

**BOARD OF ALDERMEN
BUDGET DELIBERATIONS SESSION
APRIL 26, 2010**

The Board of Aldermen resumed their budget deliberation session on Monday, April 26, 2010 in the aldermanic chambers of City Hall. Chairman G. Smith welcomed everyone to the April 21, 2010 meeting of the proposed budget for the City and Board of Education for fiscal year 2010-2011. He asked those present to join in saluting our flag and reciting the Pledge of allegiance and to remain standing for a moment of silence for the men and women serving our country.

1. Roll Call

Board Members Present

B. Bevan
B. Bier
B. Blake
D. German
A. Giannattasio
F. Goodrich, Jr.
B. Joy, Jr.
J. Patterson
G. Smith
P. Smith
P. Staneski
N. Veccharelli
P. Vetro
R. Vitali

Also Present

Mayor J. Richetelli, Jr.
J. Doneiko, Finance Director
L. Stock, City Clerk

Excused

M. Hardiman

Ald. Vetro and Ald. Patterson made and seconded a motion to come out of recess at 7:09 p.m. Motion carried unanimously.

4144 Board of Assessment Appeal – no questions.

4210 Finance Department – Judy Doneiko, Finance Director was present for questions.

Ald. Staneski asked what the overtime account was used for.

Ms. Doneiko responded they have deadline for filing information with the IRS and end of the year. She stated the Assessor's office has seasonal help and overtime and also for elderly housing exemptions.

Ald. Vitali asked about duplicating costs and if those costs were on top of the \$47,000 in the general fund.

Ms. Doneiko stated it covers the printing of the tax bills and also blank stock. She stated she looked at the 2006 budget and compared it to 2011 and the difference between the two was \$4,203. She pointed out that is in 5 years. She further pointed out if she were to take the money out for the reveal there would actually be a negative.

Ms. Doneiko also explained they saved money in 2002 when they stopped ordering pre-printed checks. She also stated the City recognizes a substantial savings by doing the reval in-house of about \$500,000. She also pointed out there are a number of offices under this one account.

Ald. Blake stated he asked last week to all departments whose budget exceed the allocation from the previous year to go back and look over their budget and come back to the Board before they vote with suggestions as to how to reduce line items. He reiterated he has made this request to the other department heads as well.

Ald. P. Smith asked about line items 4774 0000 Postage and line item 4784 0000 Printing & Binding.

Ms. Doneiko stated the postage account is for mailing the tax bills as well as checks to vendors, also W-2 forms and payroll check. She stated with regard to printing and binding that is the tax bills, grand list, etc.

Ald. Vitali stated he wished to revisit is earlier question regarding the general fund that supports duplicating. He stated he wished to be clear that it was not available at the Finance Department's disposal.

Ms. Doneiko stated they do use those machines. She stated she was referring to paper for the large machines where they do reports, etc.

Ald. Bevan inquired about the postage account and asked if they use standard service or private service.

Ms. Doneiko responded standard service.

Ald. Giannattasio asked about line item 4712 0000 Training Expenses.

Ms. Doneiko stated the Assessor's Office and the Tax Office have certifications that have to be maintained. She stated there are often payroll laws that change so they have to send people for training.

Ald. Joy asked about reval and if that is on-going every year.

Ms. Doneiko explained they spread it out so that they are not hit so hard all at one time.

4420 Public Works Office – Bruce Kolwicz, Public Works Director and Kelly Hammill, Administrative Assistant were present for questions. Mr. Kolwicz stated the budget is essentially the same budget he turned in last year and the same budget they have been working with and the same budget they are out of money in most of their accounts.

Ald. Joy asked about the City Engineer position and the outsourcing of that position.

Mr. Kolwicz explained the various licenses and the different disciplines. He stated they still would need to go out for those specific areas. He stated he was of the opinion it was not practical to have a City Engineer.

Ald. Vitali asked about line item 4977 0190 Computer. He stated the original request was \$1,728 and the Mayor and Board of Finance recommended \$900. He asked if that was more than one computer.

Mr. Kolwicz responded yes it was for more than one.

4421 Highway/Parks – Bruce Kolwicz, Public Works Director and Kelly Hammill, Administrative Assistant were present for questions.

Ald. Blake thanked Mr. Kolwicz and Ms. Hammill for being responsive to all the questions and concerns that come up over the course of the year, especially Ms. Hammill. Ald. Blake asked if there are any current vacant positions and if they anticipated any additional vacancies and if he could get a list.

