

**BOARD OF FINANCE
BUDGET DELIBERATIONS – TECHNICAL DISCUSSION
PROPOSED BUDGET 2011-2012
MARCH 2, 2011**

The Milford Board of Finance held a budget deliberations session on Wednesday, March 2, 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 6:34 p.m.

Board Members Present

Brian A Lema, Chairman
Joseph M. Agro, Jr.
Joseph J. Fitzpatrick, Jr.
Paul Beckwith
Scott Marlow

Also Present

Mayor James L. Richetelli, Jr.
Judy Doneiko, 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 2011-2012. He stated typically the Board goes through the budget department by department. He stated his initial thought was to start on the revenue side and then go through the departments.

Mayor Richetelli stated he would suggest doing the revenue last. He explained the reductions being proposed would reflect anticipated proposed revenue reductions from the State. He stated many department budgets are at or below. He noted there were not cuts that could be made without cutting safety or services. He stated to cover expected losses of revenue they had to look at reductions in staffing. Mayor Richetelli stated they have notified or made union representatives aware of the proposals. He stated the compilation by the finance director is a draft and reflects a \$1,000,000 savings which includes the anticipated loss of State revenue. He stated he wished to be clear he did not want to look at reductions in staff and that the proposed staff reductions are retirements and expected retirements. He commented it was too early for specifics, but there could be a possibility of early retirement options for someone who was planning on retiring. He emphasized that public safety would not be jeopardized and in discussions with department heads the affect on city services would be minimal.

Chairman Lema explained to the Board they would need to reference the budget book as well as the handouts from the finance director. He noted the Board would not be voting tonight and reiterated tonight's meeting was simply a technical session. He stated the Board would vote on a final budget a week from tonight. Chairman Lema stated he would suggest as a starting point a 10% reduction in each budget. He spoke specifically regarding discussions with department heads regarding seasonal/temporary budgets, but noted each department utilizes that line item somewhat differently so they would have to look closely at a 10% reduction.

Mr. Agro stated he too has given a grant deal of thought regarding some of the grants the City provides and that the Board should consider looking closely at each of those departments.

Chairman Lema stressed the importance of being as consistent as possible.

Mr. Marlow stated he agreed and added it was important they look closely at the reduction of the staffing as well.

Chairman Lema commented as an example that the Recreation Department would be different because that is essentially what they do.

Board of Aldermen – Chairman Lema commented this account was primarily secretarial fees.

Registrar of Voters – Mr. Agro suggested reducing line item 4117 0000 Seasonal/Temporary from \$12,500 to \$11,250.

Mayor Richetelli suggested the Board keep in mind small amounts can mean a great deal to a department and their function. As an example he stated in this department for this line item they had originally requested \$19,000 and he reduced it to \$12,500.

Milford Gov't Access TV – Chairman Lema asked what type of services this department provides.

Mayor Richetelli explained the previous Board of Aldermen removed the authority of this department from his office. He stated they basically film the meetings of the Board of Aldermen, Board of Education, Planning and Zoning Board and the Board of Finance public session and Board of Aldermen budget hearings. He stated those are the types of meetings that have been covered in the past. He explained the budget is supplemented with grant funds. Mayor Richetelli stated they have also filmed some Park, Beach and Recreation meetings as well as Zoning Board of Appeals. He stated the funds in this account will only cover the meetings initially mentioned.

Mr. Beckwith asked about line item 4989 0000 Equipment and asked if that could be reduced.

Mayor Richetelli stated since he no longer oversees that department he would not be able to comment.

Mr. Beckwith reiterated he would like to reduce this line item.

Mr. Fitzpatrick asked where the grant funds come from.

Mayor Richetelli explained the background with Southern Connecticut Cable and A T & T.

Mr. Beckwith stated he would recommend reducing line item 4989 0000 Equipment from \$1,000 to \$0.

Mayor's Office – Chairman Lema stated in keeping in line with earlier discussing he would recommend line item 4117 0000 Seasonal/Temporary from \$500 to \$450.

General Expenses – Chairman Lema noted line item 4189 0000 Professional Fees & Svcs would be reduced from \$20,000 to \$0.

Ms. Doneiko recommending keeping \$1 in the line item to keep the account open. It was noted, the consensus was to reduce line item 4189 0000 to \$1.

Mr. Beckwith asked about line item 4998 0014 Respect Campaign and suggested reducing that line item.

