

**BOARD OF FINANCE
BUDGET DELIBERATIONS – TECHNICAL DISCUSSION
PROPOSED BUDGET 2015-2016
FEBRUARY 25, 2015**

The Milford Board of Finance held a budget deliberations session on Wednesday, February 25, 2015 in Conference Room B of the Parsons Complex.

Board Members Present

Brian A Lema, Chairman
Joseph J. Fitzpatrick, Jr.
Scott Marlow
Joseph Castignoli

Also Present

Mayor Benjamin G. Blake
Peter Erodici, Finance Director

Excused: Mickel Montano (family matter)

Chairman Lema reconvened the Board of Finance budget hearings in public session at 6:33 p.m. He noted for the record that Ms. Montano was unavailable tonight for family reasons. Chairman Lema stated tonight the Board would have their technical discussion on the proposed budgets for fiscal year 2015-2016.

Mr. Erodici stated there is some preliminary information from CCM regarding the Governor's budget. He stated there are no dramatic reductions.

Chairman Lema stated they would proceed through the budget, department by department and if anyone had questions to jump in.

(p. 19) 0010 4122 General Expenses

Mr. Fitzpatrick asked about line item 4140 0001 Personal Property Audit and questioned the increase.

Mayor Blake stated it is a conservative amount. He pointed out there is a mirror budget on the revenue side of the budget. He stated TMA oversees and charges the City a percentage based in what they collect.

Chairman Lema asked about line item 4473 Burnt Plains Open Space and asked how much longer was left on that account.

Mr. Erodici stated it is a 10 year agreement with the City and they are currently in year six. He stated this is the year they start charging interest.

Chairman Lema commented, basically the first 5 years were interest free.

Mr. Erodici replied yes.

Mr. Fitzpatrick asked about line item 4817 0000 CCM Annual Levy.

Mayor Blake stated the City's annual dues would be flat this year and would not increase over last year.

(p. 22) 0010 4129 City Clerk

Mr. Fitzpatrick asked about line item 4119 0000 Workers Compensation. He stated he noticed it is in each of the department accounts.

Mr. Erodici explained if a worker's compensation claim is processed there is a small percentage that comes out of that line item.

Mr. Castignoli asked if that is self-insurance.

Mr. Erodici replied yes.

Mayor Blake added that many claims are handled in-house by the city attorney's office.

(p. 25) 0010 4131 Law Dept

Mr. Fitzpatrick asked if there are separate offices for the city attorney.

Mayor Blake replied yes. He provided a background history of city hall, referring to the flood in 1982.

(p. 30) 0010 4147 Tree Commission

Mr. Fitzpatrick asked about the increase in line item 4432 0000 Trees/Shrubs.

Mayor Blake explained the Park and Recreation Department as well as the Conservation Commission work collaboratively to plant some trees. He stated the amount in the budget won't get very many trees.

(p. 34) 0010 4161 Housatonic River

Mr. Fitzpatrick asked about this account.

Mayor Blake stated the last few years they have not asked for any contribution from the City.

(p. 34) 0010 4162 Open Space

Mr. Fitzpatrick stated he felt this position should continue be paid out from the open space fund.

Mr. Erodici stated this position is currently paid out of the Planning and Zoning open space account.

Mayor Blake stated for the last two years the individual in this position has been paid as a seasonal temp. He explained many of the open space accounts can only be used for purchasing and another is for acquisition and maintenance.

Mr. Fitzpatrick questioned the permanent need for the position, i.e how much open space there is left to acquire. Mr. Fitzpatrick expressed his appreciation of the work the individual has done and the number of grants he has been able to obtain for the City.

Mayor Blake stated there is over 3,300 acres of open space which the City needs to oversee. He also spoke to the grants the City has received. He stated the open space agent recently conducted an inventory of all open space areas, which was extremely helpful to the City. Mayor Blake stated the work has been worthwhile for the City.

Mr. Fitzpatrick questioned what would happen with the position if the person currently in the position were to leave. He commented the City may not necessarily get the same caliber person.

