Call to Order / Pledge of Allegiance

Alderman Anglace called the meeting of the Board of Aldermen to order at 7 p.m. All those present stood and pledged allegiance to the flag.

Roll Call

Alderman John F. Anglace, Jr., President – present
Alderman Lynne Farrell – present
Alderman John “Jack” Finn – present
Alderman Stanley Kudej – present
Alderman Noreen McGorty – present
Alderman Jim Capra – present
Alderman Eric McPherson – present
Alderman Anthony Simonetti – present

Administration:

Mayor Mark A. Lauretti, City of Shelton
Attorney Thomas Welch, Corporation Counsel

PUBLIC PORTION

Wayne Bragg, 85 Park Avenue Shelton

Mr. Bragg has submitted a letter addressed to the Board of Aldermen to be part of the record (please see attached memo related to Zero Based Budgeting, following the January minutes).

Agenda Items

MINUTES FOR APPROVAL

Alderman Anglace MOVED to waive the reading and approve the following meeting minutes:

1. Special Meeting- December 1, 2015
2. Special Public Hearing on Ordinances – December 1, 2015
3. Regular Full Board Meeting – December 10, 2015

SECONDED by Alderman Kudej. A voice vote was taken and the motion PASSED unanimously.

Minutes can be viewed on the city website: www.cityofshelton.org

5.1 FINANCE COMMITTEE

5.1.1 NO ITEMS

5.2 PUBLIC HEALTH & SAFETY COMMITTEE

5.2.1 NO ITEMS

5.3 STREET COMMITTEE

5.3.1 175 DIVISION AVENUE, SIDEWALK REIMBURSEMENT REQUEST

Alderman McPherson MOVED to approve, per the recommendation of the City Engineer and Street Committee, to approve the sidewalk reimbursement in the amount of $939.60 to Edward Kruk, 175 Division Avenue, Shelton, CT per Ordinance #877 (Section 14-9 of the Code of Ordinances) with funding to come from Sidewalk Reimbursement Account #001-3600-713.80-43.

SECONDED by Alderman Anglace. A voice vote was taken and motion PASSED unanimously.

REPORT OF THE MAYOR – None presented.

REPORT OF THE PRESIDENT –

Alderman Anglace: I have a report to give regarding the City audit.

(See Report of the President: BOE Insurance Reserve Account attached, following the meeting minutes).

6.0 LEGAL REPORT

6.1 CORPORATION COUNSEL BILLING
Alderman Anglace MOVED to authorize a total payment of $1,127.50 to Corporation Counsel Welch, Teodosio, Stanek and Blake, LLC, for services rendered per statement dated January 4, 2016, with funds to come from the following Legal Services Accounts:

<table>
<thead>
<tr>
<th>Legal Fees</th>
<th>Account</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal Fees</td>
<td>001-1900-411.30-03</td>
<td>$1,127.50</td>
</tr>
</tbody>
</table>

SECONDED by Alderman Simonetti. A voice vote was taken and the motion PASSED unanimously.

7  LEGISLATIVE - OLD

7.1 ITEMS FROM PUBLIC HEARING

7.1 A NO ITEMS

8  FINANCIAL BUSINESS OLD

8.1 NO ITEMS

9  FINANCIAL BUSINESS NEW

9.1  JANUARY STATUTORY REFUNDS

Alderman Anglace MOVED that the report of the Tax Collector relative to the refund of taxes for a total amount of $10,480.15 be approved and that the Finance Director be directed to make payments in accordance with the certified list received from the Tax Collector with funds to come from the Statutory Refunds Account 001-0000-311.13.00.

SECONDED by Alderman McPherson. A voice vote was taken and the motion PASSED unanimously.

9.2  A REFUND OF BUILDING PERMIT #P201501563

Alderman Anglace MOVED to approve the refund of Building Permit #P201501563 regarding 3 Enterprise Drive for Powercom in the amount of $240.72 with funds to come from General Miscellaneous Reimbursements Account #001-0000-381.34-00.