Mayor Richetelli explained the Respect Campaign is part of Milford's Promise and currently called the Ambassador's of Respect. He stated it if is lowered to \$500, the campaign certainly would go on, but it would be difficult.

Chairman Lema asked about line item 4875 0000 Regional Planning Agency Dues.

Mayor Richetelli explained the amount had doubled, but it was actually a reduction. He went on to explain the recent reconfiguration.

Mr. Fitzpatrick asked about line item 4773 0002 Soccer Fields Rental.

Mayor Richetelli explained that line item is for the Orange Avenue (YMCA) soccer fields. He explained it is a 20 year agreement the City has with the YMCA to use the property and that these monies reflect part of the agreement which included an escalator fee.

Mr. Fitzpatrick asked about line item 4773 0003 Burnt Plains Road Open Space.

Mayor Richetelli explained the fee schedule.

Mr. Fitzpatrick asked about line item 4998 0001 Hazardous Waste Collection.

Mayor Richetelli explained the City's participation in the waste collection program held in New Haven and twice yearly in Milford for Milford residents only.

Mr. Marlow asked about line item 4998 0003 Beaverbrook Property Maintenance.

Mayor Richetelli provided the Board with the background history and the maintenance agreement.

City Clerk – Chairman Lema noted the elimination of one Clerk A position. He asked if that was a vacant position or reduction of staff.

Mayor Richetelli stated it would be a reduction in staff. He explained many of the reductions are represented by bargaining groups and that there are certain union requirements when there are reductions in staffing. He stated they would follow all guidelines in their agreement and those of the civil service agreement where necessary.

Mr. Fitzpatrick suggested a reduction in line item 4117 0000 Seasonal/Temporary from \$7,000 to \$6,300, which represented the 10% discussed earlier in the evening.

Law Department – Chairman Lema noted the elimination of a Clerk position. He also suggested in accordance with discussion and recommendations in other departments the reduction of line item 4117 0000 Seasonal/Temporary from \$500 to \$450.

Ethics Commission – Mr. Agro stated in reviewing this account he would suggest approximately \$900 in reductions. He stated he would recommend reducing all line items in half as follows: From Personal Services, line item 4168 0000 Secretarial Fees from \$500 to \$250; line item 4189 0000 Misc. Professional Fees & Svc. from \$500 to \$250; From Operational Expenses, line item 4712 0000 Training Expenses from \$500 to \$250; line item 4774 0000 Postage from \$200 to \$100 and line item 4783 0000 Office Supplies & Expenses from \$200 to \$100 for a new department total of \$950.

Probate Court – Ms. Doneiko pointed out this budget represents Milford's portion of the budget only. She stated the revenue from Orange is not a part of this budget in any way.

Mr. Agro stated it was his feeling that Orange should contribute towards office space.

Mayor Richetelli commented as to the language of the statute and stated the statute says the default is the grand list ratio and that the amounts shown are that share of the budget.

Mr. Agro stated it would be his suggestion to look into this for next year and that the Board should come to some reasonable value of the split.

Permitting and Land Use - Chairman Lema noted the reduction of a Clerk A position, which is currently vacant. He stated in keeping in line with the 10% reduction he would suggest a recommendation in line item 4117 0000 Seasonal/Temporary from \$25,500 to \$22,950.

Mr. Beckwith asked about the overtime account.

Ms. Mathiasen explained it is a relief valve. He stated no one wants to see the return of long lines and long wait time for plan reviews. She stated the account is used at discretion and noted it has not been used thus far this year, however with the warmer weather just beginning they are already seeing the lines grow. She stated the overtime account is also used for secretarial fees for night meetings.

Mr. Beckwith asked if both the City Planner and Assistant City Planner are required at evening meetings.

Ms. Mathiasen stated they do not receive overtime, but receive comp. time.

Mr. Agro asked if it was for even hours.

Ms. Mathiasen responded yes. She stated only the Zoning Enforcement Officer receives overtime.

Mr. Agro asked about the Assistant City Planner position. He stated it was his recollection this Board removed that position and the Board of Aldermen put it back.

Mayor Richetelli stated it was the KRIT report that recommended removing the position of the Assistant City Planner. He stated the Board of Aldermen accepted that report, with the only change being to keep that position.

Board of Assessment Appeals – Chairman Lema noted with reval the account seemed in line.

Zoning Board of Appeals – Chairman Lema noted this account was primary for advertising fees.

Flood and Erosion Board – Chairman Lema asked if there were statutory requirements.

