

**GLASTONBURY TOWN COUNCIL
REGULAR MEETING & BUDGET WORKSHOP MINUTES
TUESDAY, FEBRUARY 22, 2022**

The Glastonbury Town Council with Town Manager, Richard J. Johnson, in attendance, held a Budget Review for Fiscal Year 2022-2023 at 6:00 p.m., followed by the Regular Meeting Agenda items, via Zoom video conferencing. The video was broadcast in real time and via a live video stream.

1. Roll Call.

Council Members

Mr. Thomas P. Gullotta, Chairman
Mr. Lawrence Niland, Vice Chairman
Ms. Deborah A. Carroll
Mr. Kurt P. Cavanaugh
Mr. John Cavanna
Ms. Mary LaChance
Mr. Jacob McChesney
Mr. Whit Osgood
Ms. Jennifer Wang

a. Pledge of Allegiance *Led by Deborah Carroll*

BUDGET REVIEWS FOR FISCAL YEAR 2022-2023

- Presentation and discussion concerning Town Operations, Debt & Transfer, Revenues & Transfers, Capital Reserve Fund, Capital Improvement Program, and other budget related matters involving the combined 2022-2023 budget proposal.

Mr. Johnson reviewed the changes that have been made to the proposed budget since his presentation at the Annual Town Meeting. Municipal Revenue Sharing was originally proposed at about \$500,000. However, he has received advice from CCM to be conservative, so he did not budget anything in the coming year. Mr. Niland asked, if the Town receives municipal revenue sharing funds, would they have an opportunity to readjust the mill rate. Mr. Johnson stated that CCM has indicated that they will likely hear in the fall. Mr. Gullotta stated that \$420,000 were received this year, but nothing is budgeted for next year due to uncertainty. He asked if there have been other years when the Town has received nothing. Mr. Johnson clarified that they have received no municipal revenue sharing funds in the current year.

Mr. Johnson noted that the BOF is recommending a \$1 million transfer from the General Fund to the Pension Fund, which is consistent with last year. Every million-dollar contribution reduces the ADC by about \$100,000. They have also reduced expenditures by about \$367,000, of which

\$300,000 is to the Education budget. The General Fund “Opening Cash” Transfer In has been reduced from \$875,000 to \$575,000. Mr. Johnson noted that in FY 2017/18, the State established a cap over a two-phase basis. This year, there will also be a bifurcated mill rate. The current cap is 45 mills for motor vehicles, but the Governor is proposing lowering that to 29 mills and offering a grant to offset the revenue loss. Glastonbury’s proposed grant is \$3.064 million. By their calculations, the grant should be \$3.5 million not \$3.064 million. There will be discussion at the legislative level on what the appropriate cap is, but right now, the budget is modeled on the 29-mill rate cap and assumes the \$3.064 million revenue that the Governor has proposed.

Mr. Osgood asked why they are including the grant money at this point, when the State has proposed it in previous years and not acted on it. Mr. Johnson explained that the Town’s typical practice is to follow what the Governor proposes. Because municipalities have seen significant increases in motor vehicle taxes, he believes that the legislature will consider some type of a cap. Typically, they enact notwithstanding language which will allow towns to go back and readjust their mill rates if they have already been established. Mr. Cavanaugh asked where the burden falls to make up the gap between \$3.064 million and \$3.5 million. Mr. Johnson stated that it is through real estate. There is a \$160,000 shortfall to sustain real estate and personal property at 37.32 mills. The shortfall will be achieved through the following action steps: an allocation of \$67,511 to the Town pension ADC; moving the tax collection rate assumption from 99.1% to 99.15%; and the remaining \$17,000 will be absorbed in the over/under of the mill rate calculation.

