



BOARD OF ALDERMEN
SHELTON, CONNECTICUT
BUDGET WORKSHOP – APRIL 23, 2009

Call to Order / Pledge of Allegiance

Aldermanic President John Anglace called the budget workshop to order at 7 p.m. immediately following the special meeting of the Board of Aldermen.

Attendees

Board of Aldermen

John Anglace, President
Lynne Farrell
John "Jack" Finn
Stanley Kudej
Eric McPherson
Kenneth Olin
John Papa (7:55 p.m.)
Anthony Simonetti

Board of Apportionment and Taxation

Mark Holden, Chairman
Judson Crawford

Administration

Mayor Mark A. Lauretti (8:05 p.m.)

Alderman Anglace noted that the budget workshop with the Mayor, Director of Public Works and Superintendent of Highways and Bridges will be held on May 7th.

He has been meeting with the Purchasing Agent, Finance Director and Assistant Finance Director of the Board of Education on

purchasing electric energy. We met with a couple of vendors, and each time we meet with somebody, the proposal that CCM (Connecticut Conference of Municipalities) is looking better. The meeting with UI was very enlightening and historical. In order to take advantage of CCM's program, we will have to join CCM. There will be a possibility of saving \$75,000 net.

The Purchasing Agent has had difficulty in setting up a meeting with the water company in regard to the exorbitant hydrant charges. We're showing a difference of about 31 hydrants – we're trying to get their GIS information to reconcile that difference. We'll meet with them as soon as we can.

Tonight we'll cover the revenue side of the budget.

Taxes - The Mayor has indicated that we'll be collecting \$1 million more in taxes this year.

Alderman Finn does not believe that people will be able to pay their taxes due to the recession, and feels that there will be a decrease in tax revenue.

Alderman Anglace noted that the tax collection rate has not dropped, and there is a higher Grand List for next year. Those are two facts that quickly come to mind.

Education Cost Sharing - From what we've heard from the State and others that we've talked to, there is not going to be a reduction in the Education Cost Sharing money for next year. We're planning on \$4,975,000 for next year as well.

Elderly Tax Freeze – that program is off the books.

Payment in Lieu of Taxes for State Property – that is roughly \$2,000 less than this year. There must have been some State property that's come off the books.

Mashantucket Pequot Fund – this is reduced from 129 to 115 – the lower expectation is anticipated.

Record Preservation Grant – that's \$2,000 less than this year.

Federal Grant - \$600,000. Alderman Finn noted that he would like to know what this grant is for.

Alderman Anglace thought it may be the anticipation of stimulus grant monies, or it could be for the downtown. It's not identified, but it's called a federal grant. He will find out and let everybody know.

Later in the meeting, Alderman Anglace asked Mayor Lauretti, under Federal Grant – it shows \$600,000. What grant – what is it for?

Mayor Lauretti replied, we're not getting it so take it out.

Building Permits – That estimate is down by \$125,000.

Electrical Permits – That is up by \$5,000 to \$55,000, but the Mayor rolled that back to \$45,000. The adjusted revenue budget last year was \$40,000 and they've already received \$47,073.

Plumbing Permits – Last year it was \$70,000. Year to date is \$40,148. The Mayor's recommended \$50,000.

Gun Permits – Last year it was \$2,500. This year it's \$3,010.

Conveyance Tax - \$1,200,000 last year. \$650,000 this year.

Vital Statistics - \$18,600 – this year it's up to \$23,000.

Planning and Zoning Commission Receipts - \$45,000 this year, and it's projected for \$25,000 next year.

City Clerk Municipal Receipts - \$50,000 last year and \$36,000 this year. Year to date actual is \$41,000. Make a note – we can possibly go to \$40,000 on that one.

Board of Zoning Appeals - \$15,000 this year, and projected \$10,000 for next year. Year to date receipts are \$4,520.

Engineering Department Receipts - \$5,000 last year and \$3,000 next year. They're at \$4,064 so we may want to raise that to \$4,000.

Wetland Application Fees – if Planning and Zoning is going down, then Inland-Wetlands will go down as well.

Building Fees Educational Assessment - \$9,000 this year, \$10,000 next year.

Wetland Certificate Fees - \$12,000 to date. The expectation for next year is \$23,000.

Wetland Permit Fees – this has been reduced as well.

Miscellaneous Wetland Fees - \$2,000. They've collected \$3,143, and they're projecting \$5,973 – we need to question that one.

State Restoration Fund - \$36,000 down to \$21,500.

Police Private Duty – Reduce to \$624,000 in order to match the expenditure side. This is a wash account.

Miscellaneous Receipts - \$25,000 last year, \$10,000 this year. They're at \$7,800 now.

Police Department Receipts – Increase to \$5,000 and split the difference.

Refuse Disposal Receipts – This is one we want to get a better estimate on when we talk on May 7th.

Bond Issue Transactions – The Aldermen are awaiting information from the Mayor on this.

Recreation Trips – This is another wash account. Check the expenditure side to be sure the numbers match.

Recreation Programs – Increase to \$35,000.

Insurance Claims – Find out which account the \$480,000 for the Shelton High School fire insurance money is showing up in as income, because it is not showing in this account year to date.

