Call to Order / Pledge of Allegiance

Board of Apportionment and Taxation Chairman Christopher Besecheck called the hearing to order at 7 p.m. All those present rose and pledged allegiance to the flag.

Roll Call

BOARD OF APPORTIONMENT AND TAXATION

Christopher Besecheck, Chairman - present
John Belden - present
Wayne Bragg - absent
Judson Crawford – present
Charlotte Madar - present
James Tickey - present

BOARD OF ALDERMEN

John Anglace, President - present
Lynne Farrell - present
Jack Finn – present
Stan Kudej - absent
Noreen McGorty – (at Public Health and Safety)
John Papa – (at Public Health and Safety)
Anthony Simonetti - present

0800 - Shelton Economic Development Corporation

Department Requested $90,000; Mayor Recommended $90,000

James Ryan, Executive Director explained that over the last few years the Corporation has held at the $90,000 to stay in line with the City’s objective of zero-based budgeting whenever possible. The Corporation writes grants and raises money to make up the difference. If there ever is a shortage, they work it out with the Mayor and the Board of Aldermen.
The transmittal letter for the budget tells a lot about the nature of the Shelton Economic Development Corporation’s operations.

Mr. Ryan noted that a marketing study, report card, and next step program has just been finished and it confirms that making investments in downtown is going to produce a return. This independent marketing report says that when the 600+ units are built out along Canal Street, there will be almost $25 million per year in disposable income. The net income realized after the City’s expenses for schools and snow plowing and police and the like also are summarized in the report.

Mr. Ryan explained that the SEDC is the redevelopment implementation agency for the City and downtown; designated by the Board of Aldermen and have been doing that since 1983. It assists with City-wide Economic Development, assisting business owners. It is part of and runs an 18-town and city economic development strategy group from Shelton to Waterbury, out to Cheshire and Southbury. It periodically brings grant money in for Shelton and other communities.

The Corporation has a 60 member Board of Directors. All of the City Departments are part of the Economic Development team.

In response to a question from Mrs. Madar, Mr. Ryan explained that all of the information in regard to the apartments on Canal Street is in the report, including those statistics regarding the number of school-aged children are expected to be in the entire development. He noted that they are considered to be reasonable estimates.

Mr. Ryan noted that there will be major activity along Canal Street over the next two years. The Avalon Development, new private investment, utility infrastructure will be put into place. The Corporation will be talking with the City and the State in regard to additional proceeds to help with the utility infrastructure. There is good, predictable progress being made at this point in time.

In response to a question from Mr. Tickey, Mr. Ryan stated that the report is not a political document but a scientific document that looks at the market conditions for the community overall, specific to downtown. It’s a report card on our progress – all of us; and it is recommendations for next steps and forecasts on the impact of this new private investment in terms of new tax proceeds and new disposable income. It is very exciting.
Mrs. Madar asked what the 2012-13 $3,200,000 request under the 6-Year Capital Outlay represents. Mr. Ryan explained that everything is largely for infrastructure investments, with some administrative and program costs associated with it. He noted that the City never commits to the SEDC as a part of that budget. The City commits on a case-by-case basis. The 6-Year Capital Outlay is a required form in the budget process and the numbers put forth are the best estimate they could come up with. The SEDC always tries to get outside funding to be a part of that.

The current staffing of the SEDC is 2.5.

Alderman Finn asked, with the work that the City is performing on Canal Street, how much of a savings is that to the final project?

Mr. Ryan replied that the final numbers are not in yet. The AT&T contract is approximately $300,000. With the City performing the work, there should be a savings of about $400,000.

5200 Management Information Services

Department Requested $422,549; Mayor Recommended $334,572

Louis Marusic, Finance Director distributed a listing of all of the activities, and a list of two major goals for Management Information Services. The Mayor increased the budgets for the Police Department and the Library, and some was taken away from the Finance Director and Accounting Department. There were no changes in the bulk of this particular account.

Alderman Finn asked if this includes the planned activity of the Registrar of Voters Office with scanning 200,000 to 300,000 cards, and also with the City Engineer’s office scanning all of their maps?

Mr. Marusic replied, you are being appropriated for the scanning now at the next Aldermanic meeting to take care of everything the Registrars need to do now.

Purchasing Agent Gene Sullivan noted that it’s approximately .06 per copy and about 200,000 sheets of paper - $8,000 to $12,000.

Mr. Marusic stated, it’s going to be done by an outside vendor – they will be taken offsite and scanned.