Mayor Richetelli responded yes.

Civil Service Commission – Mr. Fitzpatrick asked why the large increase in secretarial fees.

Mayor Richetelli explained the Personnel Director is the administrative secretary for this Board. He stated there was a question directed to the Freedom of Information (FOI) regarding meetings and it was FOI's recommendation the Commission hire a secretary to take the minutes.

Housing Code Board of Appeals – Mr. Fitzpatrick asked why the increase in line item 4168 0000.

Mayor Richetelli explained this Board hears the blight appeals

Public Library (0010 4193) – Mr. Fitzpatrick commented the library gave an excellent presentation when they presented their budget.

Chairman Lema pointed out a library aide position was being eliminated.

Mr. Agro asked if that position is currently filled.

Mayor Richetelli responded yes, but explained a retirement is expected, so the job is being eliminated through attrition.

Chairman Lema noted the department does have a sizeable seasonal/temporary budget, but with the elimination of a position he would be reluctant to reduce that account.

Finance Department (0010 4210 – Ms. Doneiko addressed the seasonal/temp account. She explained the additional funds were to pay for the additional administrative work necessary because of the federal health care act. Ms. Doneiko stated in the MIS department there is a part time payroll clerk who is able to absorb some of this work. She stated this position will do the additional work required from the Finance Office.

Chairman Lema noted the elimination of the Certified Clerk and Clerk A positions.

Management Information Systems (0010 4215) – Chairman Lema stated in keeping in line with other departments the recommendation would be to reduce line item 4117 0000 Seasonal/Temporary to read \$450 from \$500.

Mr. Agro asked if the positions remain the same.

Mayor Richetelli replied yes. He reminded the Board that position was reduced from full time to part time last year.

Mr. Fitzpatrick asked about the software maintenance and if it was contractual.

Mayor Richetelli replied yes.

Police Department (0010 4310) – Mayor Richetelli commented in his discussions with the Police Chief, the goal is to not impact public safety. He also pointed out the Chief testified they are at 100% manpower. Mayor Richetelli stated the recommendation to the Boar is one lieutenant position, adding there is an expected retirement.

Mr. Marlow asked about the dispatcher position. He stated he recalled when the Chief testified they were using regular officers to fill. He questioned if overtime would be affected.

Mr. Fitzpatrick asked if they really needed to replace 7 cars at this time.

Mayor Richetelli explained the fleet rotation. He stated it is a good rotation schedule and went on to explain the benefit to keeping on schedule so they don't fall behind.

Mr. Beckwith recalled the Chief indicated they would not longer to purchasing Crown Victorias. He asked if they would recognize a savings.

Mayor Richetelli stated the new vehicles would all need to be retro-fitted. He stated the equipment the Crown Victorias used would be not able to be used.

Fire Department (0010 4320) – Mayor Richetelli stated in discussions with the Fire Chief, the recommendation would be to eliminate one dispatcher position and two firefighter positions, one of which is currently vacant and one to a retirement. He stated the reduction would still maintain the minimum manning clause as per the union contract.

Civil Preparedness (0010 4331) – no changes.

Animal Control (0010 4340) – the consensus was to reduce line item 4117 0000 Seasonal/temporary to read \$14,400,

Lighting, Hydrants, Water (0010 4360) – Mr. Agro asked if there was any possibility of reducing this account without reducing services.

Mayor Richetelli referenced line item 4845 0000 and that it was his understanding there would not be an increase. He also pointed out they receive the numbers from the UI.

Mr. Beckwith asked if hydrant installations could be cut back.

Battalion Chief Healy who was present explained each year they have the line office let them know where they need to close gaps were hydrants are located.

Public Works Office (0010 4420) – Chairman Lema pointed out the recommendation for the elimination of a Clerk A position, which he stated he currently vacant.

Highway/Parks (0010 4421) – Chairman Lema stated the maintainer position that is being eliminated is currently vacant.

Mr. Agro this department is currently at max and recommended keeping the seasonal temporary account as is.

Building Maintenance (0010 4423) – Chairman Lema noted the recommendation of the elimination of a Night Custodian position.

Engineering (0010 4424) – Chairman Lema noted the recommendation of the elimination of an Engineer Technician position, which he stated is currently vacant.

General Garage (0010 4129 – Chairman Lema noted the recommendation of the elimination of a Serviceperson, Automotive position, which he noted is currently filled.