Later in the meeting, Mayor Lauretti explained, it's a Special Projects Fund – those types of bonds. It's not part of the General Fund. This is going to be treated the same way – this is a wash. You take in 'x' amount of dollars from the Insurance company and you spend all of that, so it's going to net itself out. There will be another line item on the expenditure side that will reflect everything that was taken in on the revenue side. It's the same thing with the Community Center receipts. Same thing with Police Private Duty. For next year's budget there's no need to do anything, because it's all going to be gone. Even if it isn't, it will just reestablish itself, just like this year.

Sewage Treatment Plant – one of the two major users of City electricity – number 1 is the sewage treatment plant. Shelton High School is number 2. Water Pollution Control Authority is a stand-alone budget. Are their electrical charges included in our electrical bill, or are they broken out? Their electrical charges should come out of their budget.

Miscellaneous Reimbursements – Increase to \$5,000.

[Mayor Lauretti arrived at this point].

Charges for Services – Police Private Duty – This year it was \$873,600 and next year it's \$698,880. Collected \$483,000 to date. Roughly \$75,000 would be the City's administrative revenue from that program – that's why the revenue side is \$698,000 and the expenditure side is \$624,000.

Police Department Receipts - \$25,000 last year, year to date is \$7,800; next year \$10,000.

Refuse Disposal Receipts – Year to date, \$27,900. That should come in again next year. Bill Mooney recommended putting in a minimum of \$20,000 based on this year's activity. We've started charging for demolition materials.

Investment Interest – took in \$129,000 year to date. For next year \$450,000 is projected.

Mayor Lauretti stated, that may not be an up to date figure.

We'll check with the Finance Director on this – the updated figures may not be posted.

Miscellaneous Revenues – the bond issue transactions - \$400,000 – where is that coming from?

Sewage Treatment Plant electrical charges – are their charges being picked up by the Water Pollution Control Authority out of their funds?

Mayor Lauretti replied, it's all outside our budget.

Miscellaneous Reimbursements – Zero budgeted. Mayor Lauretti explained that it's zero because it's for unexpected things that come in during the course of the year.

Capital Improvement Program – We bonded for 26 sets of turnout gear recently for the Fire Department. A year or two ago we agreed to supply them bonding for .25 a year. The Board of Fire Commissioners are requesting that we put \$85,000 in for turnout gear and \$10,000 for communications. We've already taken care of the turnout gear, each year through the bonding.

Mayor Lauretti stated, they were told it would be handled the same way next year. There is no reason to put it into the operating budget.

Alderman Finn was concerned that leaving communications at zero won't allow the Fire Department to replace equipment or antennas in the apparatus in the course of the year.

Mayor Lauretti stated, they have Communications Maintenance line item to cover such items.

This was specifically a capital item I told them I was taking out of their budget and was going to handle it a different way, just because we need to do those types of things.

Capital Improvement Budget

SEDC – Their projects amount to \$2,480,000. \$10,000 for Shelton Enterprise & Commerce Park Phase I, \$20,000 for Phase II, \$2 million for Phase III. We need to go back to referendum for that \$2 million. It has to be decided. We need 30 days to go back to referendum and I don't see anything happening with the stimulus money. We submit our shovel-ready projects and we get no response.

Alderman Anglace asked, should we move ahead with the referendum?

Mayor Lauretti stated, I don't think so.

Alderman Anglace asked, what should we do?

Mayor Lauretti replied, just wait a little longer. We aren't under any timeframe at this point.

Alderman Finn stated, the Board of Apportionment and Taxation approved a Capital Improvement spending budget – the Long Range Plan requires a Capital Projects as well as a source of funding for it.

They approved Huntington Green Irrigation - \$115,000; Dog Park - \$18,000; and Sunnyside Boat Ramp - \$12,000 – all three to come out of LOCIP.

The Animal Shelter has \$2,500,000 for bonding.

The Fire Department has \$3,940,000 for bonding/LOCIP.

Alderman Anglace stated, we're getting a presentation from the Fire Department at our next Finance Committee meeting – about the truck.

Alderman Finn continued, the last recommendation from the Board of Apportionment and Taxation was \$65,000 for the phone system for the Police Department from LOCIP.

Mayor Lauretti asked, who needs a phone system?

Alderman Anglace replied, the Police Department cannot upgrade to a digital 911 recording system without the new phone system.

Building Maintenance is requesting \$5,000 for the electricity for the lights.

Mr. Holden, Chairman of the Board of Apportionment and Taxation stated, the Fire Department thing – Jack mentioned LOCIP – there is no way we're going to get \$3 million out of LOCIP. There is about

\$600,000 last I check in our LOCIP account at the state level. This would give a year to draw that down for whatever can be done.

Alderman Finn stated, their recommendations from LOCIP excluding the Fire Department came to \$50,000. The Fire Department was a combination bonding/LOCIP.

The Aldermen reviewed the Fire Department's Capital Improvement requests and they total \$3,940,000 just for 2009-10. In 2010-11 the requests total \$20 million.

Alderman Anglace noted that the Assessor has given him good feedback on the new hybrid vehicle.

We'll review the Highways & Bridges requests May 7th.

Upcoming meetings:

Public Hearing on the Budget – May 28th.

Budget Workshop – May 7th.

Regular meeting – set the budget mill rate – May 14th.

Adjournment

At approximately 8:36 p.m. Alderman Anglace adjourned the workshop.

Respectfully submitted,

Patricia M. Bruder
Clerk, Board of Aldermen