 28th day of June, 1983,

(iv) \$700,000 of \$728,000 principal amount of Capital Improvement Bonds, Series E, authorized by Ordinance No. 308, enacted by the Town Council on the 24th day of May, 1983, amended by Ordinance No. 312 enacted by the Town Council on the 19th day of July, 1983,

(v) \$700,000 of \$710,000 principal amount of 1984-1985 Capital Improvement Bonds authorized by Ordinance No. 320 enacted by the Town Council on the 8th day of May, 1984, 393

(vi) \$750,000 of \$780,000 principal amount of 1985-1986 Capital Improvement Bonds authorized by Ordinance No. 330 enacted by the Town Council on the 14th day of May, 1985,

be consolidated and sold as two issues as follows: Series A in the amount of \$11,800,000, and consisting of the aforesaid projects as indicated, and Series B in the amount of \$5,875,000, and consisting of the aforesaid projects as indicated, such bonds to be known as General Public Improvement Bonds, Issue of 1986, Series A and Series B, respectively.

FURTHER RESOLVED, That the Mayor, Treasurer and Comptroller, or any two of them, are hereby authorized to solicit and act upon public bids and otherwise arrange for the sale of such bonds of the Town of Wallingford in the aggregate principal amounts of \$11,800,000 (Series A) and \$5,875,000 (Series B).

FURTHER RESOLVED, That the Connecticut Bank and Trust Company, N.A., be designated as certifying, paying and transfer agent for the foregoing bond issue and Adinolfi, O'Brien & Hayes, P.C., of Hartford, Connecticut, be designated as the attorneys-at-law to render an opinion approving the legality thereof.

FURTHER RESOLVED, That the Resolution passed by the Town Council on February 11, 1986 authorizing the consolidation and issuance of \$5,400,000 of Town of Wallingford bonds be and hereby is repealed.

Mr. Myers introduced Attorney Joseph P. Fasi, representing the firm of Adinolfi, O'Brien & Hayes, Bond Attorneys for the Town of Wallingford. Mr. Myers explained that he planned to sell bonds early in the spring to finance notes which were outstanding for various projects listed here which are currently underway. Since that time, Mr. Myers has made the Council aware of the implications of H.R. 3838, Tax Reform Federal Deficit Reduction, and its implications to municipal bond markets. A revote has been created and H.R. 3838 has tentatively been repealed and the effective date as it stands right now is September 1, 1986 and it is becoming more and more evident that the form of tax reform under H.R. 3838 may never take place now. Mr. Myers further explained that he is looking to go to market with these bonds while the interest rates are attractive and we may come in around 6.5%, compared to 8.5% the last time Wallingford sold which was in 1984.

Mr. Myers pointed out that the other noteworthy item is that Wallingford will be issuing \$10,000,000 of bonds on the Sewer Plant while the project is under construction and in the years that he has been associated with Wallingford, all of the bonds have occurred after a project has been completed. Mr. Myers further commented that by making this move now, after the phase-in of the debt service and raising money to secure bonds on the new Sewer Plant, the Council will, in effect, be reducing the cost of the Sewer Plant since less notes will be borrowed on temporary interest and the cost of the plant will be reduced by that amount of interest expense. Mr. Myers reminded the Council that the ordinance was originally passed with some \$3,800,000 incorporated for interest expense on temporary notes. Mr. Gessert asked what the savings would amount to and Mr. Myers felt it would be substantial because the borrowing of the bonds up front and the reimbursement schedule on state and federal grants will substantially reduce the amount of notes the town will have to go out for. Mr. Myers gave an example that \$10,000,000 will be expended before going out to authorize any further notes and if the cash flow works out, perhaps notes may not have to be borrowed but the bonds will be used. Mr. Myers indicated that another significant point is the arbitrage income on the \$10,000,000 which will help to support the debt payment, the repayment of principal and interest as those bonds mature and that is critical to this \$10,000,000 issue. Mr. Myers mentioned that he had discussed with the Council about putting \$250,000 in the tax rate for 1986-1987 and \$250,000 in the sewer rate, so you have \$500,000 to support