Mr. Johnson reviewed Town Operations, whose increase has gone down from the 2.4% presented at the Annual Town Meeting to 2.3%. This reduction is due to the BOF’s recommended \$67,500 change in the pension. He then reviewed the 8 primary components that make up the increase, of which wage increases is the largest component. There is a limit to how much the Town can limit and sustain this line item. Mr. Cavanaugh asked what Mr. Johnson means by “unsustainable.” Mr. Johnson clarified that, for the past three years, all system-wide wage accounts increased between 1.43% and 2%. He cannot sustain increases at under 2% for a fourth year, with increases in wages and market pressures, and several years of job consolidation, reduced workforce, and reduction of full-time positions to part time.

Mr. Johnson noted that the pension is very favorable because the ADC will go down this year. He then reviewed data processing and technology, noting that Town Staff are always working hard to find smarter ways to do things. They have enacted two system-wide initiatives: a new human resources system and a new permitting software. Contractual services are experiencing increased costs in refuse and recycling. On March 8, the Council will hold a public information hearing on the merits of license plate readers (LPRs) for the police department, which he has budgeted for. There are also increases in utilities because of market conditions, and a conservative increase in capital outlay. The final component of the budget increase is comprised of 25 of the 41 line items and represents just a 0.19% increase. Mr. Johnson reviewed three capital outlay projects which could be funded through ARPA monies. He also noted that the Northeast CPI over the past 9 years has increased a little more than Town Operations, which shows how cost efficient their town operations are. Mr. Johnson then reviewed a list of budget considerations that were not proposed.

Mr. Cavanna asked Police Chief Porter where they post recruitment calls. Mr. Porter stated that the Human Resources Department handles recruitment efforts. They advertise on post, several job sites, and by word by mouth. Prior to the pandemic, they would also attend college job fairs. Mr. Cavanna asked about the number of vacancies. Chief Porter stated that they are currently down five officers and anticipate another four or five vacancies over the next two years. Mr. Cavanna asked how much overtime has been spent on task force positions. Chief Porter noted that the two task forces on motor vehicle thefts by juveniles and the DEA were both fully reimbursed by the State. Mr. Cavanaugh asked to describe the job sites and how far and wide they go. Mr. Johnson will report back with a list. Mr. Osgood asked about the support for the K9 program. Chief Porter explained that donations continue to fully fund the program, independent of the town budget. Mr. McChesney asked if the proposal for the LPRs is based on the Chief's review of its necessity or on community requests for their use. Mr. Porter stated that it is a mixture of both. LPRs have been very useful for thefts related to motor vehicle crimes, and the GPD is behind the curve on that technology.

Mr. Johnson reviewed Debt and Transfer, which is made up of four components. Debt Service is down, largely due to the debt refinancing put in a few months ago. He has also restored a contingency of \$75,000. In all, there is an increase of \$384,000 in this account. By 2027, annual debt and interest payments are projected to decline by about \$3.4 million. The Capital Reserve Transfer went from \$5 million in FY 2018 to \$5.65 million proposed for FY 2023. Mr. Osgood asked if HVAC could be covered by ARPA. Mr. Johnson stated yes, capital improvement projects could be funded. However, absent the projects he has listed, they will exhaust the ARPA money. In all, the proposed increases to the budget are the following: Town Operations at 2.3%, Debt & Transfers at 2.9%, and Education at 3.0%, for a total increase of 2.8%. Mr. Johnson recognized the efforts of all the department heads who have done a great job while keeping costs down.

Mr. Johnson noted that the Town's Unassigned Fund Balance assumes the \$575,000 opening cash. Mr. Niland asked how Moody's and S&P calculate their ratings. Mr. Johnson explained that about 30% of their rating is based on a community's fund balance. For Moody's, a fund balance of 15% to 30% is generally a double A rated community. Mr. Osgood asked if the 16.8% in FY 2023 is after deducting the \$1 million. Mr. Johnson stated yes, but he will double check. Mr. Gullotta asked if bond rates are going up. Mr. Johnson stated yes. Mr. Cavanaugh remarked that there does not appear to be support for bonding from his fellow council members. He asked why they do not use some of this funding for high-end projects. Mr. Johnson noted that the CIP criteria allows the Council to consider transferring General Fund monies to the Capital Reserve Fund. He also pointed out that the actuaries have identified an opportunity to enact a trust, which is a reserve fund. This way, the Town can invest in equity markets which generate greater interest than the General Fund. However, it also puts their principal at risk. The BOF has expressed interest in learning more about it. Ms. LaChance is not interested in doing anything that would put the Town's bond rating at risk.

