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To: Mayor Hinchey and members of the City Council
From: John Salomone, City Manager
Subject: City Manager's Report
Date: February 21, 2017

I would like to acknowledge the Public Works Department for their hard work removing the snow over the past 2 weeks. I realize it was hard to get ahead of the due to the continuous cold and snow fall. As many of you know, City Hall remained open but non-essential employees were given the opportunity to use vacation or personnel time to remain safe at home.

The Mayor and I continue our weekly meetings. I attended the Labor & Public Employees Committee meeting in Hartford with her on February 14th, and the Norwich Board of Education Legislative Breakfast on the 16th. We also met with Senator Cathy Osten immediately after the breakfast regarding school construction grants.

I met with Jeff Blinderman and Julie Cagle from the Recreation Advisory Board.

The monthly Fire Chiefs meeting was held on February 8th to discuss GIS response, mutual aid, and equipment reduction and replacement. It was agreed that the chiefs would review vehicle replacement and potential new vehicle need together.

The Mayor and I meet with staff regarding downtown traffic patterns.

Greg Schlough, who is helping to coordinate the Fireman's convention and parade that will be held in September stopped by my office to give me an update.

I meet with JP Mereen, and representatives from Norwich Golf Course Authority regarding the next step for the process of approval for an irrigation pond at the site.

City staff and I, Todd Levine from SHPO and representatives from the Women's Institute met on February 15, for an information update on the Reid & Hughes. The meeting was rescheduled from February 10.

On February 17th, Josh Pothier & I participated in a due diligence conference call with the underwriter, Piper Jaffray; the underwriter's counsel, Shipman & Goodwin; our financial advisors, William Blair; and our bond counsel, Pullman & Comely.

The City will be issuing \$8.45 million of bonds in March, including \$3 million for a partial refunding of the 2009 Series A issue. This refunding should yield roughly \$50,000 in net present value savings, depending on how interest rates change between now and March 10th. The City sought an update on its bond rating from Standard & Poor's (S&P) for this bond issue on February 7th with a conference call which included John Salomone, Bob Mills, John Bilda, Steve Sinko, and Josh Pothier

S&P affirmed Norwich's AA rating with a stable outlook on February 13th. In summary, it will be difficult for Norwich to increase its rating above AA until the local economy improves. The following measures will help the City maintain its AA rating and position itself for a ratings increase when the economy does improve:

- Continue to build the General Fund unrestricted fund balance to the 12%-17% range
- Continue to fund the OPEB and pension plans responsibly
- Negotiate lower OPEB and pension benefits prospectively
- Formalize and monitor more financial policies
- Keep bonded debt at a manageable level

Staff and I meet with Bonnie Hong from Norwich Rotary and carnival representatives regarding their upcoming event.

Ethics training has been continued to boards and commissions. My assistant, Jacquie Barbarossa has emailed the chair, board member, or recording secretary for more than 30 boards, commissions, or committees to register for the on-line training course through CIRMA. She will be tracking the progress on-line.

I would also like to thank Norwich Public School art teacher, Gabe Lipman, and the students for the displays of artwork throughout City Hall. Jacquie will be working with Gabe throughout the year for new displays. Please take a look at their work, it is very impressive.