Mr. Erodici stated it was important to note it is a grant position, but technically it is city money and the person is paid as a seasonal/temp. If the position is to continue he should be paid either by the city or a grant. He stated from a labor standpoint the position needs to be addressed. He stated to his knowledge there are two grant positions (Economic Development) which are paid by a grant.

Mayor Blake stated the legal issue is that this position is considered a seasonal/temporary, where other seasonal/temporary positions are lifeguards, summer camp counselors are true seasonal/temporary positions that run for a few months. Mayor also stated he is paid as an hourly position.

Mr. Marlow asked how this position would then be paid going forward.

Mayor Blake stated it would be a salary position.

Mr. Erodici stated it is different from the Human Services Department because there's is a grant position in their budget, which was created by Ordinance.

Mr. Marlow asked what department he would be under.

Mayor Blake stated it would be a standalone department.

Mr. Marlow stated one concern he would have is that he foresees this position growing to a point where additional staffing would be required.

Mayor Blake stated currently the position has a good working arrangement with the other city departments and he is able to utilize other departments for assistance.

Mr. Fitzpatrick asked about a job description.

Mayor Blake stated there is a job description. He stated he is able to provide the Board with the details of the position.

(p. 37) 0010 4210 Finance Department

Chairman Lema stated the request for the accountant position was supported by this Board last year, but was cut by the aldermen. He stated with all the mandates it is justified and he would be in favor.

Mr. Fitzpatrick stated his only concern is the requirement of having a CPA.

Mr. Erodici stated the current city account is not a CPA.

Mr. Fitzpatrick asked how long the current city account has been with the city and the rate she started at.

Mr. Erodici stated the current city accountant has been with the City about 4 years. He stated her position is currently at maximum step now, but that she started at the 3rd step

(p. 39) 0010 4215 Management Information Systems (MIS)

Mr. Erodici stated line 4977 0123 Computer hardware needed to be adjusted with a technical correction adding the \$6,343 to that line item.

(p. 41) 0010 4219 Human Resources

Mayor Blake stated there are some technical corrections for the Board to consider.

Mr. Erodici stated because the current pension administrator moved to another department the Human Resources Director is looking for a full time Benefits Specialist who will start at minimum stated and then a slight bump in pay to the Human Resources Generalist. He stated that position was originally the Human Resources Administrative Assistant. Mayor Blake stated the changes are basically budget neutral and just a change in titles.

(p. 43) 0010 4310 Police

Mayor Blake stated there is a technical adjustment; however they are waiting on the union. He explained it was agreed due to a recent retirement that position will now become a non-representative position. It is the Steno-Dispatcher and Stenographer would become non-rep.

Mr. Fitzpatrick asked about the dispatchers and if they would be consolidated.

Mayor Blake stated he expected there would be a change after discussions with the union. He explained the current contract language. He stated before anything can be finalized more discussions with the union need to take place. He stated with the consolidation there were a number of savings and incentives from the State.

Mr. Fitzpatrick stated the chief commented during budget testimony that his overtime is higher than the monies in the account.

Mayor Blake stated when there are open positions in the department there are adjustments that can be made. He stated this past year there were 9 retirements which is a lot in one year. He stated basically there is additional available to transfer into the regular wages account.

Mr. Erodici explained when a transfer is in the same account, i.e. Personal Services; it is done as a mayor's transfer.

Mr. Fitzpatrick asked if the police department has a donation account for their canines.

Mayor Blake stated there have been time in the past where someone may bequeath a specific donation. He stated every year there are donations for the DARE program and other specific items. He also stated several years ago the Board of Aldermen adopted a special fund for the police department to accept those funds.

(p. 51) 0010 4320 Fire Department

Mr. Fitzpatrick asked about line item 4749 0000 Special Equipment Servicing noting a significant increase.

Mr. Erodici stated the \$60,000 was only a projection. He stated the actual amount is the \$74,000, which is a slight increase over last year.

(p. 58) 0010 4331 Civil Preparedness

Mr. Castignoli asked if it is the fire chief that oversees this account.

