

TOWN COUNCIL  
**Town of Trumbull**  
CONNECTICUT  
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TOWN HALL  
Trumbull

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LEGISLATION & ADMINISTRATION COMMITTEE  
MINUTES  
January 30, 2012

The Chair called the Legislation & Administration Committee to order at 7:05 p.m.  
All present joined in a moment of silence and the Pledge of Allegiance.

The clerk called the roll and recorded it as follows:

Present:

Suzanne Testani, Chairman	Fred Palmieri, Jr.
Chad Ciocchi, Vice Chairman	Kristy Waizenegger
Martha Jankovic-Mark	
James Meisner, Alternate	
Jeff Donofrio, Alternate	

Absent:

Jeff Jenkins

Also Present: Mr. Daniel Nelson, Chief of Staff and Maria Pires, Director of Finance.

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1. RESOLUTION TC24-12: Moved Mr. Ciocchi, seconded by Mr. Palmieri  
BE IT RESOLVED, WHEREAS, the Town Council upon the recommendation of the Pension Board, herein referred to as the "Board", may provide for the retirement of Town elected officials and appointed employees; and

WHEREAS, the Town Council upon the recommendation of the "Board" may adopt retirement plans as it may deem advisable; and

WHEREAS, the Town Council has received a recommendation from the "Board" to adopt a retirement plan;

NOW THEREFORE, BE IT RESOLVED, that the Town Council hereby approves and adopts the Town of Trumbull 401(a) Plan, herein referred to as the "Town Plan", to provide employees of the Town of Trumbull with retirement benefits; and

BE IT FURTHER RESOLVED that the Town Council hereby does hereby declare the intention of the Town of Trumbull to continue the “Town Plan”, but hereby reserves the right to terminate or amend the “Town Plan” at any time; and

BE IT FURTHER RESOLVED, that the representatives of the Town Council are hereby jointly and severally authorized to take such actions and to execute such documents they deem necessary or desirable in order to carry out the intent of the foregoing resolutions and required under the “Town Plan” to make the “Town Plan” fully effective in accordance with its terms and intent.

Ms. Waizenegger recused herself at 7:08 p.m. due to her employment with the Hartford.

Mr. Dan Nelson indicated that a copy of the summary plan and the plan document had been distributed to the Town Council prior to this meeting. Mr. Nelson recommended amending the Town Plan name as stated in the resolution to read as “Defined Contribution Retirement Plan”.

Moved by Mr. Ciocci, seconded by Mr. Palmieri to amend paragraph 4 of the resolution to read as,  
“NOW THEREFORE, BE IT RESOLVED, that the Town Council hereby approves and adopts the Town of Trumbull Defined Contribution Retirement Plan, herein referred to as the “Town Plan”, to provide employees of the Town of Trumbull with retirement benefits; and to strike in the fifth paragraph the first hereby”.

VOTE: Motion to amend carried unanimously.

Mr. Nelson confirmed that a representative from the Hartford as well as the Chairman of the Pension Board, Mr. Charland would be present at the Feb 6, 2012 Town Council meeting. The Chair suggested sending the resolution to the council without recommendation based on the fact that a representative from the Hartford would be present at the Town Council meeting

In response to a question from Ms. Mark, Ms. Pires indicated that this plan includes the elected, appointed, civil service employees (not vested at this time), non-union BoE employees and any union employee in which this has been negotiated in their contract, (i.e. fire marshal). There are approximately ten (10) employees eligible at this time. Mr. Nelson stated they expect the number of eligible employees to grow over time.

In response to Mr. Palmieri, Mr. Nelson stated the motivating factor was the funding level of the current plan. The potential long term savings is worthy of the change. Survivorship is not included in this plan. Ms. Pires stated that the current plan allows for when you retire that the last three years of wages are averaged; if the employee was there for thirty years they would be able get up to 60% for their lifetime, with 3-5% contribution, currently the spouse gets survivorship too. This plan is definitely a

savings to the Town. Mr. Meisner indicated that at the initial stage this plan will cost the Town additional funds, because elected officials typically are not with the Town long enough to be vested; the savings will come with the unions' inclusion with the plan. This would be a portable benefit that the employee could take with them.