Mr. Kolwicz stated he could assure Mr. Blake and the members of the Board there would be no open vacant positions. He stated it is a complicated process and went on to explain the hiring at the Public Works Department.

Ald. German asked about line item 4113 0000 snow removal and the total expended this year.

Mr. Kolwicz responded it is almost \$200,000.

Ald. German asked about leaf pick-up and asked if that is done as overtime or regular hours.

Mr. Kolwicz stated they do it during regular hours, but when it gets heavier they do it on Saturdays.

4423 Building Maintenance - Bruce Kolwicz, Public Works Director and Kelly Hammill, Administrative Assistant were present for questions.

Ald. P. Smith asked what buildings the Public Works Department supports.

Mr. Kolwicz responded all buildings except fire department and Board of Education buildings. He stated they support them in one way or another. He stated this includes all out buildings such as Tri-Beach, Fanny Beach, etc. and all bathrooms in the City.

Ald. P. Smith asked about line item 4923 0000 Building Improvements and 4923 0502 Roof Improvements.

Mr. Kolwicz mentioned City Hall, Parsons Complex and that there are still problems at the Margaret Egan Center in the gymnasium. He also stated work needs to be done at some of the bathrooms such as Washington Field. He stated he has also spoken to the issue of the pointing work that is much needed at Parsons. He stated in the courtyard there are bricks that have fallen out.

Ald. Blake asked if they had an action plan in place if the school board should close a school and the building reverts to the City.

Mayor Richetelli interjected stating the building would be turned back to the City and then the City would decide its use. He stated at this time it is premature and that if there were any action it would be to this Board.

Ald. Blake commented he would think there would be some period where it will have to be maintained.

Mr. Kolwicz stated if that were to happen they would secure the building, cover the window and lower the heat. He stated they are just some of the measures that would be taken.

Ald. Vetro commented throughout the year he receives a number of calls regarding various items and stated he wanted to thank Public Works for what they do and the effective way they get things done. He also asked if they have contracted with UI for savings and what savings they have seen.

Mr. Kolwicz stated they are with Nex Gen/Trans Canada and that it has been working very well. He stated they pay a much lower rate and are seeing a savings.

4424 Engineering - Bruce Kolwicz, Public Works Director and Kelly Hammill, Administrative Assistant were present for questions.

Ald. Blake stated last year one of the questions was whether or not it was this Board's intention to fund the City Engineer position or continue with outside private engineering. He stated his question is whether or not the City has advertised this position.

Mr. Kolwicz replied it has not been advertised. He stated he has spoken with two people who have expressed interest in the position, both of whom are professional engineers. Mr. Kolwicz stated he is of the opinion the person would have to be multi-disciplined. He stated currently the work is getting done and it is done a timely basis.

Ald. Blake asked if the position is not being advertised how they know whether or not there are qualified candidates out there. He questioned whether there should be an additional line item in the budget for outside services.

Mayor Richetelli stated the Board should be aware they do not have a fund for Professional Fees & Services.

Mr. Kolwicz stated the last time the position was advertised after an exhaustive search, it produced two candidates.

4429 General Garage - Bruce Kolwicz, Public Works Director and Kelly Hammill, Administrative Assistant were present for questions. No questions.

4431 Solid Waste - Bruce Kolwicz, Public Works Director and Kelly Hammill, Administrative Assistant were present for questions.

Ald. German asked Mr. Kolwicz to expand on line item 4112 0000 Overtime.

Mr. Kolwicz stated overtime is interesting because it is from a previous contractual agreement. He stated it is in part because of the nature of the job and the number of routes they have and if someone is out on a particular day someone has to pick up that route. He stated he covers a myriad of things. He also pointed out the bulk pickup comes out of this account.

Ald. Vitali asked about condominium reimbursement.

Mr. Kolwicz stated that line item is the City reimbursement. He explained the reimbursement, rate and city services.

Ald. Blake recalled contractors operating in Milford that were going to the Bridgeport plant and not passing through Milford. He stated this Board then passed a Resolution addressing that problem. He asked if the City has satisfied its tonnage requirements or has incurred any penalties.

Mr. Kolwicz stated they have not paid any penalties. He stated they are currently working with CRA and that they have stepped up their enforcement. He stated with regard to the actual tonnage, they are half way there and on-line with where they should be. Mr. Kolwicz stated at the next Board of Aldermen meeting he would be bringing an updated Flow Control Ordinance.

Ald. Blake asked if they could reduce line item 4790 9950 City Waste Removal Costs to last year's number.

Mr. Kolwicz responded no. He explained they still have to pay what they dump.