SECONDED by Alderman McPherson.

Discussion:
Mayor Lauretti: Didn’t we decide that we were going to let this happen administratively? Didn’t we have this discussion a couple months back?

Atty. Welch: I can take a look.

Mayor of Lauretti: Some of the amounts are so small and it’s obvious why you are doing it.

A voice vote was taken and the motion PASSED unanimously.

9.2 B  REFUND OF BUILDING PERMITS #P201500076 & #P201500075

Alderman Anglace MOVED to approve the refund of Building Permits #P201500076 & #P201500075 regarding 66 Maple Lane for Trinity Solar in the amount of $389.36 with funds to come from General Miscellaneous Reimbursements Account #001-0000-381.34-00.

SECONDED by Alderman Simonetti. A voice vote was taken and the motion PASSED unanimously.

9.2 C  REFUND OF BUILDING PERMITS #P201500139 & #P201500138

Alderman Anglace MOVED, to approve the refund of Building Permits #P201500138 & #P201500138 regarding 10 Soundcrest Drive for Trinity Solar in the amount of $317.54 with funds to come from General Miscellaneous Reimbursements Account #001-0000-381.34-00.

SECONDED by Alderman Simonetti.

Discussion:

Alderman Anglace: Why doesn’t the Board take an action to say that you will authorize the administration to handle this administratively in the future? What do you think?

Alderman McGorty: Shouldn’t there be a dollar amount?

Mayor Lauretti: Yes, there should be a dollar amount associated with it.

Atty. Welch: I am going to check with the Building Official to see what the average is and what we had done several months ago.

Alderman Anglace: Okay, then come up with a proposed motion for the next meeting.

Mayor Lauretti: A lot of the reasons for the refund is that the work never gets done.
Alderman Simonetti: Yes they call off the job.

Mayor Lauretti: Or send it to the Finance Committee to research it, and to then come back with a recommendation.

Alderman Anglace: As you have said, the reason for a refund is only due to the fact that the job gets called off and does not get done. The job is not getting done so they refund the money; it is that simple.

A voice vote was taken and the motion PASSED unanimously.

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10 LEGISLATIVE - NEW
10.1 ITEMS TO PUBLIC HEARING

10.1 A NO ITEMS

10.2 APPOINTMENT TO BOARD OF ASSESSMENT APPEALS

Alderman Anglace MOVED to reappoint Linda Schauwecker to the Board of Assessment Appeals effective immediately for a term of three years with an expiration date of January 10, 2019.

Linda Schauwecker (U)
Real Estate Two
100 Huntington Street
Shelton, CT 06484
203-929-9808

SECONDED by Alderman Simonetti. A voice vote was taken and the motion PASSED unanimously.

10.3 APPOINTMENT TO NAUGATUCK VALLEY HEALTH DISTRICT BOARD OF DIRECTORS

Alderman Anglace MOVED to appoint Edward Kisluk to the Naugatuck Valley Health District Board of Directors effective immediately with an expiration date of May 5, 2017.

Edward Kisluk (D)
58 Birchbank Road
Shelton, CT 06484
203-922-2551

SECONDED by Alderman Simonetti. A voice vote was taken and the motion PASSED unanimously.

10.4 APPOINTMENTS TO WATER POLLUTION CONTROL AUTHORITY
Alderman Anglace MOVED to reappoint the following to the Water Pollution Control Authority effective immediately for a term of four years with an expiration date of December 13, 2019:

Steve Chuckta, Jr. – (R)
33 Cranston Avenue
Shelton, CT 06484
Ph: (203) 924-1237

G. Michael DeAngelis – (R)
42 Wigwam Drive
Shelton, CT 06484
Ph: (203) 231-6259

Edwin Hellauer – (D)
40 Wakelee Avenue Extension
Shelton, CT 06484
Ph: (203) 924-1720

Donald Ramia – (R)
195 Birdseye Road
Shelton, CT 06484
Ph: (203) 929-7705

SECONDED by Alderman Simonetti. A voice vote was taken and the motion PASSED unanimously.