Solid Waste (0010 4431) – Chairman Lema noted the recommendation of the elimination of two laborer positions. He also pointed out the reduction of \$200,000 from line item 4790 9950 City Waste Removal Costs.

Mayor Richetelli stated the City will be going to single-stream recycling which will reduce what the city pays at the tipping scale. He stated once the city has a full year under its belt, they will get a better handle.

Mr. Agro asked the tipping fee.

Mayor Richetelli replied \$63 plus, but that the tipping fee was not all that they paid. He stated they also pay carting fees and went on to explain minimum tonnage requirements.

Public Debt Service (0010 4503 – Mr. Agro commented they are looking at a \$780,000 increase over the year. He stated the combined debt service with educational services is 6.6% of the budget. He stated it is a healthy part of the budget, but pointed out a lot of work has been done, i.e. sewers, building improvements, etc. He stated his point is the city has done a lot, but in a health way.

Health Department (0010 4610) – Chairman Lema pointed out the recommendation of the elimination of a Sanitarian II position, which he noted is a filled position.

Mr. Agro stated in light of that reduction of staff he would recommend leaving the seasonal/temporary account as is.

Chairman Lema stated he agreed.

Recreation Department (0010 4620) – Chairman Lema pointed out the recommendation of the elimination of a Supervisor position, which he noted is currently filled.

Mayor Richetelli stated there is a potential retirement.

Mr. Beckwith stated he would recommend reducing line item 4161 0000 Fee Paid Officials. He stated he was making the recommendation seeing they only charge \$50 to pay officials. He stated paying of officials should

come out of registration fees. He stated in the future that fee should be pushed on and that account reduced to \$0.

Chairman Lema responded Mr. Beckwith's point was well taken, but that it should be done over a period of time to allow the leagues time for the transition.

Mayor Richetelli pointed out they did not know how many teams would be affected. He also stated a bulk of the money is paid to officials for the basketball league, with a small amount for volleyball. He stated it could be a large number passed onto these teams. He also stated it is the Park, Beach and Recreation Commission that sets the fees.

Mr. Beckwith stated these monies are also used for umpires to make a call at the field during inclement weather. He stated the teams do not pay that fee. He stated he felt it should be at least reduced in half.

Mr. Marlow suggested for the coming budget year a smaller reduction because this Board just did not know the affect on the teams involved.

Chairman Lema stated he would be in favor of a nominal fee.

Mr. Fitzpatrick recommended reducing line 4161 0000 to read \$27,000. He also asked about seasonal/temporary and if that line item was used for lifeguards.

Mayor Richetelli explained it is also used for the Summer Recreation program for the site supervisors.

Mr. Fitzpatrick suggested the Board look at this account next year.

Employee Benefits (0010 4710) – Chairman Lema stated this account takes into account the reduction in staff, i.e. FICA, Medicare and medical benefits.

Ms. Doneiko stated it also includes unemployment.

Mayor Richetelli pointed out employee benefits is actually an increase.

Mr. Agro referred to line item 4211 9909 and stated they needed to resolve the differences regarding these funds.

Chairman Lema pointed out the finance director is recommending \$13,867,000 and the mayor is recommending \$500,000. He stated the city is taking steps to make contribution and that the funding this year is actually \$500,000. He stated certain gaps still exist and that this is something that is an issue which he hoped they could address and make progress.

Unallocated Contingency (0010 4799) – Ms. Doneiko pointed out a technical correction. She stated line item 4899 0000 Contingency Account should read \$25,000.

Chairman Lema stated the accounts coming up concern the grants.

Mr. Agro commented the Board may want to look at each grant and suggested they too should be part of the conversation.

Mr. Marlow agreed each grant should be looked at independently, adding they are each a vital part of the community, which benefits from many of these programs.

Council on Aging (0010 4801) – Chairman Lema stated this is a large grant, if not the largest in the budget. He stated he would be open to suggestions from the Board.

Mayor Richetelli interjected regarding the grant agencies. He stated except for those with formulas attached, a lot of the agencies are non-profit and many have remained flat over the years. He stated regarding the Council on Aging, it is a group that runs 6 days a week. He stated they are in this budget because they are recognized for the good work they do for the citizens of Milford. He also pointed out the portion that Milford gives is a major portion of their total operation and to take away funding may hurt them and their function. He stated the grant agencies rely on this funding and he would respectfully ask the Board to use their judgment, but that it leaves it to the Board.