debt service. What will be done on these bonds also, continued Mr. Myers, is sell them without a principal payment for 2 years, and the first 2 years will have interest on them only and in 1987, the first principal payment will be due so, in effect, it is a 21 year issue. Mr. Myers has mentioned this before but these are very strategic, financial planning moves which are necessary to keep Wallingford paper attractive and also help to reduce costs. Mr. Myers further commented that it is not all the time the Town of Wallingford can be in this position and the town has an excellent financial position and strong cash position and there is no reason it shouldn't use it to advantage. 394

Mr. Myers felt that it is the efforts of the Town Council and the Mayor that makes this money available to allow him and the bond attorneys and George Post to make these moves in the marketplace and Mr. Myers is hoping that it will be looked upon very favorably. Mr. Myers said the sale date is scheduled for June 3, 1986 and he will be going to New York in mid May. Mr. Gessert felt that this was good financial planning.

Mr. Myers felt it was also important to note that the bids came in on the Sewer Plant lower than anticipated. Construction costs were considered at \$28,000,000 and the bid came in around \$23,500,000 and this is another automatic reduction. Mr. Myers hoped that the final cost would be around \$10,000,000 on the new Sewer Treatment Plant, with the state and federal grants, and no additional money may have to be bonded for the plant. Mr. Myers commented that debt service of \$1,000,000 upward for the Sewer Fund and \$1,000,000 from General Taxation was previously discussed and now this figure is \$500,000 from each, cutting the costs to the taxpayer and ratepayer approximately in half and that is substantial.

Mayor Dickinson felt that Mr. Myers presentation was very good and he has done an excellent job on this. Mayor Dickinson thought he heard Mr. Myers say that H.R. 3838 would not have an impact on Wallingford and the Mayor stated that it would not have an impact only as far as this issue and if those provisions are enacted by Congress for the year 1987, it will affect everything thereafter which will mean higher costs. The Mayor did not want anyone to walk away tonight thinking that the onerous provisions of H.R. 3838 have gone by the wayside since, at the present time, they may still be enacted for 1987 and we are still facing a potential impact for the Water Treatment Plant and any other future projects. Mr. Myers agreed with the Mayor if a form of Tax Reform is legislated in Washington, D.C. but Attorney Fasi told Mr. Myers that it looks very slim this year. Attorney Fasi indicated that the latest rumor is that the Senate Finance Committee will not respond with the Tax Reform Act.

Mayor Dickinson felt that if there is any pressure brought to bear, he would not want us to sit back and think that the battle has been won and there is nothing more to do on it and that is his point.

Mr. Polanski asked if issues bonded now at higher interest rates would be bonded with this issue at lower interest rates and Mr. Myers said that right now, all these issues are on temporary notes and the Sewer Treatment Plant is not even notes yet. Mr. Myers pointed out that the investment of the \$10,000,000 is critical to the process and right now, he is 95% sure he can make it work and because of the market conditions, he considers it worth the risk.

Mr. Killen asked about this being a 21 year issue and Mr. Myers indicated that it is, just on the Sewer Treatment Plant, and Series A is 18 to 21 years and Series B nets out to about a 13 year issue to obtain a better rate hopefully on Series B.

VOTE: Council Members Bergamini, Diana, Gessert, Gouveia, Holmes, Killen, Papale, Polanski and Rys voted aye; motion duly carried.

Mr. Myers commented that this issue will be sold on June 3, 1986 and he will advise the Town Council by letter of the rates obtained.

A motion to adjourn was duly made, seconded and carried and the meeting adjourned at 7:30 p.m.

395

Meeting recorded by:
Lisa M. Bousquet, Council Secretary

Meeting transcribed by:
Delores B. Fetta

Approved David A. Gessert
David A. Gessert, Council Chairman

May 13, 1986
Date

Rosemary A. Rascati
Rosemary A. Rascati, Town Clerk

May 13, 1986
Date