

**BOARD OF FINANCE
BUDGET DELIBERATIONS – TECHNICAL DISCUSSION
PROPOSED BUDGET 2012-2013
MARCH 1, 2012**

The Milford Board of Finance held a budget deliberations session on Thursday, March 1, 2011 in Conference Room B of the Parsons Complex. Chairman Lema announced the Board was out of recess and reconvened the meeting in public session at 6:31 p.m.

Board Members Present

Brian A Lema, Chairman
Joseph M. Agro, Jr.
Joseph J. Fitzpatrick, Jr.
Scott Marlow
Mickel Montano

Also Present

Mayor Benjamin G. Blake
Peter A. Erodici, Finance Director

Chairman Lema stated the purpose of tonight's meeting was for the technical discussion of the Mayor's proposed budget for fiscal year 2012-2013. He stated typically the Board goes through the budget department by department.

Mr. Agro requested reviewing the General Fund Revenues first and it was mutually agreed upon to proceed with the Revenues.

General Fund Revenue (0010 0000) – Mr. Agro asked if the Grand List had been finalized and he was told by Mr. Erodici that it had.

Mr. Agro asked if there were any changes on the Revenue side.

Mr. Erodici recommended a change in 3658 0000 Property Tax Relief from -0- to \$300,000.

Chairman Lema asked if that was a revenue reimbursement from the state and he was told it was current revenue from the state.

Mayor Blake added that is the speculative figure given but felt confident with that amount. He noted the Grand List increased by 18.32% over last year's Grand List (\$6,401,389,074) and with that figure, it would be possible to calculate the mill rate noting the mill rate under the Mayor's Proposed Budget is 25.68%.

Mayor Blake stated there will be a decrease in the mill rate adding it is necessary to take into consideration the phased-in reval.

Mayor Blake added the proposed increase for the Board of Education and the city will be 1.55% and initially that amount was thought to be 1.82% over last year just on spending. Further he explained one of the major reasons why the spending decreased was that the city was able to refinance bonds a few weeks ago.

Mr. Erodici added that reflected over ½ million dollars in savings.

Chairman Lema referred to 3111 0001 and asked if the city was continuing with the outside audit and he was told yes it was.

It was further noted that last year \$600,000 was budgeted and 1/3 of that was collected. He asked if the city anticipated further collections and he was told yes.

Mr. Fitzpatrick asked if the Mayor had an idea what the ECS funding might be and Mayor Blake explained that according to the Governor's budget, it is anticipated to be \$320,000 over last year.

Mr. Erodicti noted the revised amount for Education Cost Sharing (3517 0000) is \$11,048,292 and that is based on the Governor's mid year proposal. He added that amount is reflected in the computation in the mill rate.

Chairman Lema referred to Conveyance Tax (3711 0001) and asked how those numbers are coming in this year.

Mr. Erodicti explained the projected number is felt to be prudent but he would look into that and get back to him.

Chairman Lema asked if Sale of Real Estate (3821 0000) is going to stay the same and Mayor Blake explained the city is going to be selling the Downs House possibly in FY 2013.

Chairman Lema asked if the proceeds from that sale would go into the General Fund and Mayor Blake stated \$360,000 would go to Open Space, \$500,000 will go into the General Fund. Mayor Blake added this sale had been considered for this fiscal year and not the next.

Further he noted this matter is going before the Board of Aldermen at their March meeting for approval of the contract of sale and that sale is contingent upon several different factors but the hope is it will get sold this year.

Mr. Agro was hopeful the sale happens in this fiscal year and he would be very disappointed if it did not happen in that time frame.

Mr. Erodicti reminded the board \$225,000 was put in Sale of Real Estate last year but it did not materialize. He stated he is comfortable in going along with \$500,000.

Mr. Agro preferred putting in -0- for this year and it was agreed to not include any amount for Sale of Real Estate in this recommended budget.

Referring to OTB Wagering Share (3838 0000), Chairman Lema asked if those are conservative projections and the Mayor stated they were.

It was agreed to increase that amount from \$60,000 to \$75,000.

Mr. Fitzpatrick questioned Miscellaneous Other Revenue (3839 0000) and Mr. Erodicti explained that is unanticipated money and he felt part of that could have been from a tax lien transaction.

General Fund Expenditures

The following accounts were reviewed with no changes recommended:

Board of Aldermen (0010 4111)
Registrar of Voters (0010 4115)
Milford Gov't Access TV (0010 4116)

Mayor's Office (0010 4121) – Regular Wages was adjusted \$300 and the recommended amount was \$245,023; also reflected the same amount in Contractual Wage Adjustment.

The following accounts were reviewed with no changes recommended:

General Expenses (0010 4122) – Mr. Agro reminded the Board to consider the upcoming 100 anniversary of the City Hall which should take place in 2016 and thought should be given to anticipate some funds for that celebration.

Community Development (0010 4123)

City Clerk (0010 4129) – Mr. Fitzpatrick questioned the Mayor regarding Index & Imaging System and the Mayor stated at some point in the future it will be necessary to find some money to pay for that. He suggested perhaps combining grant money with another revenue account but he did not feel it should be included in this budget.