Mr. Agro stated they needed to examine each account. He stated they have made some hard cuts on the city side and really needed to take a look at each one.

Chairman Lema stated he could support flat funding.

Mr. Fitzpatrick pointed out the salaries for the Council on Aging are \$900,000. He also stated there is no requirement to pay for any programs and that their membership fee of just \$10 a year is just ridiculously low. He stated he believed they need to throw some of the burden to the other side. He also stated he did not dispute the value of their work and their wonderful programs, but that they needed to share in the burden.

Mr. Agro pointed out the increase in their workers compensation insurance, which he stated they have no control over.

Chairman Lema stated he would recommend reducing line item 4708 0000 Grant to read \$1,320,000.

Fine Arts Council (0010 4803) – Chairman Lema stated he would be comfortable with going back to the FY09/10 level. He recommended reducing line item 4708 0000 Grant to read \$67,500.

Regional Mental Health Board (0010 4807) – Chairman Lema stated this is based on a per capita figure.

Borough of Woodmont (0010 4811) – Mr. Marlow commented since they were looking for the City to reduce, it would only seem fair to ask the Borough to reduce as well.

Chairman Lema stated he would recommend keeping the grant at \$200,000.

Bridges Community Support (0010 4813) – it was noted there was not increase.

Mr. Agro commented every service they provide is cherished by someone in the Milford community. He also pointed out they have a \$13,000,000 budget, but that amount they received from Milford is something they count on. He suggested they evaluate this as well.

Mr. Marlow stated any reduction would directly affect Milford residents and further it was his understanding these monies are used only for Milford residents.

Mr. Fitzpatrick asked if a number prior to 2009-2010 was available.

Mayor Richetelli responded he did not, but pointed out this would be the third year with no increase.

Mr. Agro stated he would be comfortable leaving this account or at best going no lower than \$350,000.

Mr. Beckwith stated he could agree with \$350,000.

Mr. Fitzpatrick pointed out when these cuts have been made these grant agencies have always found a way to supplement and continue providing services.

CMED (0010 4805) – Mayor Richetelli stated he wished to make the Board aware that they are looking for an increase above the stated figure.

Milford Flotilla 73 (0010 4816) – Chairman Lema noted the grant is a nominal amount, but that he would recommend going back to the FY09/10 grant amount.

Mr. Fitzpatrick suggested making it an even \$7,300.

Human Services Department (0010 4817) – Chairman Lema deferred to the Mayor for comment.

Mayor Richetelli explained to the Board that employees of this department are entitled to medical benefits.

After discussion, the consensus was to recommend reducing line item 4708 0000 to read \$231,550 and line item 4710 0000 to read \$235,560.

Milford Progress Inc. (0010 4819) – Mr. Beckwith recommended going back to FY 09/10 in the amount of \$10,600.

Historic District II (0010 4820) – It was recommended to leave as last three years.

Health Services/VNA (0010 4821) – Chairman Lema noted this was actually a reduction.

Cemetery Association (0010 4822) – It was recommended to leave as the last three years.

Patriotic Organization Association (0010 4823) – It was recommended to reduce it to \$3,787, which is FY 09 level.

Beth El Shelter (0010 4825) – Mr. Fitzpatrick recommended it be reduced to \$65,000.

Mayor Richetelli reminded the Board the number of services the shelter has provided over the last 1 ½ years. He stated they also began a no-freeze shelter the past winter and for half of the previous winter. He also reminded the Board the Red Cross is no longer providing local services and that those services were absorbed by the Bethe El Shelter.

Boys & Girls Club (0010 4826) – Mayor Richetelli explained this club is now 4 years old. He stated their fundraising efforts have been hampered. He pointed out they are a part of the community that recognizes and needs the service provided. Mayor Richetelli stated there are over 5,000 students that use the center. He asked the Board to consider not reducing them lower than \$55,000.

Chairman Lema stated they would come back to Educational Operations.

Education Health Insurance Contribution (0010 4997) – Chairman Lema recalled that Mr. Russell had pointed out that Board of Education employees contribute \$2,000,000.

Ms. Doneiko explained the amount is netted out and that it is divided up by the City and the Board of Education.

Education Health Insurance Contribution (0010 4997) – Chairman Lema noted the recommendation of the elimination of one nurse.

Mr. Agro asked if that position is currently filled.

Mayor Richetelli replied yes, but that he was unsure of any potential retirement.

