



SPECIAL JOINT MEETING – FEBRUARY 21, 2008  
SHELTON, CONNECTICUT

**BOARD OF ALDERMEN  
AND BOARD OF APPORTIONMENT AND TAXATION**

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**Call to Order / Pledge of Allegiance**

Board of Apportionment and Taxation Chairman Mark Holden called the Special Joint Meeting of the Board of Aldermen and Board of Apportionment and Taxation to order at 5:30 p.m. All those present rose and pledged allegiance to the flag.

**Roll Call**

**BOARD OF ALDERMEN:**

Alderman John F. Anglace, Jr., President – present  
Alderman Lynne Farrell - present  
Alderman John "Jack" Finn – present  
Alderman Stanley Kudej – present  
Alderman Kenneth Olin - present  
Alderman John P. Papa – present  
Alderman Jason Perillo - present  
Alderman Anthony Simonetti - present

**BOARD OF APPORTIONMENT AND TAXATION**

Mark Holden, Chairman – present  
Vincent Capece, present  
Judson Crawford, present  
Nancy Dickal, present  
Greg Kodz, present  
Charlotte Madar, present

Administration:

Mayor Mark A. Lauretti  
Administrative Assistant Sandra Nesteriak  
Corporation Counsel Thomas Welch

***1. Per City Charter Section 7.2, Mayor Lauretti Presents his Budget for Fiscal Year 2008-2009 to the Board of Aldermen and the Board of Apportionment and Taxation***

Mayor Mark A. Lauretti

Good Evening ladies and gentlemen of the Board of Apportionment and Taxation, members of the Board of Aldermen and those in the audience.

Once again, I come before your Boards with a positive message. The future of Shelton is bright. We continue to attract quality businesses and residential growth including the USB Data Center off Constitution Boulevard South, the Renaissance, and Birmingham Condominiums in the Downtown area. We are seeing the fruits of our 15 years of labor to revitalize our downtown with the Riverwalk and its Extension, with the mixed use along the Housatonic River, and the continued private investment, all in our downtown area.

Our goal for the preservation of Open Space by outright purchase of land or the acquisition of conservation and farmland rights continues to be a major priority.

We have made improvements in public safety communication. Our services to our seniors continue at a high level. We are enhancing ball fields and other recreational facilities, including hiking trails. The Public Safety Council is actively pursuing issues related to the Homeland Security Act. Although this is still in the planning stages, we are supporting the construction of a new Animal Control Shelter.

On the financial front, our Grand List increased 2.2% over the prior Grand List showing a total assessed value of over five billion dollars. This correlates to an additional \$1.9 million of new taxes annually. This past year has certainly demonstrated the current and ongoing economic viability of Shelton.

As we move into yet another budget year, the theme is caution. The national economic downturn has trickled down to the local level. During my preparation for the budget, I examined each department's objectives and their funding requirements. Increases on the city side of the budget reflect mostly contractual obligations. We also have to accommodate the increased costs of fuel oil, gasoline, and electricity, the same increases that affect each and every resident of our City. Otherwise, the municipal side of the budget remains lean.

There was a significant increase in the debt service this year due to capital projects approved by the voters such as the Wastewater Treatment Plant and educational infrastructure. Shelton is unique in its goal to retire all debt with five or ten years. The only long term bonding, which is 20 years, is the Wastewater Treatment Plant, and that is subject to the funding requirements of the Clean Water Fund that reimburses some of our costs.

Some of the other financial issues we face include shortfalls in educational revenue reimbursements, special education grants and less Educational Cost Sharing monies totaling \$1.3 million that needs to be made up in the next fiscal year. We continue to be seriously underfunded in Educational Cost Sharing grant monies from the State. Overall, less state grants for education, increased debt service, and the request from the Board of Education for new spending will require \$7.4 million of new money to balance the budget for FY 2008–2009. Sixty four percent of our total budget is dedicated to educational costs and expenses, while 36 remains that of the City.

While Shelton enjoys strong growth in our Grand List, we are unable to keep up with the burdens that our educational system puts on our taxpayers. The State of Connecticut is not paying its fair share of educational costs, and that impacts every one of us. Shelton received over \$12 million annually when I first took office in 1991 and we are now down to some \$5 million in cost reimbursements from the State of Connecticut. Our City has to make up for that revenue loss while funding new mandates and increases in salaries associated with education. Our taxpayers are coping with increased utility costs, fuel costs, Medicare payment increases, and health care increases, not to mention, we have just come off a year of revaluation. This budget takes into consideration all of these factors.

Today I present to you a budget based on revenue projections and expenditures of \$108,402,295. This will result in a mill rate of 18.61, an increase of 1.14 over the current mill rate of 17.47. This will allow us to meet our obligations as well as move forward to maintain all our necessary public services.

I am recommending only a modest increase that will fund a fiscally conservative budget. It is my goal to provide the high quality of life our residents have come to expect, at a cost we can afford to bear.

I would encourage the Board of Apportionment and Taxation and the Board of Aldermen as they move forward in the budget process to try to find ways that we could increase our revenue sources. I think you'll find that most everyone was held at current expenditures of last years, and in some regards, even reduced. I always take the opportunity to remind everyone, the budget process is five months long. Many things will change from what is presented today until we wind up with the final product some time in mid-May. Thank you.

For everyone here, I brought a copy of the revenue and expenditure runs. For board members and if any are left over, members of the press also. Please help yourself.

Chairman Holden stated, thank you Mr. Mayor. For members of the Board of Apportionment and Taxation, we will have our first book of backup material available at our meeting, actually it will be available tomorrow afternoon at approximately 5 p.m. and you'll be able to pick them up here. Our first budget meeting will be on Monday at 7 p.m. and that's a workshop.

***Adjournment***

Chairman Holden stated, there being nothing further on the agenda, the meeting will stand as adjourned. Thank you.

Respectfully submitted,

Patricia M. Bruder, Clerk  
Board of Aldermen

Date Submitted: \_\_\_\_\_

DATE APPROVED: \_\_\_\_\_ BY: \_\_\_\_\_

Mark A. Lauretti  
Mayor, City of Shelton