

**BOARD OF FINANCE
BUDGET DELIBERATIONS - PROPOSED BUDGET FY2013-2014
FEBRUARY 20, 2013**

The Milford Board of Finance held a budget deliberations session on Wednesday February 20, 2013 in Conference Room B of the Parsons Complex. Chairman Lema reconvened the meeting in public session at 6:31 p.m.

Board Members Present

Brian Lema, Chairman
Scott Marlow, Vice Chairman
Joseph J. Fitzpatrick, Jr.
Mikel Montano
Joseph Castignoli (6:42 p.m.)

Also Present

Mayor Benjamin G. Blake
Peter Erodici, Finance Director

(4210) Finance Department – Peter Erodici, Finance Director, Ariane Swift, Accountant, Daniel Thomas, Assessor and Judy Haley, Tax Office were present. Mr. Erodici stated his department is made up of 6 divisions, including the Finance Department, Accounting Department, Assessor's Office, Tax Office, Purchasing Department and Risk Manager. He introduced Ms. Swift, Accountant, Mr. Thomas, City Assessor and Mrs. Haley, Tax Collector. He stated the success of his department is made up of each of these individuals and their departments. Mr. Erodici stated the overall increase to the budget is due to contractual wages. He stated they continue to work hard to do more with less and continue to work with many new mandates that come each year.

Mayor Blake added the overall increase in wages appears to be 6% because monies were held in another account while the bargaining units were negotiating.

Mr. Erodici stated the increases in his department are in two areas, overtime and the reval. He stated he also wanted to bring to the Board's attention on p. 38. He went on to explain the history of the request for an Accountant 1, which was initially approved by the Board of Finance in 2008, but not approved by the Board of Aldermen. He stated in 2009 the Board of Aldermen approved the request for an Accountant 1, however through the hiring process the position was not filled and subsequently the position was not approved in the 2011 and 2012 budgets. He stated they did not request the Account 1 position in the 2013 budget. Mr. Erodici also reminded the Board that the Finance Department had an overall staffing reduction of two clerks in 2011. Mr. Erodici stated they find an acute need for that position of accountant is becoming more and more difficult for the accountant and finance director. He cited the numerous mandates, i.e. GASBY, which has many components and also the Federal Care Act. He stated there becomes a point when you can just delegate so much to the support staff. Mr. Erodici deferred to Ms. Swift.

Ms. Swift spoke of her background in municipal accounting. She stated when she came to the City of Milford she was astounded by the volume of this division. She continued with a lengthy explanation of the workings of the accounting department. She stated they have implemented a number of cost saving programs, they have reduced their copying, putting many things on-line, merged invoices, reducing the number of checks and

reduced postage. She stated the overtime represents 1 hour per two staff members, per week to help keep paperwork in-line. Ms. Swift stated also processed through the accounting department is benefits administration, which is over 50 insurance sub-groups, employees and retiree questions, etc.

Mr. Castignoli asked if they pay electronically.

Mr. Erodici stated they are not set up that way, although it has been talked about. He stated they have not looked into it mostly due to the fact the existing staff is not able to spend time to get another project off the ground.

Mr. Castignoli asked about deposits.

Mrs. Haley explained the process with the lock box.

Mr. Fitzpatrick asked if they have looked into digitizing invoices.

Mr. Erodici stated they inquired with the State a few years ago, however it would be another major upgrade to the system, which again would require too much time for existing staff. Mr. Erodici deferred to Mr. Thomas, Assessor.

Mr. Thomas provided the Board with a handout. He explained they have not done a full data inspection since 1991. He explained in 1997 they began doing in-house reval and again in 2000 and 2007 and in 2008 they did a data study. Mr. Thomas stated the next re-assessment would be in 2016. He stated he is proposing hiring data inspectors for 2014 to gain access to all the homes in the City. He explained typically cities will hire companies which can be costly. He continued with an explanation of the handout.

Mr. Castignoli asked if that is work that did not go through the building department.

Mr. Thomas replied yes, it is generally for kitchen and bathroom remodels.

Chairman Lema asked if it is two permanent positions.

Mr. Thomas stated they would be long term temporary positions.

Chairman Lema asked why it would not be included under misc/other professional fees.

Mr. Erodici explained it is other professional/seasonal/temporary.

Mr. Fitzpatrick asked how much is in the Fund 40 account.

Mr. Erodici replied approximately \$35,000.

Chairman Lema stated the department request was \$52,000.

Mr. Thomas stated it is about half.

Mr. Castignoli asked how the data collectors are hired..

Mr. Erodici stated it is hourly.

Mr. Castignoli asked if they could be paid on contingency.

Mr. Thomas replied no, explaining the monies continue in 2017.

Chairman Lema stated the Mayor alluded to personal property taxes and the audit. He asked Mr. Erodici if he had any projections.

Mr. Erodici stated the audit is reaching its conclusion. He stated he would likely propose a reduction at the technical meeting. He also recognized Mrs. Haley and commented she has brought in a significant amount of money from delinquent taxes and commended her and her staff for all of their hard work.