Sewer Commission (0012 0000) – Chairman Lema asked about the Clerk A position and where that is shown.

Mayor Richetelli stated it is reflected in the Engineering Department. He explained currently that position is not filled and that the clerk in the Engineering Department has assumed those responsibilities and that some of the money in that account pays for that work. He also explained payment which is through the sewer user fees.

Wastewater (0010 4426) – Mr. Fitzpatrick asked if there are any vacant positions.

Mayor Richetelli responded no.

Harbor Commission (0036 4157) – Chairman Lema stated this is an enterprise fund and self-supporting.

Mr. Fitzpatrick about line item 4201 0000 Longevity.

Ms. Doneiko explained it is compensation to an employee with over 10 years of service.

Mr. Agro requested a 5-minute recess. The Board recessed at 8:59 p.m.

Chairman Lema reconvened the Board in public session at 9:09 p.m.

General Fund Revenue (0010 0000) – Mayor Richetelli stated throughout the budget process from now until the Board of Aldermen votes, there could be considerable and significant swings. He stated it would be prudent for the Board to vote on what they currently know for sure. He went on to explain the governor’s proposed budget and some of the eliminations being discussed, i.e. manufacturers and that he has been in contact with the City’s legislative delegates.

Mr. Fitzpatrick asked if the legislators have talked about putting personal taxes back.

Mayor Richetelli stated it is a possibility. He stated originally the purpose was to keep business in Connecticut. He stated there has been some willingness on the part of the governor to discuss this.

Chairman Lema stated he would agree this Board should only budget for revenues that are forthcoming.

Mayor Richetelli stated unfortunately at this date, it was all a guesstimate. He stated some of the governor’s recommendations include a hotel tax, cabaret tax and proposed retail sharing tax. Also, doubling of conveyance tax, which could add significant revenue, but there just were no guarantees at this time.

Mr. Agro thanked the Mayor for the insight. He stated this Board would forward whatever final amount they come up with to the Board of Alderman. He noted they have somewhat of an advantage in that they will have a clearer picture of funding by the time their vote takes place.

Mayor Richetelli stated although it is not 100% , he feels most comfortable with the ECS monies coming back to Milford, however, it would not be comfortable restoring that funding until Hartford has actually voted on it.

Chairman Lema referred to p. 4 of the budget book, line item 3517 0000 Education Cost Sharing. He stated this Board would need to come to a consensus whether to have this line item remain the same or increase.

Mr. Agro stated the only comfort this Board has at this point would be the remarks of the Mayor.

After discussion, it was the consensus of the Board to have line item 3517 0000 Education Cost Sharing remain the same.

Chairman Lema referred the Board to p. 5 of the budget book, line item 3670 0000. He stated because they just did not have a realistic indication of how Hartford would go with this, that he would suggest reducing that line item to \$0.

Chairman Lema continued onto p. 6 of the budget book to examine line item 3711 0000. He stated he felt that number might be high, but that he would be comfortable keeping it the same.

Mr. Agro commented he shared the same optimism that the number would change. He stated last year there were some large properties, but this year he did not foresee any large property.

Chairman Lema added there has been very little commercial activity.

Mr. Agro referred to p. 6 of the budget book. He asked where the city expected to be in regard to permitting fees, i.e. building inspection, planning & zoning, street opening permits, etc. He stated they are a mature community and what is coming in is really infill.

Ms. Doneiko pointed out Gen Conn was removed from the grant list. She went on to explain there is a separate tax agreement. She stated if the board is to compare grand lists they have to look out at what was taken.

Mr. Agro referred to p. 8 of the budget book, line item 3821 0000 Sale of Real Estate and commented there are several parcels the Planning and Zoning Board has acted on. He stated if the city is able to sell those parcels as legal building lots the number could increase. Mr. Agro also commented about the Downs House that has been sitting idle for several years. He stated he would be in support of selling that property. He stated it was time to finally move forward and do something productive with the property, adding the city accomplished what they wanted to, which was to save the property.

Mayor Richetelli stated he agreed, however they have not received the same support from the community.

Mr. Agro responded that it was time to get the property back on the tax rolls.

Mr. Fitzpatrick questioned line item 3901 0000 Appropriated Fund Balance.

Mayor Richetelli explained the city historically has an operating surplus and that they keep a prudent reserve acceptable to the bonding agencies.

