

**MINUTES OF THE CHESHIRE TOWN COUNCIL BUDGET COMMITTEE MEETING
HELD ON TUESDAY, MAY 17, 2016 AT 7:00 P.M. IN ROOM 207, TOWN HALL, 84
SOUTH MAIN STREET, CHESHIRE CT 06410**

Present:

Timothy Slocum, Chairman; Sylvia Nichols and Michael Ecke

Staff: Michael Milone, Town Manager; Vincent Masciana, C.O.O. Department of Education; James Jaskot, Finance Director

Others Present:

Robert Lindberg, Arthur J. Gallagher & Co., Ryan Suerth, Murtha Cullina

1. ROLL CALL

The Clerk called the roll and a quorum was determined.

2. PLEDGE OF ALLEGIANCE

All present recited the Pledge of Allegiance.

3. ELIM PARK DONATION TO FIRE DEPARTMENT GIFT ACCOUNT

Fire Chief Jack Casner stated the Cheshire Fire Department is requesting the Town Council appropriate the entire gift of \$175,000 from Elim Park to be used as outlined in Chief Casner's March 15, 2016 memorandum.

Discussion:

Chief Casner reviewed his May 17, 2016 response to Ms. Nichols' email of the same date. Mr. Milone stated the Cheshire Fire Department Gift Account is almost depleted because of the \$100,000 appropriation for the acquisition of the new truck. Mr. Milone stated had the Gift Account not been used, a strain would have been put on the General Fund and he believes the requested appropriation is a prudent use of the gift funds. Mr. Ecke stated it was a mistake to deplete the Gift Account for an operating expense. Chief Casner stated he did so to get the acquisition moving. There was a brief discussion.

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to approve and move agenda item #3 to the full Town Council for approval.

VOTE The motion passed unanimously by those present.

4. ACQUISITION OF ATV BY PARKS AND RECREATION DEPARTMENT

This matter was tabled due to the absence of Bob Ceccolini.

5. WATER POLLUTION CONTROL AUTHORITY TWO-TIERED SEWER USE
 CHARGE PROPOSAL

Mr. Milone stated the proposal to institute a two-tiered sewer use charge is not possible because the Town cannot distinguish between tax status. A secondary charge can be imposed, but it must be imposed to all users. There was a lengthy discussion. No action was taken on this matter.

6. STOP LOSS INSURANCE CAPTIVE

Mr. Masciana introduced Bob Lindberg from Arthur J. Gallagher & Co. and Ruan Suerth from Murtha Cullina to discuss the Stop Loss Insurance Captive. Mr. Lindberg presented information about an association sponsored, non-stock specialty insurance company - a "captive," which is fully regulated by the Connecticut Department of Insurance, comprised of members based on by-laws created by a working group of Towns and schools all with equal votes and governed by a member-elected Board of Directors. Mr. Lindberg stated the benefits to a Stop Loss Captive Insurer are stabilization of cost and coverage through risk management and transfer, collaboration to develop longer term benefit cost control strategies and the potential for additional collaboration in the future. Mr. Lindberg stated the initial commitment is one year and 11 Towns have passed underwriting review and are committed to join. The Town of Cheshire has 10 days to decide if it wants to join. Mr. Suerth stated he would like to see the dispute resolution process. There was a lengthy discussion.

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to approve and move agenda item #6 to the full Town Council for approval.

VOTE The motion passed unanimously by those present.

7. ADJOURNMENT

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to adjourn at 8:28 p.m..

VOTE The motion passed unanimously by those present.

Respectfully submitted

Karen M. Gill