Law Department (0010-4131) – Chairman Lema stated he would be recusing himself from any discussion on this department budget.

Mr. Fitzpatrick referred to the changes in Regular Wages and Contractual Wage Adjustment and Mayor Blake explained there is a new bargaining group which has formed which includes one person from the Finance Dept., two from the Law Dept and one from the Mayor's Office and the dollar adjustments involves their contracts, adding it is slightly different than what they received as a non-rep employee.

The following accounts were reviewed with no changes recommended:

Ethics Commission (0010 4132)

Probate Court (0010 4133)

Board of Finance (0010 4141)

Permitting and Land Use (0010 4142)

Board of Assessment Appeals (0010 4143)

Zoning Board of Appeals (0010 4144)

Pension Board (0010 4145)

Flood and Erosion Board (0010 4146)

Tree Commission (0010 4147)

Civil Service Commission (0010 4151)

Park, Beach & Recreation Commission (0010 4153)

Economic Development Commission (0010 4155)

Conservation Commission (0010 4156)

Veterans, Ceremony & Parade Commission (0010 4159)

Housing Code Board of Appeals (0010 4160)

Housatonic River Estuary Commission (0010 4161)

Public Library (0010 4193) – Mr. Agro referred to the on line books and stated he was impressed with that and would entertain future discussion.

Mayor Blake pointed out that that almost every department in the city was cut in the Mayor's Proposed Budget beyond what the amount was last year and he added the Public Library was one of few departments that saw a slight increase.

Mr. Agro raised his concern that some of the comparisons shared in this department's presentation were off kilter.

The following accounts were reviewed with no changes recommended:

Finance Department (0010 4210) –
Management Information Systems (0010 4215) –

Personnel Department (0010 4219) – it was noted that Contractual Wage Adjustment increased by \$900 and that was also reflected in Regular Wages which was adjusted to \$240,893.

Police Department (0010 4310) – Mr. Agro asked is there updated information regarding the overtime from the Oyster Fest and Mayor Blake stated he will verify the exact figures prior to this board making their final vote.

Mr. Agro expressed concern with regard to Gas & Other Propellants for this department and all other departments as well.

Mayor Blake explained every August the city renews their purchase contract for the coming year and there has been speculation whether that is the best time of the year to do that.

Mr. Agro noted if other municipalities were restricting use of city vehicles for after-hours, he suggested that be reviewed for Milford as well. He felt the necessity of vehicles used for off duty hours should be reassessed.

Mayor Blake stated he has had discussion with the Public Works Director regarding a new fleet policy which would include cars being assigned to departments not to individual employees. He added this would not apply to Fire or Police. He noted the city does have a policy in place as to which employees are allowed to take a vehicle home and for what use.

Mr. Agro directed comment to Police Cruisers item, specifically the number of cruisers stating he felt this item is something he would consider being flexible for adding more money.

Discussion ensued regarding the Chief's explanation of the fleet cycle.

Mayor Blake added the cost of the installation of the new gear into a new model car could impact the dollar amount.

Fire Department (0010 4320) - Mr. Agro directed comment to Overtime, EMS noting two full time EMS trucks will be running when the new fire house opens and he questioned how this would impact this account.

Mayor Blake explained with the combination of the two fire houses, the Chief has suggested he would like to have two full time rescue trucks; however, the ability to pay for that second truck is a matter to be negotiated and perhaps bill for those services appropriately.

Mr. Fitzpatrick asked if there was a potential for the two closed fire houses to be sold and Mayor Blake stated there has been interest with regard to that but it would not happen this year.

Mr. Agro added it further savings were anticipated when the city bonded for the new facility.

The following account was reviewed with no changes recommended:

Civil Preparedness (0010 4331)

Animal Control (0010 4340) – Mr. Agro asked if there would be an increase in the wages for the Kennel Keeper/Asst ACO and Mayor Blake explained the Animal Warden had stated he could find the money to offset this within his budget.

Discussion ensued as to how it would be possible to fund an increase for this position.

Mr. Marlow noted this is combining responsibilities and creating a new position and he was hopeful that it would remain that way.

Mayor Blake explained all the duties and responsibilities of a Kennel Keeper will be included in the responsibilities of an Asst. ACO.

Mr. Marlow reminded the board that this body does not have the authority to create this position and Mr. Erodici explained the Civil Service Commission approved the addition of this position if the Board of Finance approves the funding.

It was agreed to adjust Regular Wages to \$231,610, an increase of \$3,224 which corresponded with a decrease of the same amount in Other Supplies and Charges.

The following accounts were reviewed with no changes recommended:

Lighting, Hydrants, Water (0010 4360)

Public Works Office (0010 4420)

Highway/Parks (0010 4421)

Building Maintenance (0010 4423) – Mr. Agro noted Heating Fuel is an enormous number and he expressed concern about the cost of electricity as well.