Chairman Lema asked who sets the permit fees, adding that they seem low. He stated he is not a proponent of large fees, but suggested the mayor through the City Attorney's office look into those numbers. He stated the only change he would suggest would be with regard to the manufacturer equipment, because they don't have enough information at this time as to what Hartford will do.

Educational Operations (0010 4996)

Chairman Lema stated the Board would take a 2-minute recess. The Board recessed at 9:39 p.m.

Chairman Lema reconvened the Board in public session at 9:43 p.m. He stated they would begin discussion regarding Education Operations (0010 4996).

Mr. Beckwith spoke concerning the ECS monies. He stated that would be a good starting point since the city side of the budget did not budget for those additional monies at this time.

Mr. Agro asked for a clarification regarding the federal stimulus monies the Board of Education received last year. He stated it was his understanding those monies went directly to the Board of Education and that adjustments were made on the city side. Discussion ensued regarding the numbers being proposed.

Mr. Beckwith commented the last two years of the \$1.5 in stimulus money only put off the inevitable.

Chairman Lema stated this Board really just does not know what the level of funding will be in a few months. He stated that is the reason he would be hesitate to make a drastic reduction. Chairman Lema stated when the

budget goes before the Board of Aldermen in a few months they will likely have more information available to them and will be able to make a recommendation based on the most current information from Hartford.

Mr. Beckwith asked if the ECS money is passed, where the additional monies would go.

Mayor Richetelli explained the ECS money would come to the city. He stated if the Board of Aldermen restores those monies to the education side of the budget, there would be additional revenue on that ECS line item shown on the city side of the budget.

Mr. Marlow asked if there were any stipulations of those funds.

Ms. Doneiko stated no one can spend more than there appropriations.

Mr. Agro commented the intimation from Hartford is that the ECS funds would pass through to Milford, but instead of going directly to the Board of Education those funds would come to the city side. He asked if they were talking about restoring the entire grant.

Ms. Doneiko stated the ECS grant in 2009 was \$10,728,519. She explained if those monies are restored it means it will have been flat for 4 years.

Mr. Agro stated it was premature to have discussion of transactions from yesterday to today. He stated he was looking for direction from tonight.

Ms. Doneiko stated she had worked out some estimates based on various scenarios that could help give guidance as to where the Board may want to go.

Mr. Fitzpatrick stated he would be comfortable going with a 1% increase and asked the dollar amount.

Ms. Doneiko stated a 1% increase would be \$84,061,000, 1.5% would be \$84,477,440 and 1.75% would be \$84,685,000.

Chairman Lema stated he could not support a 1% increase. He stated he would consider the recommendation of Mr. Beckwith as to the reduction of \$1.5 totaling \$1,534,584.

Mr. Beckwith stated the \$1.5 equates to the monies the Board of Education has received over the last two years from the federal government. He asked if the finance director had that calculation.

Ms. Doneiko stated the amount would be \$84,895,486, which equals a 1.92% increase.

Chairman Lema pointed out the Board was relying on the numbers they currently had that would come from ECS and that it still was an increase.

Mr. Fitzpatrick stated he would not vote for a nearly 2% increase.

Mr. Beckwith stated numerous jobs have been taken from the city side and that this Board at its vote would basically be giving a flat increase.

Mr. Agro asked the Chairman is there was a number he would suggest.

Chairman Lema stated he would be most comfortable with a budget of \$84,759,000, which represents an increase of 1.84%.

Mr. Beckwith stated he would not support that much of an increase. He cited the years he sat on that side knowing that each year they add positions, which in turn add health benefits. He stated if the health benefits were on their side it would be different then perhaps they would have to stay within their means.

Mr. Agro commented after much soul searching and what this Board has been through with the numerous positions on the city side that it was very difficult.

Mr. Fitzpatrick stated the most he would consider would be a 1.5% increase.

Mr. Agro added this Board needed to come to terms with other non-unified positions.

Mr. Beckwith pointed to not only the operations budget, but the benefits budget for the Board of Education. He stated this Board has bonded out more projects, all of which was spent on education for building improvements, etc. He stated people are facing an immense amount of taxes. He stated if this Board could do its part to help keep taxes low, then we are doing are job. He stated the job of this Board is to be fiscally responsible.

Chairman Lema stated he would lean toward the 1.5%.

Mr. Beckwith stated he would reluctantly support a 1.5% increase.

Chairman Lema stated the Board would stand in recess until March 9, 2011. The Board recessed at 10:31 p.m.

Respectfully submitted,

Kathleen K. Huber
Recording Secretary