

**BOARD OF ALDERMEN
BUDGET DELIBERATIONS – FISCAL YEAR 2020-2021
MAY 6, 2020 – FINAL VOTE**

The Board of Aldermen resumed virtual budget deliberation session regarding the Board of Finance’s recommended budget for fiscal year 2020-2021, on Thursday, April 29, 2020 via ZOOM. Chairman Vetro called the meeting to order at 7:00 p.m. asking those present to join in saluting our flag and reciting the Pledge of Allegiance.

1. Roll Call

Board Members Present:

E. Beatty
C. Gaynor
A. Giannattasio
J. Golden
J. Grant
M. Hardiman
G. Harla
M. Parente
F. Smith
W. Smith
A. Sutton
J. Tranquilli
P. Vetro
R. Vitali
W. Willis

Also Present:

Mayor Benjamin G. Blake
J. Rosen, Chief of Staff
P. Erodicti, Finance Director
K. Fortunati, City Clerk

Chairman Vetro welcomed everyone to the 2020-2021 budget deliberations. He reviewed the virtual meeting format.

Ald. Golden and Ald. Beatty made and seconded a motion for the Board to come out of recess. Motion carried unanimously.

Chairman Vetro stated tonight was the final step in the budget process. He thanked the Mayor, Aldermen, Department Heads and Dr. Cutaia, and her staff for presenting a reasonable budget. Chairman Vetro spoke of the importance of finding balance and adopt a budget in the best interest of the citizens of the City. Chairman Vetro commented on the uncertain times due to Covid-19.

Ald. Sutton and Ald. Golden made and seconded a motion to approve the revenue and expenditures for the 2020/2021 budget as recommended by the Board of Finance with the following technical corrections:

(1) Page 8, General Fund Revenue, Line Item 483901, Appropriated Fund Balance reduced to \$9,000,000, subtotal \$9,000,000 for a revised Total Revenue of \$217,678,035;

(2) Page 84, Employee Benefits, Line Item 529919, Self Insurance Contribution reduced to \$9,818,617, subtotal \$25,237,332 for a revised Department Total of 425,260,532; and

(3) Page 94, Education Health Insurance Contribution, Line Item 524221 reduced to \$17,873,114, subtotal \$17,873,114 for a Department Total of \$17,873,114.

Ald. Giannattasio asked Peter Erodici, Finance Director, if he agree with the figures contained in the amendment and if those numbers matched the correspondence emailed to the Board members. Mr. Erodici stated the numbers are correct and match the those sent emailed to the Board members. Ald. Giannattasio asked if the healthcare numbers were better than had been expected. Mayor Blake stated it was a pleasant surprise. He provided a brief summary on how the City acquired a new healthcare consultant through the RFQ process.

Ald. F. Smith asked if consideration had been given to restore departmental budgets given the savings in healthcare. Mayor Blake stated the budget is an 8-10-month process that is vetted several times. He discussed how departments reviewed their budgets and made reductions where possible in order to keep the budget request flat. Mayor Blake stated that it is more important than ever to provide a reasonable budget due to Covid-19 and the economic struggles of taxpayers.

Ald. Vitali stated based on the Board of Finance recommended budget the mill rate would be 28.46. He asked what the mill rate would be with proposed healthcare reductions. Mr. Erodici stated with the technical changes the new mill rate would be 27.68. Ald. Giannattasio asked how that would affect property taxes. Mr. Erodici stated a home with a market value of \$311,000 would result in a \$7 decrease.

Ald. Sutton stated he is in favor of the motion presented and commends the Mayor, Board of Finance and departments who took part in preparing the budget. He further stated the believes this is a testament to fiscal responsibility and urges the Board to support the motion.

Ald. Vitali asked if a new healthcare consultant had not been hired would the savings have been the same. Mayor Blake stated the prior healthcare consultant would have been requested to take another look. He further stated that the prior consultant was not as sophisticated in the field as key personnel had left and that is one of the reasons the City sought a new consultant through the RFQ process. Ald. Vitali stated the savings is great, but he has concerns. He also stated that he believes there are other opportunities for savings within the budget.