Mr. Johnson reviewed the General Fund Use of Fund Balance, which is currently \$975,000. It was phased down for several years but increased to smooth out the Pub-2010 mortality tables. For FY 2023, the BOF proposes lowering it to \$575,000. Since the Annual Town Meeting, the challenge has been the motor vehicle growth of 32%. The real estate and personal property mill

rate is proposed to be sustained at 37.32 mills. Assuming a 29-mill rate cap for motor vehicles and a \$3.064 million grant, the combined mill rate is 36.51. Mr. Johnson reviewed the 9-year history of tax increases and the mill rate, noting that FY 2023 falls below the line. Mr. Osgood pointed out that 37 mills is very high to start with, and there is a good chance that the Governor's proposal will not pass in the legislature. He believes that they should err on the conservative side by not assuming that kind of return from the State. Mr. Niland thinks that it is more of a comment on how the value of motor vehicles have gone up and how the state will deal with that. Mr. Cavanaugh does not expect the grant money to last long.

Mr. Johnson explained that moving the assumed tax collection rate from 99.1% to 99.15% is about \$70,000. Mr. Osgood cautioned that raising the assumed collection rate will mean less money going into the Unassigned Fund Balance at the end of the year. Mr. Johnson reviewed a list of capital programs that could be funded by ARPA. There has been a question of whether funding the Naubuc School Project would jeopardize state reimbursement eligibility. He suggests funding other projects, such as Emergency Preparedness, Underground Storage Removal, and Pickleball. Other considerations include Fire Apparatus, the Gideon Welles boiler units, an additional \$1 million for the Williams Memorial Academy, and a larger animal control shelter. After these projects, the net available ARPA monies would total \$2.365± million. Mr. Gullotta believes that a switch-out should be made to assure that they recover about \$240,000.

Mr. Osgood asked what the state reimbursement is. Mr. Johnson replied, 33.75% for eligible project costs. Mr. Osgood noted that the asbestos abatement estimate came back higher than expected, so the Naubuc School project cost will go up. He asked if that was taken into consideration. Mr. Johnson explained that the BOE has stated the project cost to be \$3.2 million, so he has not revised the number. Mr. Osgood asked for an updated budget from the BOE. Mr. Johnson agreed to provide it. Mr. Cavanaugh asked if the fire apparatus is for two emergency vehicles and engine pumpers. Fire Chief Mike Thurz replied no, it is for two rescue pumpers, which would reduce their fleet by one vehicle. A rescue pumper carries 750 gallons of water. Their newest one is 22 years old. Mr. Niland noted that the lead time on those is approaching two years. Chief Thurz explained that there has been an abundance of orders going in for vehicles because manufacturers are increasing their prices every few months.

Mr. Gullotta asked if spending Town money on the Gideon Welles boiler would get reimbursed. Mr. Johnson does not think so, but he will double check. Mr. Osgood asked if any thought has been given for a regional animal shelter. Mr. Johnson stated yes, but the time and energy of going to another community is not cost effective. Mr. Osgood noted that Chief Porter previously stated that one dog was in the shelter for a year, which he finds excessive. He asked what the policy is on how long dogs can stay. Chief Porter clarified that that was an extreme, one-off situation, but he will follow up with information on their policy. Mr. Johnson then answered a series of questions posed by Mr. Cavanaugh. He explained that there are dispatcher and police officer positions open right now. A few other vacancies exist in the departments of engineering, parks, and highways. In broad strokes, 1.25-1.4% is an early forecast of revenues above budget and expenditures below, primarily driven by revenues. That does not include how taxes will settle out. Building inspection and conveyance fees are doing very well. In the past five years, several years achieved significant gains because of vacancies from COVID-19, significant

increases in the ECS revenue, and big swings in investment income. The range has been anywhere from \$900,000 to about \$2 million.