Alderman Simonetti asked Mr. Marusic about the increased video camera surveillance at sites requiring increased security.
Mr. Marusic explained it has begun at the Highways and Bridges Department and the Transfer Station. He discussed what the future planning involves for this objective.

Mr. Regis Dognin gave a comprehensive overview of the City’s GIS System. He distributed the following handouts:

- “Update on GIS in Shelton – Where We Might Go From Here”
- “Status of GIS Technology in Shelton”
- “Shelton: Points of Interest”

He explained that maps are legal documents and must be maintained. He detailed the various types of maps he is presently working on and invited all those present to attend an hour-long session on the capabilities and possibilities GIS can provide the City in the future. He will notify the attendees of the details when it is scheduled.

5700 Accounting and Control

Department Requested $544,620; Mayor Recommended $544,620

Sharon Scanlon, Assistant Finance Director was present to address any questions of the assembly.

Mr. Crawford noted that the number of personnel remains unchanged and asked if the funding for part-time employees is satisfactory to Ms. Scanlon, to which she replied, yes.

5300 Assessor

Department Requested $491,287; Mayor Recommended $464,287

Bill Gaffney, Assessor, distributed a synopsis of the Grand List.

In response to a question from Alderman Simonetti, he stated that nobody was hired to do revaluation; that is had been done and people should have received their notices; and that a lot of it went down.

Alderman Anglance asked Mr. Gaffney how he was able to get the Professional Services from $58,000 to $8,000?

Mr. Gaffney explained that Mr. Marusic had the $58,000 in the budget last year to get the City started with the revaluation with the commercial
– there was a contract there. That work was substantially completed by the time Mr. Gaffney arrived.

In response to Mr. Tickey’s question about the low amount of money spent thus far in Printing and Advertising, Mr. Gaffney explained that a lot of the work comes toward the end of the fiscal year since the Grand List was just signed.

Mr. Crawford questioned the increase in Personnel Training. Mr. Gaffney noted that he is a proponent of education and would like to get some of his staff to attend the Assessor’s School at UConn. He wants his staff to attend more training.

**5400 Tax Collector**

Department Requested $349,453; Mayor Recommended $349,453

Debbie Onderko, Tax Collector, distributed a spreadsheet detailing the Estimated Tax Collections for Fiscal Year 2012-2013. Mr. Marusic reviewed the spreadsheet with the assembly.

Mr. Marusic noted that the Tax Collection rate is 98.7 and last year finished out with 98.9, in a bad economy. He praised the Tax Collector and her Staff for their work, noting that all of them are State-certified tax collectors. He noted that the training has paid off.

Alderman Anglace asked about offering taxpayers the opportunity to pay their taxes online. Ms. Onderko explained that all of the information would have to be put online. Although there are quite a few towns that do this, there is a fee to the taxpayer of about $25. It is done by an outside service; it isn’t done by the City directly. New Haven charges each taxpayer 4 percent of their tax bill as a fee for paying online.

Ms. Onderko further explained that during a collection, the City uses five of the downtown banks that anybody can walk into and pay their taxes. The banks work all kinds of hours and on weekends. The tax collection rate couldn’t get much better than 98.9. If you see a better collection rate it is because the towns are selling their taxes.

**5500 Purchasing**

Department Requested $319,582; Mayor Recommended $309,369
In response to a question from Mr. Crawford regarding Training money, Mr. Marusic explained that the Purchasing Agent has been extremely busy and unable to get out of the office long enough to attend any training. It is their hope that he will be able to get his training accomplished in the coming fiscal year.

Mr. Marusic explained that Purchasing is working on a major project that he would like to discuss. One of the primary goals and objectives from Management Information Services is the Telecommunications Project. Providing a VOIP (Voice Over Internet Protocol) network system will embrace the current technology, improve operational aspects of the City’s Wide Area Network. Completion of this project will result in a 25-30 percent elimination of the current telephone expense with AT&T.

On Thursday, March 15 at 11 a.m. in City Hall Room 104, about 15 Telecommunications Consultants for City of Shelton RFQ 32-50 will be making their presentations on this subject. One of them will be hired as a consultant to determine the specifications for the City to go to bid. The Purchasing Department will ultimately be coming to the Board of Aldermen looking for funding for this project.

The facilities that will be included in this first phase of the project are City Hall, Police Department, Community Center including Maintenance and Branch Library, Highways and Bridges, and Board of Education main office at Long Hill Avenue.

A future expansion of it will include Plumb Library and the Board of Education satellite locations. This will provide more opportunity for the Board of Education to get involved with the City and save more money.