Ald. Giannattasio thanked everyone for their hard work on the budget. He stated he is pleased with the result, but he agrees with Ald. Vitali that there is more opportunity for savings within the budget. Ald. W. Smith also stated he believes there is opportunity for savings.

Ald. Beatty stated the proposed budget maintains the current level of services that would be affected if further cuts are made. Ald. Giannattasio disagreed and stated there are reductions that could be made without cutting the level of services.

Ald. Vitali state the healthcare savings seems illogical and asked why the savings information was not provided earlier. Mayor Blake stated the consultants looked at a larger period of experience and also provided an option to increase stop loss coverage saving approximately \$2,000,000. Mr. Erodici echoed the Mayor's comments. He further stated that the consultant was asked to take a second and third look. Mr. Erodici stated that based on claims for the past 4 years it made sense to increase the stop loss coverage. Ald. Vitali asked if the approach was too liberal and if it would be better to be conservative. Mr. Erodici stated that did cross his mind, but after studying the numbers and reviewing with the consultant he is comfortable. He further stated he would have concerns with looking to reduce the mill rate too much as sufficient revenue needs to be raised. Mayor Blake stated each department is lean and runs in a lean fashion. He commented on how departments have streamlined to be more efficient and not a lot of room for additional cuts without impacting services. Ald. W. Smith asked if the Mayor was saying that further cuts cannot be found in the budget. Mayor Blake stated additional cuts will affect City services that residents have come to expect and deserve.

Ald. Tranquilli asked if a reduction in the Board of Education budget would affect City services. Mayor Blake stated a reduction in the Board of Education budget would affect Milford Public Schools operations. He further commented on the unprecedented times with Covid-10 and it has impacted Milford Public Schools and students. Ald. Tranquilli asked what portion of the Board of Education budget is contractual. Mr. Erodici stated the bulk of the Board of Education budget is salaries and benefits. He directed Ald. Tranquilli to the Board of Education budget and stated he would not be comfortable providing a dollar amount.

Ald. Grant asked if the motion on the floor is just to implement reductions and if there is an opportunity to make further recommendations. Mayor Blake stated the motion is to approve the revenue and expenditures as recommended by the Board of Finance with the technical changes. He further stated that amendments to the motion may be offered.

Ald. Vitali raised concerns with the increase to the Chief of Staff wage and that over 3 years the wage will have increased 15% to 18%. He stated the Board of Education budget should have been revisited. Ald. Vitali stated he cannot support the budget as presented. Ald. Giannattasio also expressed concerns with the overall budget and that he cannot support the budget as presented as he believes there is room for savings.

Ald. F. Smith stated the Board of Education budget is a line item budget that is voted as a whole. He discussed the reduction of medial aide positions and how he believes they continue to be a vital resource for students.

Ald. Tranquilli stated he is pleased with the healthcare savings but believes there are other opportunities for savings that will not affect services. He further stated that, as presented, he cannot support the budget.

Ald. W. Smith discussed the Board of Education and the need for a long-range plan. He further discussed the reduction of media aide positions. Ald. W. Smith commented on the reduction to the police department while increasing salaries in other departments. He stated he cannot support the budget as presented.

Motion carried 9 in favor (Beatty, Golden, Hardiman, Harla, Parente, F. Smith, Sutton, Vetro and Willis), 6 against (Gaynor, Giannattasio, Grant, W. Smith, Tranquilli and Vitali).

Chairman Vetro stated the Board would recess while the Finance Director finalized the numbers to arrive at the mill rate.

The Board recessed at 8:24 p.m.

Chairman Vetro reconvened the Board in public session at 8.27 p.m.

Ald. Sutton and Ald. Golden made and seconded a motion to approve an Ordinance establishing a budget for the City of Milford for fiscal year 2020-2021, setting the mill rate and establishing a due date in accordance with the provisions of the Connecticut General Statutes and the Charter of the City of Milford.