Mayor Blake replied yes. He added other departments receive benefits from this account, such as the health department, i.e. cots, etc.

(p. 59) 0010 4340 Animal Control

Chairman Lema asked if the Assistant Animal Control Officer position would be removed from the budget next year since that position has not been funded the last two years.

Mayor Blake stated with the reduction of the assistant animal control officer the Board of Aldermen revised the department and place them under the police department. He stated about 75% animal control departments in the State are under the umbrella of the local police department.

Mr. Castignoli asked Mr. Erodici if he could confirm the position will be eliminated.

Mr. Erodici replied yes.

Chairman Lema stated it is really a technical correction from last year. He stated since it has not been filled in two years it could be removed next year.

(p. 62) 0010 4360 Lighting, Hydrants, Water

Mayor Blake asked Mr. Erodici to follow up with the Regional Water Authority to make sure the City has correctly identified this account.

(p. 65) 0010 4421 Highway Parks

Mr. Erodici stated he would be making two technical corrections for two positions that were reclassified.

Mr. Fitzpatrick asked if the wages would be higher.

Mr. Erodici stated they are offsetting. He stated one of the positions will go up and the other will go down. He stated it is not a new position, but a description change in one of the positions.

(p. 69) 0010 4423 Building Maintenance

Chairman Lema stated it was his recollection they asked for additional monies for a particular building.

Mayor Blake explained the roof project at the health department that was funded with LoCip money, so those monies were removed from the budget.

(p. 72) 0010 4424 Engineering

Mr. Fitzpatrick asked if all positions in this department are currently filled.

Mayor Blake stated one of the engineering technician positions is unfilled due to a recent retirement. He stated there are ongoing negotiations with the union to restructure this department.

(p. 74) 0010 4429 General Garage

Chairman Lema pointed out a significant in line item 4335 0000 Equipment Supply & Upkeep.

Mayor Blake explained line items 4335 0000 Equipment Supply and Upkeep and 4333 0000 Auto Supply & Upkeep have typically been underfunded. He stated the additional monies that were proposed were from reductions in other accounts.

Mr. Fitzpatrick asked why monies were added to line item 4117 0000 Seasonal Temporary.

Mr. Erodici stated that was to help in getting trucks on the road during peak times.

Mr. Fitzpatrick stated he would look to reduce the Seasonal Temporary account.

(p. 76) 0010 4431 Solid Waste

Mr. Castignoli asked about 4189 0000 Misc. Professional Fees & Svc.

Mayor Blake stated it is for outside contractor, also reports that must be filed with DEEP. He also stated it was his recollection that an account was transferred over from the Engineering Department.

Mr. Fitzpatrick commented regarding the seasonal temp accounts in each of the Public Works Departments. He also asked about 4790 9944 Hazardous Waste Removal.

Mayor Blake explained the tipping scale has gone down over the years.

(p. 78) 0010 4503 Public Debt Service

Mr. Fitzpatrick noted this department has a \$1M increase. He asked if there was more bonding.

Mayor Blake stated it also has to do with when bonds come due.

Mr. Castignoli asked if it included any maturity bonds.

Mr. Erodici stated it includes the principal and interest.

Mr. Castignoli asked if the underlying debt changed.

Mr. Erodici stated in 2014 there was some surplus. He explained the bonds are issued in November and the budget is approved in May, so generally it is a projection.

Mayor Blake also stated 2014 was low because the City had refunded over \$2.5M dollars.

Mr. Erodici stated the total debt service includes the school projects which are found later in the budget.

Mr. Castignoli asked the total debt.

Mr. Erodici state the amount last year was \$127,600,000 and this year the amount is \$132,500,000.

(p. 79) 0010 4610 Health Dept

Chairman Lema pointed out there is also an increase in Seasonal/Temporary in this department.

Mayor Blake explained there was a repurposing of several positions. He stated with the retirement of Dr. McBride they created a community health and school position. He explained the health director position was reduced and with the elimination of the deputy director and returning the nurse administrator position to a 12 month position from a 10 month position, additional monies were added to misc professional funds to hire an on-call health person.