(4143) Board of Assessment Appeals – Mr. Dan Thomas was present for questions/comments. No questions asked.

(4215) Management Information Systems (MIS) – Jean Lasczak, MIS Coordinator was present. Ms. Lasczak stated she oversees the technology department, but they do far more. She stated they are the payroll administrator, play a role in GIS, technology just to name a few. She went on to explain the role of each. She also spoke regarding staff and stated they actually have less than they did 20 years ago. Ms. Lasczak spoke of the PC Lan Coordinator position, split 50/50 with police and fire. He stated that position exclusively supports police and fire issues. She continued with an explanation of the work of the department. She also stated the applications they support has more than doubled over the years.

Mr. Castignoli asked about the two new positions.

Ms. Lasczak responded she asks for those positions every year. She explained if a PC Lan/Wan Coordinator is out, she has to do that work which then takes her away from her responsibilities. She also stated they have a lot more responsibilities with regard to public safety, i.e. program data, which is growing every day. Ms. Lasczak stated she wanted to make the Board aware of what her department does every day. She stated the challenges mentioned by the finance director are ones they will be experiencing as well. She stated they did their best to keep their department budget as low as possible, but unfortunately there are some increases beyond her control.

Mr. Castignoli asked if each department purchases their own software.

Ms. Lasczak explained she prefers things come out of her budget, but because of the way the budget is set up, it doesn't happen. She also stated her department facilitates and manages the leases and cited as an example ViewPoint which is used in DPLU.

Mr. Castignoli asked about computer hardware.

Ms. Lasczak explained that was included in the Capital Improvement Plan which was approved last month.

Mr. Fitzpatrick asked if she provides services to the Board of Education as well.

Ms. Lasczak replied they have their own technicians, except for the program utilized by the school nurses.

(4121) Mayor's Office – Mayor Blake stated the figures are the same as the previous year, except for contractual wages.

(4122) General Expenses

Chairman Lema asked about line item 4773 0003 Burnt Plains Open Space.

Mayor Blake explained it is a 10 year lease.

(4121) Golf Commission – Dick Austin, Chairman was present for questions. Mr. Austin reported earnings of approximately \$35,851 for 9-hole rounds and \$5,095 for golf cart rentals. He also stated they earned \$2,137 for pull carts. He also reported there was a 2% increase from the contact with a gain of approximately \$118,000.

Chairman Lema asked if those funds go into the open space account.

Mr. Erodici replied yes.

Mr. Austin stated the Golf Commission is looking into purchasing another golf cart this year. He stated they have four carts already and they are out all of the time. He stated the extra cart can be sued for medical issues that occur on the course. Mr. Austin also spoke about the new operator this year and reported things are working out very well and commented it was a good move for all. He also stated people are very happy with the course.

(4320) Fire Department – Acting Chief Robert Healey was present for questions/comments. Chief Healey stated this is his first department as Chief. He pointed out they have cut back their budget and that the only increase is for contractual items, i.e. wages. He also stated they hope to be running out of the new fire house tomorrow, and then they will begin decommissioning Station 5 and return it back to the City, as well as decommissioning Station 6 which will help cut some expenses. Chief Healey also spoke about EMS billing and stated they have gone out for bid and also that they would explore the idea of EMS transport, but stressed it is all in the infancy stages. He stated they were also looking into the Seemans Lane property to consolidate with emergency management.

Chairman Lema asked about the sale of Station 5.

Mayor Blake stated the building will be open to the entire city, but will go to the Borough of Woodmont.

Mr. Castignoli asked about wage increases.

Mayor Blake explained it is 2% although it appears like it is 6% in the budget. He explained with the bargaining units were negotiating they held an amount in escrow.

(4331) Civil Preparedness – Acting Chief Robert Healey was present. Chief Healey stated it is the same as last year.

(4360) Lighting, Hydrants, Water – Acting Chief Robert Healey was present for questions/comments. Chief Healey pointed out the hydrant account was reduced to zero. He explained previously they would add approximately 4 hydrants per year, however at this point they are adequate. He stated the water charge is questionable. He went on to explain they do not own the hydrants, but rent them from the Water Company.

(4426) Wastewater –Jim Cooper, Superintendent were present.

Mr. Fitzpatrick asked the amount of the sewer fee.

Mr. Erodicti stated it is just over \$309.76.

Mr. Cooper spoke regarding nitrogen credits. He stated last year they had to purchase over \$300,000.

(4154) Sewer Commission (Fund 12) - Robin Lynch, Administrative Assistant was present for questions. Ms. Lynch stated the budget is the same.

Mr. Castignoli asked if the sewer usage fee would go down.

Mayor Blake stated it is still being calculated. He stated they are still recalculating the commercial properties and explained the process.

(p. 97) Mr. Fitzpatrick asked about the line item Taxes, Penalties, Interest and noted it is down this year.

Mayor Blake explained it is part of the tax lien purchase.

(p. 97) Mr. Fitzpatrick asked about *General Operations* and what area it was.

Mr. Erodicti explained it is a combination of Wastewater and Sewer Commission. He stated part of the account is the amount they pay for nitrogen credits.