WHEREAS: The Board of Finance of the City of Milford has made estimates of the income and the amount of money necessary to appropriate for the expenses of the City of Milford for the fiscal year commencing July 1, 2020 and ending June 30, 2021, and has classified such expenses under appropriate headings, departments, and appropriations as more fully appears in the proposed Fiscal Budget submitted to the Board of Aldermen in accordance with Article VI, Section 2 of the Charter of the City of Milford; and,

WHEREAS: The Board of Aldermen, having met and conducted a public hearing, has considered said proposed fiscal budget and has made changes therein pursuant to Article VI, Section 3 of the Charter of the City of Milford; and,

WHEREAS: The Board of Aldermen, in its deliberation and voting on said budget, has estimated revenues for the 2020-2021 fiscal year in the amount of \$217,678,035 and authorized appropriations for the 2020-2021 fiscal year in the amount of \$217,678,035.

NOW, THEREFORE, BE IT AND IT IS HEREBY ORDAINED AND ENACTED BY THE BOARD OF ALDERMEN OF THE CITY OF MILFORD AS FOLLOWS:

That the proposed Fiscal Budget for the fiscal year commencing July 1, 2020 and ending June 30, 2021, as amended by the action of the Board of Aldermen pursuant to law, is hereby adopted and ordered to be filed with the City Clerk.

That taxes for the fiscal year commencing July 1, 2020 and ending June 30, 2021, at the rate of 27.68 mills upon the ratable estate within the limits of the City of Milford, are hereby laid and levied to meet the expenses of said budget. Said mill rate is set on the predication that it is estimated that \$416,198 of said levy will be granted for Elderly Exemptions (State of Connecticut), \$690,036 will be

granted for a local tax relief program for the elderly, \$375,223 will be granted for a local tax relief program for Veterans and 97.85% of the resulting levy will be collected during the fiscal year commencing July 1, 2020 and ending June 30, 2021. Said taxes shall be paid on the Grand List of October 1, 2019 and shall be due and payable on July 1, 2020, provided that if the taxes of any person shall exceed Two Hundred Dollars (\$200.00), the first installment thereof, but not less than one-half of the amount of such taxes shall be due and payable on the first day of July 2020 and the remainder due and payable on the first day of January 2021, but any taxpayer may pay the total amount of the tax for which he or she is liable at the time when the first installment shall become payable. Such tax rate shall apply to all districts of the City of Milford.

<u>TAXES TO BE RAISED</u>	<u>\$179,424,748</u>
<u>TOTAL APPROPRIATION</u>	<u>\$217,678,035</u>
<u>TOTAL REVENUE</u>	<u>\$217,678,035</u>

This Ordinance shall take effect in accordance with the Charter of the City of Milford.

Mayor Blake thanked everyone for their time and energy in preparing the budget. He stated it is important to look to strike the right balance each year and this year was difficult to find that balance with the understanding of the difficulties taxpayers may be facing.

Ald. Giannattasio thanked Chairman Vetro and commented on the good job with virtual meetings and allowing everyone time to express themselves. He stated he respects the job the Mayor is doing and knows he has the best interest of the City in mind. Ald. Giannattasio thanked all the members of the Board for he efforts.

Chairman Vetro thanked Ald. Giannattasio for his kind words. He thanked Ald. Gianntasio and complimented him on his leadership. Chairman Vetro stated there were challenges to the budget and the entire Board is deserving of compliments.

Ald. Harla thanked Ald. Giannattasio for his comments concerning the Mayor. He stated he lives near the Mayor and sees how much time and effort he puts in.

Ald. F. Smith thanked everyone for their leadership and kind remarks. He stated the budget process is a good example of how the Board can work together although they may have differences.

Motion carried 9 in favor (Beatty, Golden, Hardiman, Harla, Parente, F. Smith, Sutton, Vetro and Willis), 6 against (Gaynor, Giannattasio, Grant, W. Smith, Tranquilli and Vitali).

Ald. Sutton and Ald. Golden made and seconded a motion to adjourn the budget deliberations for 2020-2021 at 8:51 p.m.

Respectfully submitted,



Toni Jo Weeks
Recording Secretary