Mr. Nelson stated that the options for a pension plan are a hard freeze or a soft freeze. The Town would rather go with the soft freeze by starting with a new start date in the contract, new employees would enroll in this plan and honoring the Town's commitments to the employees already in the pension plan.

Ms. Mark spoke in favor of the Town making an effort to go the Defined Contribution Plan. The employees that would now be covered may have never had made it into a pension plan noting the early vesting time of 5 or 6 years.

Mr. Meisner stated that it would take negotiations to have the unions agree. The Chair indicated that municipalities are moving to a Defined Contribution Plan.

Mr. Nelson stated the Town would like not to have to bond for benefits, currently the pension is an outstanding liability, one of the ways to decrease the liability is to limit the number of employees that can go on the pension plan.

Mr. Meisner spoke favorably that the Defined Contribution Plan would keep the Town to stay current. Mr. Nelson stated that the plan requires that the funds be included in the budget as opposed to the Town making a policy decision not to contribute to the pension plan in a difficult budget year.

In response to Mr. Meisner, Ms. Pires stated that the plan would cost approximately \$30-\$40,000 initially. Right now the required contribution for the regular pension is \$4.7 million, the Town contributed \$3.4 million this year, last year the Town contributed \$3 million and this coming year the plan is to contribute \$4 million. The contribution required by the employee under the Defined Contribution Plan is 5%, the Town will match up to 5%, if the employee wants to contribute more than 5% they could contribute to the plan but it would be taxable, or they could elect to go into the 457 plan. The employee contribution in the current plan is based on actuary evaluations by the entire plan, not the individual. A representative from the Hartford will be at the Town Council meeting to address questions.

In response to Ms. Mark, Ms. Pires confirmed that the Pension Board will be overseeing this plan.

In response to the Chair, Ms. Pires and Mr. Nelson indicated that the resolution would not need emergency legislation.

Moved by Mr. Ciocci, seconded by Mr. Palmieri to send to the Town Council without recommendation. VOTE Motion carried unanimously.

Ms. Waizenegger returned to the meeting at 7:22 p.m.

2. RESOLUTION TC24-18: Moved by Ms. Mark, seconded by Mr. Palmieri.

BE IT RESOLVED, WHEREAS, on January 4, 2012 the State of Connecticut Department of Energy and Environmental Protection (DEEP) notified the Town of Trumbull that there is \$300,000 in unspent federal monies available from Connecticut's allocation of funds under the American Recovery and Reinvestment Act Energy Efficiency and Conservation Block Grant; and

WHEREAS, these monies are available through the State of Connecticut Municipal Quick Spend Energy Efficiency & Conservation Program;

WHEREAS, the Town of Trumbull is requesting \$10,125.00 in Quick Spend funds for the installation of programmable thermostats in the Senior Center Building to conserve energy and reduce operating costs;

THEREFORE, BE IT RESOLVED, That First Selectman, Timothy M. Herbst, is hereby authorized to make, execute and approve on behalf of the Town of Trumbull any and all contracts, documents, agreements and amendments for the State of Connecticut Municipal Quick Spend Energy Efficiency & Conservation Program.

Mr. Nelson stated that this resolution represents unspent grant funds from the energy block grant. The state needs to spend these funds prior to June 30, 2012 and is allowing the towns to apply for the overage. The town of Trumbull has been allocated \$10,125, back up information was provided prior to the meeting and includes the breakdown of the request as follows:

- \$3,045 for the electrical contractor
- \$7,080 for programmable thermostats including wiring, transformers and relays for the Trumbull Senior Center.

The Town Director of Buildings and Facilities developed this plan for the use of the grant funds. The Senior Center thermostats were chosen because they met the threshold of what the town was allocated. The thermostats would not have to come out of the operating budget.

In response to Mr. Palmieri, Mr. Nelson stated the state confirmed with the Town Assistant Finance Director that the Town would need a Town Council resolution to apply for this grant. Mr. Palmieri spoke to the resolution's wording and the need to amend the resolution to reflect that the Town would be applying for the \$10,125 v. the \$300,000. The committee discussed various amendments to clarify the resolution. Ms. Waizenegger stated amending the resolution does not change the meaning of the resolution.