Mayor Blake explained the city has renegotiated its electric contract and anticipates a savings of approximately \$1.2 million over the multi-year length of the contract. He added he was hopeful to be entering into a new contract this spring and looks forward to moving forward with a new contract for an energy audit.

Engineering (0010 4424)

General Garage (0010 4129)

Solid Waste (0010 4431) – Mr. Agro stated he was very hopeful that the tipping fees for garbage disposal will reflect a sizeable savings.

Mr. Erodici noted the adjustment to Regular Wages (\$3,161) to \$1,375,502 with a corresponding adjustment to the Laborer amount under Budgeted Positions.

Public Debt Service (0010 4503) – Mr. Erodici noted a decrease due to refunding out of General Sewer Debt. Adjustment to \$2,381,500 (-\$226,272).

The following accounts were reviewed with no changes recommended:

Health Department (0010 4610)

Recreation Department (0010 4620)

Employee Benefits (0010 4710) – It was noted a new item (4712 9928) Training MCHEA in the amount of \$4,400.

Discussion ensued regarding the funding level of Post Employment Benefits (4211 9909) and it was noted that \$500,000 had been recommended by the Mayor and was that amount adequate.

Mr. Agro felt to some degree this item needs to be addressed in future contract negotiations.

The following accounts were reviewed with no changes recommended:

Insurance and Bonds (0010 4720)
Claims and Refunds (0010 4740)
Benefit & Salary Reserve (0010 4790)
Unallocated Contingency (0010 4799) –
Council on Aging (0010 4801)
Fine Arts Council (0010 4803)

C-Med (000 4805) - Mr. Erodici noted the adjustment to the Grant to \$98,782

The following accounts were reviewed with no changes recommended:

Regional Mental Health Board (0010 4807)
Borough of Woodmont (0010 4811)
Transit Authority (0010 4812)
Bridges Community Support (0010 4813)
Veterans Graves (0010 4815)
Milford Flotilla 73 (0010 4816)

Human Services Department (0010 4817) - Mr. Agro stated the department's Director made reference to a possible deficit.

Mayor Blake explained this is one of the few budgets increased. He explained there is funding sources through state grants and the deficit monies in the health accounts are contractual and this department has reserve accounts to cover those deficits.

Historic District (0010 4818)
Milford Progress Inc. (0010 4819)
Historic District II (0010 4820)
Health Services/VNA (0010 4821) Cemetery Association (0010 4822)
Patriotic Organization Association (0010 4823)
Beth El Shelter (0010 4825)
Boys & Girls Club (0010 4826)
Private School Textbook (0010 4992)
Education Audit Fees (0010 4993)
School Debt (0010 4994) – Mr. Erodici noted the decrease in Bond Principal: Schools to \$2,582,500 (-\$1,30,175)
Employee Benefits, Non-Teaching (0010 4995)
Education Health Insurance Contribution (0010 4997)

Sewer Fund Revenue & Expenditures (0012 0000)

Sewer Commission (0012 4154)

Wastewater (0012 4426) – Mr. Erodici noted the Revenue budget had a corresponding decrease and that was put into Sewer Use Fees (-\$39,669).

Mr. Agro expressed concern over this change and stated he hoped every effort is made to monitor this.

Mayor Blake explained the area had a good deal of rain this year and also the state changed the formula to determine the nitrogen credits. An adjustment was noted to Nitrogen Credits to \$376,431 (-\$39,669)

The following accounts were reviewed with no changes recommended:

Benefit and Salary Reserves (0012 4790)

Unallocated Contingency (0012 4799)

Enterprise Fund Revenues and Expenditures

Harbor Commission (0036 4157) – Mr. Erodici explained the Director expressed a desire to increase Seasonal/Temporary by \$7,000 as a result of the loss of the Office Manager.

He added Marina Fees would also increase by \$7,000. As well adjustments were made to Permits and Fees, Personal Services, Employee Fringe Benefits, General Charges.

Golf Course (0018 4121) – discussion ensued regarding the change in the golf course management.

Educational Operations (0010 4996) – Mr. Marlow stated he felt the budget presented was reasonable and the increase was minimal.

Mr. Agro noted there must be some reference to the change in enrollment. He felt he was more inclined to fully fund this request.

Discussion ensued regarding the redeployment issue discussed during the budget presentation. Chairman Lema noted it was indicated that the Board of Education was preparing a Long Range Plan based on number of students vs. staff and facility and he added hopefully this plan comes up with a restructure of the system.

Mr. Marlow stated he would be curious to see the Long Range Plan and what direction they are looking to take the education system.

It was agreed to fund this budget as proposed.

Prior to recessing, Mr. Agro noted that in light of the fact the city has a new Mayor, new Superintendent of Schools, new Director of Operations for the Board of Education, new Board of Aldermen members, a new Board of Finance member, a new City Attorney and a new Finance Director, he felt the budget review process had moved very smoothly. He added this board appreciates the efforts of Mr. Erodici.

Chairman Lema stated the Board would stand in recess until March 7, 2012. The Board recessed at 8:40 p.m.

Respectfully submitted,

Diane Candido
Recording Secretary