Mr. Sullivan explained that we can anticipate getting rid of about 25 to 30 percent of telephone lines throughout the City. We also will save on maintenance. The circuits we have here are very costly. The Department of Public Utility Control doesn’t regulate AT&T for charges for circuits. This is a very important part of it. The circuits are mainly used by the Police and Fire Departments for emergency service lines. The Fire Department spends about $60,000 per year on circuits alone. This project will save nearly 45 percent on the cost of circuits. The Police Department is putting in a new dispatch center – console system. Once that is up and running we may find ourselves getting rid of more circuits.

In response to a question from Mr. Crawford, he noted that the number for Dues and Subscriptions is about the same year after year.
Mr. Crawford noted an error in the Equipment Replacement line – noting that it is up to $124,000. Mr. Sullivan concurred that this is an error and will have it corrected.

**4600 Utilities**

Department Requested $2,676,053; Mayor Recommended $2,675,053

Gene Sullivan, Purchasing Agent

In response to a question from Mr. Crawford, Mr. Sullivan explained that there are 12,000 hydrants; and there is no change in the hydrants at all. This is the largest expense under Utilities and is billed quarterly.

In response to a question from Mr. Crawford, Mr. Marusic explained that the City is paying for the Municipal Gas in the Lafayette building. There are City Departments and business tenants occupying the building.

**5600 Public Risk Management**

Department Requested $1,865,791; Mayor Recommended $1,966,569

Finance Director Louis Marusic explained that this has stayed the same but that the Mayor had decided to increase Workers Compensation.

In response to a question from Alderman Finn, the premium increase in Municipal Insurance will not be known until around May, closer to the end of the fiscal year. The provider, because of our experiences, could tell us we have to add more to the budget because our insurance premium is going to go up. The Broker of Record will not be increasing their fees. There is a contract the Board of Aldermen approved and he does not get increases.

**4500 Debt Services**

Department Requested $13,114,696; Mayor Recommended $13,114,696

Mr. Marusic explained that every year in Debt Service we go out and borrow. Typically it’s $2.3 million that the Board of Aldermen can borrow by Charter. He distributed a handout titled “Official Statement” detailing what the projects were. We borrowed $2,225,000 and took out a note for $8.8 million.
0000 Revenue Accounts

Department Request $113,014,020; Mayor Recommended $113,346,754

Sharon Scanlon, Assistant Finance Director

Mr. Marusic explained that the Revenues are almost similar to the prior year with the exception of investment interest and money. We are taking in $121,000 this year and budgeting for $175,000 next year. That is against a budget of $300,000 for this year, and it’s pretty much a guess.

Not a lot of money is being made from the banks, and where the money is coming from is the premium on the bond sales that the City has. People want to move money and in order to buy and be competitive, they up the premium which is great for the City.

In response to a question from Mrs. Madar and Alderman Anglace, Mr. Marusic explained that the Pilot Manufacturing Machine and Equipment went from 0 to $666,398 is something that all comes through the Governor’s Budget. We have to get more information on that and try to verify that with the State. Mr. Marusic will provide an update to the assembly when he receives more information from the State.

Mr. Crawford discussed the Board of Education Reimbursements line under Intergovernmental Revenue and asked why that line is set at zero. Mrs. Scanlon explained that it is not clear how it’s decided whether the Board of Education is getting it or whether the City is getting it. That is reimbursements for people that are in Special Education. We get reimbursed by various other cities and towns. It has to do with what other subsidies the Board of Education might be getting at the federal level and if they get that, we get this money. But if they don’t get the federal subsidy then they get this money. We don’t know what the federal government is going to give us next year, nor do they know what the costs are going to be for the Special Education students.

Mr. Marusic noted that it is better not to budget for something like that because there is no assurance that a certain amount is going to be there.

Ms. Scanlon noted that under Miscellaneous Revenues there are new line items for the Center Stage lease for $30,000 a year and for Valley United Way for $33,566 representing the rent they pay at the Lafayette building. The City is paying the utilities, but the City is also realizing revenue from it as well. More tenants are expected to move into the building as well.
Mr. Tickey questioned the line Pilot Boat Personal Property which was set at $20,000. Mr. Marusic explained that the State threw it out – it is no longer there.

**Adjournment**

Being no further business or questions, Mr. Tickey MOVED to adjourn; SECONDED by Alderman Mrs. Madar. A voice vote was taken and the MOTION PASSED UNANIMOUSLY.

The hearing adjourned at 8:30 p.m.

Respectfully submitted,

Patricia M. Bruder,
Temporary Clerk