2. Public Comment.

Ms. Carroll read the written comments received, as listed on the Town website:

Pamela Lockard of 10 Southgate Drive, finds it unacceptable that individuals have been protesting in front of an elected official's private residence. She requested that the Council obtain the legal opinion of the Town Attorney as to the legality of this activity. If it is deemed legal, she requested that a Town ordinance be enacted to prohibit picketing and protesting in front of a private residence.

Evelyn Eisenhardt of 46 Lenox Drive, stands in support of BOE members Ray McFall and David Peniston. The harassment they are enduring is misguided, shameful, and hurts everyone.

Mr. Niland opened the floor for comments from Zoom attendees.

Jill Durall of 73 Shag Bark Road, stated that the BOE is finally relinquishing control over mask mandates, and it is time that the Council did the same for Town buildings. COVID-19 cases in Glastonbury are very few, and she believes that the color codes have no merit in public health policy. She asked that citizens be allowed the right to make their own decisions.

Jared Soper of 39 Fawn Run, noted that the information described by Mr. Johnson regarding Moody's bond rating is incomplete and, in some places, incorrect. He requested that the Council look at the Annual Comprehensive Financial Report. He also noted that the ARPA money is contributing to the rise in inflation, so he had hoped that the Council would have bonded at low interest rates. He expressed concern that the budgets, both from the Town and the BOE, are becoming increasingly difficult to understand, as more and more off-budget items accrue.

3. Special Reports. *None*

4. Old Business. *None*

5. New Business. *None*

6. Consent Calendar.

a. Action on amendment to Building Zone Regulations – Outdoor Dining (set public hearing).

Motion by: Ms. Carroll

Seconded by: Mr. Cavanaugh

BE IT RESOLVED, that the Glastonbury Town Council hereby schedules a public hearing on proposed amendments to the Building Zone Regulations – Section 7.11 Outdoor Dining and Section 6.6 Retail Trade for 8 p.m. on Tuesday, March 8th, 2022, in the Council Chambers of

Town Hall, 2155 Main Street, Glastonbury and/or through Zoom Video Conferencing, as described in a report by the Town Manager dated February 18, 2022.

Result: Motion passed unanimously {9-0-0}.

b. Action on amendment to Building Zone Regulations – Cannabis Moratorium (set public hearing).

Motion by: Ms. Carroll

Seconded by: Mr. Cavanaugh

BE IT RESOLVED, that the Glastonbury Town Council hereby schedules a public hearing on proposed amendment to the Building Zone Regulations - Section 3.27b12c – Cannabis Moratorium for 8 p.m. on Tuesday, March 8th, 2022 in the Council Chambers of Town Hall, 2155 Main Street, Glastonbury and/or through Zoom Video Conferencing, as described in a report by the Town Manager dated February 18, 2022.

Result: Motion passed unanimously {9-0-0}.

c. Action on amendment to Building Zone Regulations – Architectural and Site Design Review Committee (ASDRC) (set public hearing).

Motion by: Ms. Carroll

Seconded by: Mr. Cavanaugh

BE IT RESOLVED, that the Glastonbury Town Council hereby schedules a public hearing on proposed amendment to the Building Zone Regulations – Architectural and Site Design Review Committee for 8 p.m. on Tuesday, March 8th, 2022 in the Council Chambers of Town Hall, 2155 Main Street, Glastonbury and/or through Zoom Video Conferencing, as described in a report by the Town Manager dated February 18, 2022.

Result: Motion passed unanimously {9-0-0}.

d. Action on Main Street Pavement Rehabilitation and Bicycle/Pedestrian Improvements – Gateway Area.