Ald. Blake asked what would be different next year.

Mr. Kolwicz stated it is an educated guess.

Ald. Blake stated if you look at last year's figure it was actually \$2,406,638 and the number in the budget is actually less.

Mayor Richetelli stated the \$2,100,000 figure was the number last year's Board of Aldermen placed on it. He stated the actual projection was \$2,300,000, which is less than fiscal year 2009.

Ald. German asked for clarification if the number is \$2,300,000.

Mr. Kolwicz stated it is based on tonnage. He also stated Milford is grouped as a whole and have been meeting regarding the numbers.

Ald. German asked the estimated cost of bulk pickup.

Ms. Hammill replied about \$90,000.

Ald. Blake commented Mr. Hooks and Ald. German have been working on a committee concerning trash recycling. He asked if there would be any changes coming soon.

Mr. Kolwicz stated they are going towards Single Stream and not the SMART referenced by Ald. Blake. Mr. Kolwicz went on to explain each program.

Mayor Richetelli added the inter-local or consortium of towns in the group that will be going to this Single Stream. He stated this switch over would likely take place in the next 8 months or so. He stated it will require a switch over of material but will offer some savings in the wheelabrator plan. He also pointed out it would take a tremendous amount of education on the part of our citizens.

Ald. Bevan asked how much the City pays for the Oyster Festival.

Mr. Kolwicz responded \$7,000.

Ald. Goodrich commented tonnage should go up since enforcement is now in place.

Mr. Kolwicz stated garbage is seasonal, but they have noticed an increase since stopping those going to Bridgeport.

Ald. P. Smith commented regarding the Oyster Festival and stated the crews do an excellent job that day and thanked Mr. Kolwicz and his staff for the service.

Ald. Joy commented regarding the new Ordinance and the condominium reimbursement and stated they should only reimburse those condominiums whose haulers are in compliance.

Mr. Kolwicz responded they have done that. He stated Ms. Hammill keeps close watch on that.

4426 Wastewater – Jim Cooper joined Mr. Kolwicz.

Mayor Richetelli stated as a point of information that Wastewater and the Sewer Fund are paid for out of the sewer user fees. He stated funding for this does not come from the mill rate.

Ald. Blake asked about line item 4741 0001 Nitrogen Credits. He asked if it is a wash or if the City sells credits.

Mr. Cooper replied at the Housatonic plant they sell them and at the Beaver Brook plant they purchase them. He stated that was the plan from the beginning. He stated they will receive a check from the DEP for about \$13,000.

Mayor Richetelli added any funds they receive in credits go into the Debt Service Fund.

Ald. Veccharelli asked about line item 4442 0000 Electricity. He asked if it was possible to use methane for the energy fuel cell and if they have made any progress to date.

Mr. Cooper replied it is something they are very interested in, but they need to get all the plant work done. He went on to explain that process.

Ald. Joy noted the budget is almost \$200,000 less.

Mr. Cooper explained part of that is because they don't need to purchase nitrogen credits.

Chairman G. Smith thanked Mr. Kolwicz, Ms. Hammill and Mr. Cooper for being present to answer questions.

Chairman G. Smith announced a 5-minute recess at 8:11 p.m. Chairman G. Smith reconvened the Board in public session at 8:15 p.m.

4154 Sewer Commission

Ald. Patterson asked for an explanation of the Clean Water Interest Fund and why it is also shown in general taxation.

Mayor Richetelli explained the City bonded \$92,000,000 for the upgrades to the sewer treatment plants. He further explained there is a split of one half of the cost of bonds from general taxation and one half by the sewer user. He stated there is a rationale as to what comes from taxation. He stated the rationale is that the majority should come from the sewer user, but that is why you see it in general taxation as well.

Ald. Veccharelli commented there is one employee in this department and overtime is \$15,000. He stated the historical data is one-third of that figure. He asked why the increase.

Mayor Richetelli explained this department at one time had a sewer administrator and a full time clerk. He stated last year that clerk position was eliminated. He stated the work is borne by a member of the Engineering Department. He stated when any sewer work is done it is done on overtime. He stated although the position is funded there is not position. Mayor Richetelli stated by doing it this way they have realized a savings of \$74,000-80,000, as well as benefits.

4502 Equipment Reserve Allocation

Mayor Richetelli explained this account is the prior rolling stock and vehicle acquisition account.

4503 Public Debt Service

Ald. Blake commented it was his understanding it is the practice of the Finance Director to issue bonds previously authorized. He stated it was his further understanding this includes bonds from old projects both authorized and old. He asked for an accounting on those bonds.