(4420) Public Works Office – Bruce Kolwicz, Public Works Director was present. Mr. Kolwicz stated this is his 21st budget.

Mayor Blake asked Mr. Kolwicz how many positions he has lost from all of those positions.

Mr. Kolwicz replied 19.

Mr. Castignoli asked the cost of the recent storm.

Mr. Kolwicz replied they are still totaling the numbers. He stated it is safe to say they are out of money in all accounts. He stated it is a very costly storm.

Mr. Fitzpatrick asked if there would be any reimbursement.

Mayor Blake stated the City has been guaranteed or assured of 48 hours of choice, but it will be expanded to 72 hours at 75% reimbursement.

Chairman Lema stated for the record that the Public Works Department did an excellent job during the storm.

Mr. Fitzpatrick added it was an incredible amount of work.

Mr. Kolwicz spoke of the volume of work that comes through his office. He stated they are still completing work on the report for FEMA for Sandy and now they have this new storm as well as daily workflow. He stated it has been very difficult for just one person.

Mayor Blake added that two years ago a clerk was reduced from the department. He stated Mr. Kolwicz requested an additional clerk this year.

Mr. Kolwicz noted they have foreman in highway and in maintenance but only one clerk in the entire department. He stated it is a challenge each day. He spoke of the directors all over the State and stated they have all said these are challenging times. Mr. Kolwicz stated they are very fortunate to have a good working relationship with both the fire and police departments.

(4421) Highway/Parks – Bruce Kolwicz, Public Works Director was present. Mr. Kolwicz stated the budget is unchanged from last year.

Mr. Fitzpatrick asked about the fuel account, noting it was high.

Mr. Kolwicz explained they bid for fuel.

(4423) Building Maintenance – Bruce Kolwicz, Public Works Director

Mayor Blake added that the Public Works Department has also taken on some additional buildings, i.e. Simon Lake. He noted the Board of Education pays part). He stated FEMA is currently housed in the building and pays a portion.

Mr. Marlow asked about doing something similar to what the Board of Education has done with regard to energy conservation.

Mayor Blake stated last year they City completed new heating system in the Parsons Building. He also stated an energy audit was conducted by Mr. Ivers as well as lighting fixtures in Parsons.

Mr. Kolwicz added they have done three audits and pointed out the Parsons building is mammoth. He stated they are continuing to get better, but it is still a costly building.

Mr. Fitzpatrick asked if fuel had been bid out.

Mayor Blake stated the number shown in the budget is a projection. He stated they go out to bid in August.

(4424) Engineering – Bruce Kolwicz, Public Works Director was present. No questions.

(4429) General Garage – Bruce Kolwicz, Public Works Director was present.

Mayor Blake stated there is a slight change from the previous year. He explained they had too many vehicles off the road because they were out of money too early.

Mr. Kolwicz added they are out of money now and stated he would be coming before the Board next month for an allocation transfer. He also pointed out the garage is the heart of the department's operation.

Mayor Blake commented the garage was open all day and night during the storm.

Mr. Marlow asked how much work is subbed out.

Mr. Kolwicz stated they do as much as possible in-house. He spoke of the experience of the former mechanic/foreman, John Malin who passed away last year. Mr. Kolwicz stated all of their mechanics are trained. However, hydred vehicles go out for repairs.

(4431) Solid Waste Operations – Bruce Kolwicz, Public Works Director was present.

Mayor Blake offered some good news regarding recycling. He stated they are looking for approximately \$20 per ton for recycling.

Chairman Lema asked about tipping fees and noted they are slightly higher than last year.

Mr. Kolwicz stated it went up approximately \$1.00.

(4503) Public Debit Service – Mayor Blake stated this was an area that increased significantly. He explained it reflected those large sewer projects from 2008 with the bills coming due now. He also commented about the bond refunding success.

Mr. Erodici added the number would have been much higher had they not done the refunding.

(4994) School Debt Service

Chairman Lema asked if this account would go down.

Mr. Erodici explained the activity in the sewer accounts and also public activity. He stated there was also savings from reimbursement.

(4995) Employee benefits, Non-teaching – no questions.

(4710) Employee Benefits, General – no questions.

(4720) Insurance and Bonds

Mr. Fitzpatrick asked if this account went up because of the automobile accident.

Mayor Blake explained they are at the end of the date of the loss.

Mr. Erodici noted the figure has been relatively flat from CIRMA.

(4740) Claims & Refunds –

Chairman Lema noted a significant jump.

Mayor Blake explained the number is a projection from the actuary. He stated it is a number for police and fire who are hired before 1996 and there are still some large claims.

Mr. Erodici added that prescription drugs are included in this account.

(4790) Benefit & Salary Reserve – no questions.

(4799) Unallocated Contingency – no questions.

(4993) Education Audit – no questions.

(4997) Education Health Insurance Contribution

These are the statistics they receive from Anthem that go to AION, and then he gets the report and reviews it.

Being no further budget business, the Board recessed at 8:56 p.m.

Respectfully submitted,

Kathleen K. Huber
Recording Secretary