10.5 2015 EMERGENCY MANAGEMENT PERFORMANCE GRANT APPLICATION

Alderman Anglace MOVED to approve the following resolution:

RESOLVED, that the Shelton Board of Aldermen may enter into with and deliver to the State of Connecticut Department of Emergency Services and Public Protection, Division of Emergency Management and Homeland Security, any and all documents which it deems to be necessary or appropriate; and FURTHER RESOLVED, that Mark A. Lauretti, as Mayor of Shelton, CT, is authorized and directed to execute and deliver any and all documents on behalf of the City of Shelton Board of Aldermen and to do and perform all acts and things which he deems to be necessary or appropriate to carry out the terms of such documents.

SECONDED by Alderman Simonetti.

Discussion:

Alderman Anglace: This is what the State wants us to approve in order to receive partial funding for Mike Maglione’s job.

A voice vote was taken and the motion PASSED unanimously.

EXECUTIVE SESSION

At approximately 7:22 PM, Alderman Anglace MOVED to enter into Executive Session to discuss the following item:

11.1 WORKER’S COMPENSATION – GEORGE RODRIGUES
and invited Corporation Counsel Welch to remain in the auditorium during the Executive Session; SECONDED by Alderman Simonetti. A voice vote was taken and the motion PASSED unanimously.

RETURN TO EXECUTIVE SESSION

At approximately 7:26 p.m. Alderman Simonetti MOVED to return to Regular Session; SECONDED by Alderman Capra. A voice vote was taken and the motion PASSED unanimously.

It was noted that no votes were taken in Executive Session.

11.1 WORKER’S COMPENSATION – GEORGE RODRIGUES

Alderman Anglace MOVED to approve the Permanent Partial Disability rating in the Worker’s Compensation matter of George Rodrigues, as presented.

SECONDED by Alderman Simonetti. A voice vote was taken and the motion PASSED unanimously.

ADJOURNMENT

Alderman Anglace MOVED to adjourn; SECONDED by Alderman Kudej. A voice vote was taken and the motion PASSED unanimously.

The meeting adjourned at approximately 7:28 p.m.

Respectfully submitted,

Brittany Gannon

Brittany Gannon, Clerk
Board of Aldermen

DATE APPROVED: ____________________ BY: __________________________

Mark A. Lauretti
Mayor, City of Shelton
This letter outlines my thoughts about the use Zero Based Budgeting as discussed in the December 2, 2015 article in the Shelton Herald.

In my two years of serving on A&T and attending numerous budget sessions/workshops the use of the ZBB methodology was never evident. Even though Mr. Hiller’s annual budget instructions ask for a ZBB, other than a listing of positions and salaries, I never saw anything that resembled a Zero Based Budget in any of the documents provided by the city’s boards and departments.

In fact, on numerous occasions I asked department heads a ZBB question; “how have they related their requested staffing to future levels of work or output (number of inspections for example)”. But the department heads were not prepared to answer those questions and continued to submit budgets for positions that had not been previously filled. With ZBB, a department must be able to relate staffing plans to the level of work they are going to perform. That work must be documented and estimated to meet an agreed to level of service provided by the city. In addition, many line item expenses in the budget were never changed from prior years despite the lower actual costs incurred.

The Zero Based method is much more than just supporting a budget request. The main purpose would be to ensure that the city’s many activities (paying employees/suppliers, ordering supplies, paving roads, collecting taxes, performing inspections) are all done as efficiently and effectively as possible with the resources aligned to the estimated level of activity (output). The key element of ZBB is the ‘decision package’, which analyzes these activities, establishes performance measures and assesses the alternatives for performing the activity.

