

## SPECIAL MEETING MINUTES

### TOLLAND TOWN COUNCIL LIBRARY PROGRAM ROOM APRIL 22, 2019 – 7:00 P.M.

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## ANNUAL BUDGET PRESENTATION

**MEMBERS PRESENT:** William Eccles, Chair; Tammy Nuccio and John Reagan

**MEMBERS ABSENT:** David Skoczulek; Brenda Falusi; Paul Reynolds and Christine Vincent

**OTHERS PRESENT:** Steven Werbner, Town Manager; Lisa Hancock, Director of Finance and Records; Walter Willett, Superintendant

1. **CALL TO ORDER:** No quorum, so the meeting was not called to order. The meeting began at 7:01 p.m.
2. **PLEDGE OF ALLEGIANCE:** Recited.
3. **MOMENT OF SILENCE:** Observed.
4. **ANNUAL BUDGET PRESENTATION**

4.1 Pursuant to C9-9 of the Town of Tolland Charter, the Town Council shall arrange for an annual budget presentation. The annual budget presentation is intended to provide information and encourage public discussion.

Mr. Eccles gave his presentation with the use of a PowerPoint. He advised that he was going to present the budget in the form of a story. The goal of this meeting is to disseminate information, meet charter requirement, stimulate discussion and help voters make an informed decision. The budget process timeline was shown. As of now, the developmental phase has been completed, and they are in the informational phase. We are at the point where the budget cannot be changed. An explanation of 'the budget' was given. It funds programs and services for residents, sets levels of services, authorizes necessary spending and is executed for less when possible. The budget goals are to maintain or improve services, hold taxes at a reasonable amount, maintain creditworthiness and make progress towards self-reliance.

This year v. last year: There is a new Governor in place, unknown legislature, BOE requested an increase and there was a town increase of \$210,000. Mr. Eccles reviewed the increases needed to sustain town services by showing various graphs. In this year's budget, restoring services to what we had last year is estimated to cost us a mill rate increase of 0.79, or 2.26%—just to maintain status quo, where we were last year.

Why 3%, and why not 0% or 1%? That would require enormous (\$2m-2.5m) cuts or tremendous use of fund balance. This would gut many, if not all, services and it's unsustainable.

Why not 5.43%? Stability: homeowners and businesses alike need stable taxes and sustainability, homeowners need to be able to continue to live here, and it's unsupportable.

He reviewed the changes to expenditures, and the budget highlights. They include keeping town services essentially unchanged, partially funded the BOE increase, and required the use of \$300,000 of fund balance.

Pie charts were reviewed outlining:

The budget expenditures:

Town Operations: 21.36%  
Capital Improvements: 0.213%  
Debt Service: 8.01%  
BOE: 70.41%

The budget revenues, total need \$56,772,735:

Education Grants: 15.62%  
Other Grants: 0.93%  
Permits, fees, interest, etc.: 1.36%  
Contribution from Fund Balance: 0.53%  
Property Taxes: 81.56%

By itself, the spending increases of the town and BOE would cause the tax rate to increase by 0.26 mills. The estimated loss of grants from the state would cause an increase of 0.79 mills. With regard to the services, there are no increases to speak of, but the decreases include possible cuts in programs and positions in the school system, and the elimination of one free bulky waste pickup. As a reminder, residents can pay \$35 to have your own private pickup at any time.

A chart was shown outlining what the impact would be for low, middle, and high value homes. For some, these numbers will be hard to accommodate, which he understands. This could be a meal out, or even a meal in. For some, these amounts would be easily absorbed, but it's hard to accept on principle. He understands that, too. He commented that nobody likes raising taxes—not one of us. The monthly impact ranges anywhere from half a pizza to one-and-a-half pizzas, based on Tolland's pizza prices. He recognizes that for some, this is an unaffordable increase, and for others, it's not a big deal. He requests that each end of the spectrum respect the other end of the spectrum.

Mr. Eccles spoke of what neighborhood communities are doing. Some examples are: Ellington +4.7%, Coventry +1.24%, Stafford +0.9%, Vernon +0.38%.

With regard to creditworthiness, he believes we are in good shape. Last year, Tolland used a greater (and unsustainable) amount of fund balance, put in place a policy to prevent depletion of the fund, and were not downgraded. This year, we're using only \$300K.

He showed a slide outlining what it would take in terms of commercial real estate to make up for \$1,000,000 loss of state aid, Tolland would need:

- 8 Star Hills
- 6 Norwegian Woods
- 2 Big Y Plazas
- 12 CL&P buildings (the big one on Route 74); or
- an apartment complex with hotel and restaurant

Tolland remains a great place to live. The things which we were recognized for in the last few years have remained largely unchanged, and we're still a great place to live. Staying a great place to live will depend, in part, on our budgets.

The budget referendum is coming up. The budget referendum questions were reviewed:

**Referendum Question #1** - Shall the Town of Tolland's proposed 2019-2020 budget of \$56,772,735, reflecting a spending increase of \$602,038 or 1.07% which requires a tax rate of 36.05 mills for an increase of 1.05 mills or 3%, be adopted?

**Referendum Question #2** - Shall the Town of Tolland appropriate \$46,000,000 for the Birch Grove Primary School Project and authorize the issue of bonds and notes in the same amount to finance said appropriation?

The budget referendum will be held in the **Library Program Room** on **Tuesday, May 7, 2019, 6 a.m. – 8 p.m.**

Mr. Eccles reminded the residents that there are on-line resources to help residents in their deliberations between now and then. Resources include the tax calculator as well as all of the budget information.

## 5. PUBLIC PARTICIPATION

**William Bode of 338 Shenipsit Lake Road:** He thanked the Council for their work. He also thanked the BOE for sharpening their pencils. He is concerned that the Council did not sharpen their pencils though. He thinks it's time to stop protecting their interests groups. He is concerned about the Birch Grove School. He questioned what the Council is doing to bring in new businesses. What is this Council's history with regard to bringing in new businesses? What is the long range plan to address bringing in new businesses? What is being done about building apartments, so that all of this is not dropped on all the property owners? What is the Council doing to lower the debt services? People want to move here, but not if taxes are increased every year.

**Deb Goetz of 176 Kate Lane:** She thanked Mr. Eccles for his budget presentation. She asked if it will be on-line, along with the video from tonight

*The PowerPoint will be on tolland.org. They will see if they can get the video on-line as well.*

She thanked Mr. Werbner, Ms. Hancock and the Council members. She appreciates the efforts put into this. She thanked the BOE as well. She commented that Ellington is actually down to a 3.1% increase.

*Mr. Eccles said the other town numbers reflected in the PowerPoint were current as of last week.*

**Donna Allegro of 128 Peter Green Road:** She read that there is a petition going around that the referendum may consist of three questions.

*Mr. Werbner said nothing can be added to the referendum at this time.*

6. **ADJOURNMENT:** No quorum was present, so no adjournment. The meeting ended at 7:35 p.m.

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William N. Eccles  
Town Council Chair

Michelle A. Finnegan  
Town Council Clerk