Motion by: Ms. Carroll

Seconded by: Mr. Cavanaugh

BE IT RESOLVED, that the Glastonbury Town Council hereby schedules a public information hearing(s) for projects approved through the LOTCIP Grant Program to include Main Street reconstruction (School Street to New London Turnpike/Naubuc Avenue) and construction of new sidewalks within the Gateway area (Eastern and Western Boulevard, National Drive) for 8:00 p.m. on Tuesday, March 22nd, 2022 in the Council Chambers of Town Hall, 2155 Main Street, Glastonbury and/or through Zoom Video Conferencing, as described by a report from the Town Manager dated February 18, 2022.

Result: Motion passed unanimously {9-0-0}.

7. Town Manager's Report.

Mr. Johnson stated that the budget review with the BOE is scheduled for next Tuesday, March 1. The Council preferred a start time of 6:30 P.M. He then noted that the State DOT has responded with options for the final phase of the sidewalk project between the Cider Mill and Red Hill. There will be a public informational hearing on the matter in April. Mr. Cavanaugh asked what is meant by "introduced a fixed object within the clear zone of Route 17." Mr. Johnson stated that it is the retaining wall. There will be more discussion at the public hearing. Mr. Johnson explained that 12 or 13 residents have expressed interest in serving on the ASDRC. He will work with council members Gullotta and Cavanaugh to set up interviews. Mr. Osgood would like to attend those meetings, as well.

Mr. Johnson explained that the federal government is providing states with grant money to double clean water funding availability. The Town can submit a formal application for public water service, which does not commit them to any future action. The deadline is the end of March. The Council agreed to put it on the agenda of their next regular meeting for discussion and possible action. Tomorrow at 1:00 P.M., there will be a virtual public hearing on the code requiring windows in bedrooms. Anyone can attend. Mr. Johnson will send in written testimony for the Town by March 17. He also noted that questions were asked about the BOE's 1% fund. He has attached a copy of the ordinance for council members' review. Mr. Osgood asked if the Naubuc project could be funded entirely through ARPA. Mr. Johnson stated that it could.

8. Committee Reports.

- a. Chairman's Report.** *None*
- b. MDC.** *None*
- c. CRCOG.**

Mr. Niland stated that CRCOG will meet tomorrow. He has sent them information on Extended Producer Responsibility and the State Building Code.

9. Communications.

- a. Memo from Nicholas Kornis regarding report by the Commission on Racial Justice and Equity.**

10. Minutes.

- a. Minutes of February 8, 2022 Regular Meeting.**

Motion by: Ms. Carroll

Seconded by: Mr. Cavanaugh

BE IT RESOLVED, that the Glastonbury Town Council hereby approves the minutes of the February 8, 2022 Regular Meeting.

Result: Minutes were accepted unanimously {9-0-0}.

11. Appointments and Resignations.

a. Resignation of Denise Weeks from the Housing Authority (D-2026).

Motion by: Ms. Carroll

Seconded by: Mr. Cavanaugh

Result: Resignation was accepted unanimously {9-0-0}.

12. Executive Session.

a. Potential land acquisition.

b. Draft terms and conditions for sale of Town-owned land off Western Boulevard.

Motion by: Ms. Carroll

Seconded by: Mr. Cavanaugh

BE IT RESOLVED, that the Glastonbury Town Council hereby enters into executive session to discuss a potential land acquisition and draft terms and conditions for sale of Town-owned land off Western Boulevard at 8:30 P.M.

Result: Motion passed unanimously {9-0-0}.

Present for the Executive Session item were council members, Mr. Tom Gullotta, Chairman, Mr. Lawrence Niland, Vice Chairman, Ms. Deb Carroll, Mr. Kurt Cavanaugh, Mr. John Cavanna, Ms. Mary LaChance, Mr. Jake McChesney, Ms. Jennifer Wang, and Mr. Whit Osgood, with Town Manager, Richard J. Johnson.

No votes were taken during the Executive Session, which ended at 8:50 P.M.

Meeting adjourned at 8:51 P.M.

Respectfully submitted,

Lilly Torosyan

Lilly Torosyan

Recording Clerk

Thomas Gullotta

Chairman