Ms. Doneiko explained the bonding and stated the money cannot be used for anything.

Ald. Blake asked if there are any monies left over.

Ms. Doneiko explained under Federal Law they cannot issue the bond without it being dedicated to a purpose. She went on to explain how the bonds are issued.

4710 Employee Benefits

Ald. Staneski asked about line item 4220 0000 Wellness Program and asked why those dollars were removed.

Ms. Doneiko responded it was not worthwhile to put monies aside at this time. She stated there just was no interest so they gave gone in a different direction. She stated they have received a treadmill from the fire department which they will make available to all City employees. Ms. Doneiko also stated they encourage all employees to use Anthem's Wellness and Care Program.

Ald. Blake asked if the proposed numbers in line item 4221 9119 were based on estimates from the actuaries. He also asked if there would be a final figure or if this number would be adopted.

Ms. Doneiko responded the number stated is the final number. She stated they received the number about a week ago.

Ald. Blake asked which level of risk it fell under.

Ms. Doneiko responded this was the health insurance not workers compensation.

Chairman G. Smith asked about line item 4209 0000 State Survivor's Fund.

Ms. Doneiko explained that is a police contract managed by the State. She stated they are required to pay into that fund. He noted it is for sworn police officers only, which is a requirement of the State.

4720 Insurance and Bonds

Ald. Patterson asked about the \$1,000,000 drop in workers compensation and if it was accurate.

Ms. Doneiko responded it is accurate. She explained over the last few years they have been trending downward and able to use more of the funded balance.

Ald. Blake stated when the heart and hypertension fund was discussed last week it was anticipated to be \$460,000, but in this account it says \$294,967.

Ms. Doneiko stated the \$294,967 is one element for new claims incurred. She explained they collect from sewer, marina and other grant agencies that participate in this program.

Ald. Blake asked the total amount of the workers compensation fund.

Ms. Doneiko responded \$1,700,000 is the expected cash flow.

Ald. Blake stated he sits on the Claims Committee and since January they have not paid out more than \$50,000. He questioned why the number is so high and the Claims Committee has seen so little.

Mayor Richetelli stated the agenda items are uninsured claims. He stated with regard to the heart and hypertension claims, the committee receives the new ones.

Ald. Blake questioned the years the City was self-insured and whether claims came to the committee.

Ms. Doneiko explained the committee gets claims when they get to a final settlement. She stated some claims take years to settle. Ms. Doneiko stated medical bills and wages are also covered. She stated the committee sees final bills when there is a permanency rating or final settlement.

Chairman G. Smith asked about line item 4830 9908 Insurance Consulting.

Ms. Doneiko stated they pay the agent of record, also research and pick up any additional insurance they may have to buy.

Mayor Richetelli explained the consulting percentages.

Ms. Doneiko added they look at the best combination of insurances.

Ald. Blake stated a former Board of Aldermen member has raised concerns over this account. He asked if there was an RFP and if the same consultant was hired.

Mayor Richetelli stated Ald. Blake was perhaps thinking of the health consultant, which comes out of funds they pay to Anthem. He stated AON is not part of this.

Chairman G. Smith commented it looked like the insurance amount stayed the same.

4790 Benefit & Salary Reserve

Chairman G. Smith asked why the account was left at \$0.

Mayor Richetelli explained this account is used in the rare case they have not settled a contract or for retroactive accounts.

4799 Unallocated Contingency

Mayor Richetelli explained this account is used for unanticipated expenses. He stated it was reduced last year to \$25,000 and that it was anticipated they could make do with that amount.

Ald. Blake asked the current fund balance or what was anticipated at the end of fiscal year 2010.

Ms. Doneiko stated it was too early to tell as she was still waiting for some of the departments to get their projections in.

Mayor Richetelli stated after the mill rate was calculated the total amount was down to around 6%, which is where it currently is. He stated he has discussed this with the bond agency and it was thought given the current economic times, it was a realistic number. He stated the number in the budget book is where they expect to be at the end of the year.

4993 Education Audit Fees – no questions.

4994 School Debt – no questions.

Mayor Richetelli stated he did not mention this past January the City did advanced refunding so there is a change to some of those line items. He stated the net result was a \$45,000 savings.

4995 Employee Benefits, Non-Teaching – no questions.

4997 Education Health Insurance Contribution – no questions.

Ald. Vitali and Ald. Vetro made and seconded a motion to recess at 8:56 p.m. Motion carried unanimously.

Respectfully submitted,

Kathleen K. Huber
Recording Secretary