Moved by Mr. Palmieri, seconded by Mr. Ciocci to amend the last paragraph resolution to read as: THEREFORE, BE IT RESOLVED, That First Selectman, Timothy M.

Herbst, to be empowered to be authorized to make, execute and approve on behalf of the Town of Trumbull any and all contracts, documents, agreements and amendments for the State of Connecticut Municipal Quick Spend Energy Efficiency & Conservation Program with regard to the \$10,125 previously referred to for the installation of the programmable thermostats in the Senior Center building to conserve energy and reduce operating costs.

VOTE: Motion CARRIED 3-2 (Against: Testani and Mark)

Mr. Ciocci stated that according to [recovery.gov](http://recovery.gov), the official site of American Recovery Investment Act, the purpose of the recovery act was three fold and listed the purposes as follows:

1. To create new jobs and save existing ones
2. To spur economic activity and invest in long term growth.
3. To foster unprecedented levels of accountability and transparency in government spending.

Mr. Ciocci prepared a statement and read it into the record of this meeting (See Attached).

Mr. Palmieri stated that if it could be confirmed that if Trumbull did not apply for this grant the funds would go to someone more deserving he would agree with Mr. Ciocci, but noted that it can not be confirmed. If Trumbull does not take advantage of this opportunity someone else will.

In response to Mr. Palmieri's, Mr. Ciocci clarified that he is in favor of the long term savings that could be achieved by the installation of the thermostats; he only disagrees with the source of the funding. Mr. Palmieri clarified that the resolution only empowers First Selectman Timothy M. Herbst to make application; the Town would be short sighted not to apply.

Ms. Mark stated that she represents the Trumbull residents at a local level and would look out for their interests first speaking in favor of accepting the grant funds.

Mr. Meisner stated that it is an appropriate roll of government to provide a counter-cyclable course to the economy at times. This is a philosophical difference; it would not be prudent or responsible to forgo these funds. Mr. Meisner does appreciate Mr. Ciocci's statement, but voting against the resolution would not be in the best interest of Trumbull taxpayers.

Ms. Waizenegger stated that if this grant money was truly set aside to help people the funds would have been spent, speaking in favor of either not spending it all or giving it back to everybody.

Mr. Meisner's spoke to the small percentage of unspent funds of the overall amount. There is any number of reasons why the funds were not spent. Mr. Palmieri stated that

he agreed with Ms. Waizenegger's concerns on how federal funds are spent, but echoed Mr. Meisner's comments.

Mr. Palmieri stated that the issue at hand is whether to empower Timothy Herbst for the opportunity to apply for the grant. Ms. Waizenegger agreed.

VOTE: Motion CARRIED as amended 3-2 (Against: Ciocci and Waizenegger)

There being no further business to discuss the Legislation & Administration committee adjourned by unanimous consent at 7:47 p.m.

Respectfully Submitted,

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Margaret D. Mastroni

Ladies and Gentlemen:

It has been almost 2 years to the date that Congress and President Obama passed and signed the American Recovery and Reinvestment Act- an 840 *billion* dollar package based upon Keynesian economics, intended to jumpstart the American economy and get people back to work. According to Recovery.gov- the official website for President Obama's stimulus plan- the purpose of the Recovery and Reinvestment Act is three fold:

1. Create new jobs and save existing ones
2. Spur economic activity and invest in long-term growth and
3. Foster unprecedented levels of accountability and transparency in government spending

The point of my remarks tonight is not to rehash the merits of the 2009 stimulus plan. This is neither the right time nor the right place. But when two years after passage of the Act, we officials here at the municipal level are discussing whether our little town should apply for and accept federal stimulus dollars, the question arises as to how we should judge the merits of this proposal. And my proposal for judging the question before us is very simple and comes directly from Congress and the President of the United States:

1. Will this project create new jobs or save existing ones?
2. Will this project spur economic activity or invest in long-term growth? and
3. Will this project foster unprecedented levels of accountability and transparency in government spending?