Mr. Fitzpatrick asked about the 19 hr seasonal temp position.

Mayor Blake stated that is the community health and school position.

Chairman Lema stated it's an expense that will be ongoing based on the reconstruction of the department.

Mayor Blake pointed out additional benefits would also be eliminated.

(p. 82) 0010 4620 Recreation Department

Mr. Fitzpatrick asked if the increase in seasonal/temp was due to the expected wage increase.

Mayor Blake stated the line item actually did not change, however the number of seasonal temp employees changed.

(p. 85) 0010 4740 Claims and Refunds

Mr. Fitzpatrick asked about line item 4840 0000 Heart & Hypertension Claims.

Mayor Blake stated only those employees hired prior to 1996 are eligible. He stated it applies only to police and fire employees and retirees.

Mr. Fitzpatrick asked if they are still eligible when they retire.

Mayor Blake replied yes. Mayor Blake stated there is legislature coming up that could possibly change this.

Mr. Castinoli asked if it is for a specific identified condition.

Mayor Blake explained the process which essentially is a part of workers compensation and the burden of proof in the claim.

Mr. Castignoli asked if each of the grant agencies provides a breakdown in their budget.

Mayor Blake stated he would get that information to the Board prior to their final vote.

(p. 88) 0010 4811 Borough of Woodmont

Mr. Fitzpatrick asked what services the City provides to the borough.

Mayor Blake stated sewers, garbage pickup, schools, etc. He explained the residents also pay a separate tax on top of the city tax. He stated the Borough pays for the library, borough hall and additional police in the summer and also road paving and snowplowing. The Mayor provided the Board with a history of the agreement with the Borough.

Mr. Fitzpatrick stated he would like to see this account reduced.

Mayor Blake explained the history between the City and the Borough, including past litigation over the grant they receive from the City.

(p. 89) 0010 4813 Bridges Community Support

Mr. Fitzpatrick stated he would like to have a breakdown of this budget.

Chairman Lema commented the city's contribution is less than 5%.

Mr. Fitzpatrick stated he would like a breakdown from the other towns.

Mayor Blake stated it is his understanding from the Governor's proposed budget that mental health services as well as other services may take a big cut.

(p. 91) 0010 4821 Health Services/VNA

Mr. Castignoli asked about the reduction in this.

Mayor Blake stated it is a part of the makeover of the health department and the reduction was at the request of the health director.

(p. 92) 0010 4826 Boys & Girls Club

Mr. Fitzpatrick asked for a further breakdown of this grant. He also asked about additional funding from other sources.

Mayor Blake stated the director provided the Board with a handout when they presented their budget. He stated included in that information was a pie chart with the revenue streams. Mayor Blake explained the history of the club's association with the City.

(p. 94) 0010 4997 Education Health Insurance Contribution

Mr. Castignoli asked if there is a third party administrator.

Mr. Erodici stated it is Anthem and then ION. He stated the claims are funded on a daily basis.

Mr. Fitzpatrick asked who conducted the dependent eligibility reviewed for the City.

Mr. Erodici replied Sterling Benefits. He stated was able to recognize a significant savings.

Mr. Castignoli asked how they were paid.

Mr. Erodici stated it was an agreed upon fee.

(p. 98) 0010 4154 Sewer Commission

Mayor Blake pointed out there was a reduction of one position, which included the reduction of benefits as well.

(p. 101) 0010 4426 Wastewater

Mayor Blake stated there will be a vacancy in this department due to a retirement.

Mr. Erodici reminded the Board about the realignment of two positions, the Mechanic-Sewer Line and Working Leader-Sewer Line.

Mayor Blake stated he would speak with the Public Works Director.

(p. 107) 0036 4157 Harbor Management Commission (Summary of Revenues)

Mr. Fitzpatrick asked if there is any chance of getting the State PILOT: Boats funding back.

Mayor Blake stated it is something he has asked of the Milford delegation to look into. He provided the Board with some background.

(p. 112) 0018 4121 Golf Course

Mr. Castignoli asked what the fee management company is paid.