In my opinion, to have ZBB the city will have to make fairly substantive changes to the existing budget process. A better approach is to get the BOA and A&T more deeply involved during the budget setting and let them drive the discussion with the departments to seek alternatives to lower costs with higher levels of efficiency and quality. The current workshops are just not robust enough to really drive across the board cost savings in all departments. Many of the cost savings you cite in the article were accomplished outside of the budget process and I think the city has done a good job of getting the best price in many areas. But if we drive more
discuss and analysis into the budget process we can gain even more cost savings. I am all for ZBB, but be advised real ZBB is time consuming and expensive.

Sincerely,
Wayne Bragg

ADDENDA #2: REPORT FROM PRESIDENT ANGLACE – BOARD OF EDUCATION

INSURANCE RESERVE ACCOUNT

January 14, 2016

Report of the President:

BOE INSURANCE RESERVE ACCOUNT

12/16/2015  BOE REGULAR MEETING (Agenda and Minutes attached as Sch. A)
- Agenda unanimously Approved
- The following is quoted from the meeting minutes under - Report of the Finance Committee - “Win Oppel moved to approve a transfer of $150,000 to the Insurance Reserve Account for benefit year 2014-2015, and (said) that this was already included in our End of Year Budget discussions; motion seconded by Kate Kutash and passed unanimously.” No discussion.
- Note that there was no reference made as to where these funds were being transferred from.
- The transfer was completed on 12/23/2015.

1/5/2016  CITY-AUDITOR MEETING WHERE THE AUDITOR REPORTED:
- That he was not informed during the audit of the presence of this $150,000 in unspent money from FY ending 6/30/2015.
- That these funds were not included in his audit findings.
- That he discovered the 12/16/2015 BOE action to transfer these funds and requested a return of his audit findings from the City along with an extension of time to complete the audit.

1/6/2016  PAUL HILLER EMAIL (Sch.B) TO CHRIS CLOUET AND DOMINIC BARONE
- Informed the BOE of the Auditor’s request for return of the City Audit and the City request from the State of CT for an extension of time to file the June 30, 2015 Audit.
Informed them that this action comes as a result of actions taken by the BOE at their 12/16/2015 meeting to transfer $150,000 to the Insurance Reserve Account.

Informed them that these funds were taken from the BOE fiscal year 2015 budget with a check written on 12/22/2015 and deposited into the Insurance Reserve Account at Wells Fargo Bank on 12/23/2015 and,

That the Audit submitted by Clermont and Associates did not reflect this action.

Further, informed them that on 1/5/2016 Mayor Mark A. Lauretti directed Mr. Hiller to transfer all funds held in the Insurance Reserve Account to the City General Fund and that such action was completed on 1/5/2016 with the transfer of $362,000.

STATE STATUTE 10-248a Unexpended education funds account.

On 1/5/2016 the Auditor provided the City with a copy of the state law (Sch. C) governing unexpended education funds. The law is effective as of the fiscal year ending June 30, 2011 and authorizes only the fiscal authority to deposit into a nonlapsing account any unexpended funds from the prior fiscal year for the budgeted appropriation for education for the town for such prior fiscal year.

NOTES:

- We could find no Agenda or Minutes with reference to any BOE Finance Committee discussion regarding this $150,000 transfer.

- A review of the 12/16/2015 “Revised” Agenda (Sch. A) shows only a “review & approval of reports to take place at this meeting (including the Finance Committee Report). It shows no motion to be acted upon regarding the transfer of $150,000. Since this motion was made during the Committee report, it raises the question if the public was properly informed in accordance the FOI law.

- It is clear that only the City Fiscal Authority (the BOA) can authorize the transfer of unexpended education funds. Since the BOE transferred unexpended monies to a nonlapsing account when they clearly did not have such authority, the BOA needs to undertake an investigation and determine an appropriate outcome. Such investigation requires time for research. Meanwhile, the action taken by the Mayor to transfer the funds from the bank to the General Fund has insured suitable security until this can be completed.

- Also, there is a question here of full and complete disclosure of fiscal facts to the auditor.

- I will advise you if this investigation can be completed in-house of if Special Counsel need be appointed.