Let us examine the first criterion: will we create new jobs or save existing ones? The answer to this question is undoubtedly no. The vast majority of the roughly ten-thousand dollars in question will go towards purchasing the actual, physical programmable thermostats and related technological upgrades. Will this create even one job? Of course not. The thermostats have already been created and are sitting in a warehouse waiting to be sold. The labor and capital necessary to bring this product in to existence has *already* been expended. There is nothing new to create, at least from a manufacturing standpoint. Another possibility to create new jobs by applying for and accepting this grant might exist in the *installation* part of the system. But there too we find no jobs will be created. If we hire a private company to install the system they will use employees who are *already* on their payrolls to do the work. No one is going to hire a previously unemployed person because Trumbull, CT is installing programmable thermostats in our senior center. Firstly the size of the grant is too small to support a new job, and secondly even if it were large enough, installing the thermostats is a relatively small and very short-term project. It may take a few days at most to complete, which is obviously not long enough or meaningful enough for a private company to hire someone new. There is another option: the Town may possess the requisite expertise for installation through our public works department. But if we follow that route we will simply be using a town employee who obviously already has a job to install a system which clearly then will not create any jobs.

But might we save existing jobs? Here too we see the grant falls short. It is not conceivable that a local company is going to lay off employees because we do not take this grant. If the grant

is too small to create new jobs, it is too small to save existing ones. Furthermore, if we do in fact use in-house talent, we are doing two things: 1. Utilizing a currently employed municipal employee whose job status does not depend upon acquiring and executing this grant- that is to say, we are not going to lay off any public works employees because we do not accept this grant (so we're not saving any current jobs) and 2. Diverting scarce resources in the form of time and talent to install a system that hitherto we as a town have not decided is a priority. This means employees will be ordered to suspend core public works functions for a certain time period, which merely suspends other work we have previously prioritized. If this system were a priority, we would put it in to our budget and pay for it ourselves- maybe even having should have done so a few years ago.

Now to the second criterion: will this grant spur economic activity or invest in long-term growth? I believe the answer to this really rested in the answer to the first question. If we aren't creating new jobs or increasing real demand, then we aren't spurring economic activity and by extension we're not investing in long-term growth. In fact, if the basis for stimulating the economy is creating demand and in response to that demand jobs, then at best we would be harming a particular company or industry by installing energy efficient controls because greater efficiency reduces demand for energy and energy suppliers. This isn't at all an argument against our Town becoming more energy efficient. Let me be very clear about this: I wish we would move in that direction even faster, because it will save taxpayers money; rather my purpose here is to point out the logical and economic fallacies inherent in the very Keynesian system our Federal and state government is asking us to participate in. It is a self-contradicting model that only harms taxpayers in both the short and long terms.

And to our last criterion: will this project foster unprecedented levels of accountability and transparency in government? Of course not, ladies and gentlemen. This project won't foster anything- much like the larger stimulus package- except higher debt and higher taxes down the road. Applying for and accepting this grant won't make anyone more accountable or transparent.

By the very criterion created not by me, but through the infinite wisdom of Washington, DC and Hartford politicians, this grant fails not one, not two but on all three accounts.

Naturally the objection will be raised, *but if we don't take this money someone else will*. And I cede that this objection is somewhat accurate. Perhaps someone else will take the grant. But this objection ignores the fact that *it isn't our money to take!* Stealing from one part of the country, or in this instance, future generations of Americans in order to fund and implement something that is *undeniably* the sole responsibility of Trumbull to finance and implement is simply wrong, and I would rather the weight of responsibility for helping bankrupt our country rest upon the shoulders of other towns' supposed leaders than our own.

Leadership is difficult. There is no doubt about that. Real leadership calls us more often to say "no" than it does otherwise and to sometimes make unpopular decisions, but my hope tonight is that we will reject TC 24-18 and in so doing send a message not just to the misfits in Washington and their partners in Hartford, but even to our constituents here in Trumbull that we are not willing to participate in an economic model that spends now, taxes later and leaves everyone worse off as a result.