Mayor Blake explained it is a percentage fee based on the number of rounds. He also stated they contribute to the open space fund.

Mr. Erodici stated every year it is about \$35,000. The golf course itself has been collecting more.

Mr. Castignoli asked the percentage.

Mr. Erodici stated the amount is \$82,000.

Mayor Blake stated the golf course is responsible for maintenance, water service, etc.

Chairman Lema stated before doing the General Fund Revenue they would next move to the Education Operations account.

(p. 94) 0010 4996 Education Operations

Mr. Castignoli thanked Mr. Richetelli for the information he provided. He asked about the additional funding.

Mr. Richetelli stated it is a Title I grant. He explained one of the responsibilities of that administrative position will be to manage the grant. He stated the information could be found on G-1 in the budget book. He stated p. G-2,3 provide the grant details.

Mr. Castignoli asked the projected enrollment for 2015-2016. He pointed out the decline in enrollment and asked if that trend was expected to continue.

Mr. Richetelli stated the projected enrollment for 2015-2016 is 6,222 students. He explained how they do their enrollment projection through NESD.

Mr. Castignoli asked about the enrollment projection for the following year.

Mr. Richetelli stated he would provide the Board with that information.

Mr. Castignoli asked if the Board of Education would re-visit closing a school.

Mr. Richetelli stated to his knowledge he did not believe so. He stated the Board of Education spent a great amount of time with consultants and the decision they arrived at was to go back to a K-5 configuration which would include a redistricting. He explained the consultants came back to the Board of Education with various scenarios. He stated this budget reflects what the Board of Education voted on in October. He stated the Board of Education made a commitment to the parents to return to the K-5 configuration. He stated the budget was built on those recommendations.

Mr. Fitzpatrick asked about the salary of the principal at the academy which he stated seemed higher than the other schools.

Mr. Richetelli referred the Board to p. A-13 of the budget book for the salary schedule.

Mr. Fitzpatrick stated he felt the salary was just too high based on the number of student that attend the Academy.

Mr. Richetelli stated it is contractual in accordance with the current contract. He also spoke of the added responsibilities the position would be assuming. He also pointed out at the middle and high schools there are assistant principals and at the high schools a dean of students as well.

Mr. Marlow asked about the SRO's. He stated they were not in the police department's budget so they are only receiving a partial reimbursement.

Mayor Blake stated it would have to be a policy decision by this Board to increase two SRO's in the police department's budget.

Chairman Lema stated although he believe the SRO's are worthwhile, he could not support two additional police officers in the police department's budget. He reviewed with the Board the handout from the Board of Education which provided a summary of the major budget requests. He pointed out the figures for the onetime cost for the reconfiguration.

Mr. Fitzpatrick stated from 2013 to 2014 there was an enrollment reduction of 400 students and a slight reduction in staff. He stated the reduction appears to be just 22. He stated based on the drop of 400 students he would like to see more staff reduction.

Mr. Richetelli referred the Board to the budget book (p. XIV) for the enrollment and staff report based on the number of students at each school.

Mr. Castignoli asked if it was the consensus of the Board to remove the SRO's. He asked about the reclassification at the Academy.

Mr. Richetelli reiterated the difference in the administrator salary is being picked up from the Title I grant.

Chairman Lema stated based on the discussions and reviewing the Recap: Major Requests v. Major Savings, there could be a cut of approximately \$100,000.

Mr. Fitzpatrick asked if the reconfiguration numbers are guesstimates.

Mr. Richetelli stated the numbers are based on the reconfiguration from 5 years ago.

Chairman Lema referred the Board to p. 4 of the budget book, revenue side. He asked the Mayor if there were any savings, i.e. sale of any buildings.

Mayor Blake stated Station 6 is in the process of being sold.

Chairman Lema also asked about line item 3838 0000 OTB Wagering Share if it was on target.

Mayor Blake stated it remains consistent.

Chairman Lema stated the Board would stand in recess until March 4, 2015. The Board recessed at 9:02 p.m.

Respectfully submitted,

Kathleen A. Kennedy
Recording Secretary