

2000-2001 ANNUAL BUDGET

PUBLIC HEARING

APRIL 17, 2000

6:30 P.M.

A Public Hearing on the 2000-2001 Annual Budget of the Town of Wallingford was held by the Town Council in the Robert Earley Auditorium of the Wallingford Town Hall and called to Order by Chairman Robert F. Parisi at 6:35 P.M. Councilors, Brodinsky, Centner, Farrell, Knight, Papale, Parisi, Rys, Vumbaco and Zappala answered present to the Roll called by Town Clerk Rosemary A. Rascati. Mayor William W. Dickinson, Jr. and Comptroller Thomas A. Myers were also present.

Mr. Parisi stated, on behalf of my colleagues and for all of us, we wish each other a Happy Easter and a Happy Passover. We all know why we are here and we are all doing the best we can.

The Pledge of Allegiance was given to the Flag.

Mayor Dickinson: Our purpose in being here is to provide services to the people in Wallingford. The budget reflects one year of financing in order to provide those services but the budget also reflects several other key factors that go beyond the one year financing. First, we are well-aware of revaluation and the need for that to occur by October 1, 2001. Thus, the budget reflects the identification of \$2.4 million as a reserve to address revaluation. Secondly, we have capital projects which we face and will have multiple year impacts. Those capital projects include the Senior Center, the School Renovation project Open Space properties such as the Neal Property which we have not closed on, but soon to close on, and road and bridge projects among other smaller projects. So, the ability to meet the debt payments on those projects is an ever-present challenge and we look to maintain that capability. The third thing is preserving Aa1 credit rating, which places us in good condition to be able to deal with financing and reassures the public as to how the assets of the Town are being managed. To accomplish these goals the proposed budget calls for a 1.1 mill tax increase; that is a 4.4% tax increase on the average assessment is approximately \$119.00 increase in a year. The budget increase reflects a 2.4% increase in spending; approximately \$2.2 million which will mean that our total budget totals \$97,500,000 approximately. The education portion of the budget would increase 4.2%, approximately \$2.3 million for a total of \$58 million for education. General government reflects a 2/10ths of 1% decrease. It does reflect the addition of 4 full time positions, 2

firefighters and 2 dispatchers. Obviously, those positions all reflect emergency services' needs. The dispatchers are needed in order to properly direct our fire and police resources and the firefighters are needed in large measure because of the ever-increasing numbers of medical calls which result in the dedication of men and equipment and we are not able to keep up with the number of calls and have the appropriate number of people to handle the variety of emergencies. The proposed budget also includes utility services; the Electric Division, as you know, is built on a rate decrease. The primary projects in the Electric Division budget are the renovation of offices at John Street; the East Street Substation improvements and the continued re-construction of overhead facilities. The Water Division budget reflects no rate increase. Major projects include pump station upgrades and water main replacements. The Sewer Division budget reflects no rate increase. It includes work on the South Hartford Turnpike pump station and analysis of de-nitrification which is a State D.E.P. goal. It is not a small matter, \$97 million. The Town offers a wide variety of services. The budget reflects our ability to continue to provide those services. I would suggest that everyone take a look at the budgets. There is a letter in the beginning of it (budget book) which goes into a little more detail than what I have mentioned right here. If there are questions, we are here to answer them. I appreciate everyone's interest and cooperation. With that, Mr. Chairman, I turn the meeting back to you.

Mr. Parisi: Thank you, Mayor.

GENERAL GOVERNMENT

Civil Preparedness, P. 40

Pasquale Melillo, 15 Haller Place, Yalesville felt that this department was under-funded.

Visiting Nurses' Association, P. 42

Mr. Melillo thought this department should be given more money considering all the programs and services they offer the public.

Social Services Contributions, P. 43

Frank Wasilewski, 57 N. Orchard Street pointed out that Line 6771, Elderly Meals Program, appears in this category and in another department the Meals ON Wheels program appears. Can you please explain the programs? Are they connected?

Program Planner, Don Roe explained that the Elderly Meals Program is the Meals on Wheels Program. There used to be two food line items that were consolidated several years ago.

Mr. Wasilewski asked if the total amount of funding between the two programs was cut back?

Mr. Roe answered, there has been no decrease in the Meals on Wheels program. At one point in time there was an increase in demand; the number of people utilizing the program decreased, the same as the meals program at the congregate sites in our region have seen a decrease in elderly usage. That has now begun to swing back up, at least on the Meals on Wheels side.

Pasquale Melillo, 15 Haller Place, Yalesville referred to Line #6710, Regional CTR Retarded Children, and stated that more dollars should be allocated to this account.

Department of Fire Services, P. 32-36

Mr. Melillo stated that he would like to see more money budgeted for the purchasing of infra-red equipment to help the firefighters perform their jobs to the best of their ability.

Fire Chief Peter Struble stated, we currently have one volunteer station that has the hand held thermal imaging camera and the North Farms Volunteer Company is in the process of a fund raising campaign to purchase a second camera. This technology is going to change very much like computers over the years. I would not want to spend a great deal of money on current, today's technology because I think it will change over the next ten years and you are going to see the equipment a lot cheaper and a lot more available to firefighters. I am comfortable with the camera we have right now as well as the position we have it in. It benefits the whole town where it is right now. The second one will add to our dimension. If the community group had not stepped forward and donated the camera, you would have seen it in this year's budget for sure.

Geno Zandri, 37 Hallmark Drive asked, what is the status of the Cook Hill Volunteer Fire House?

Chief Struble answered, right now we have re-assigned the Cook Hill engine over to the Yalesville station. In October there was only about four people left in that station and it was not effective to try and keep them responding to calls 24 hours a day. Those people were moved to other stations. We split up the area into two response areas and we have monitored the times since October for response time to make sure that we have not had a degradation in response time in the area compared to last year at this time. Right now our intentions are to maintain the asset, take care of the building, we have significant radio equipment in the building, we will re-assign engines or what ever vehicle is necessary to that building in times of snowstorms, hurricanes, where it may be difficult to get an apparatus up onto the hill in a timely fashion. We are going to start a strategic plan in the Fire Department over the next two months to look at recruitment and retention. That is an area that we are going to try and focus on. We have had one open house there. We had a couple of people come in but they were not from that area.

Mr. Zandri stated that he was concerned with the fire house not being occupied, whether or not we are looking into potentially staffing that house with full time people if we feel there is a need for that?

Chief Struble stated, the staffing you see in the budget this year is directed at where we see the biggest need in the Town as an overall Town; on the E.M.S. (emergency medical services) side, especially during the day. We are having a significant increase in EMS calls during the daytime. That particular station, while it served itself well to being a volunteer station, having career personnel in that station is an under-utilization of the career personnel. We should apply those resources so that they benefit the areas that are significantly busier than the Cook Hill area. The Cook Hill area right now, what we have seen since October is about 15-20 seconds on response time has been the change since the station closed and that is primarily an issue for about the last year and one half, the units off of Masonic Avenue were responsible for the response time up there. For a medical call the average response time up there is about 5 1/2 minutes and for a fire it runs about the same.

Frank Wasilewski, 57 N. Orchard Street asked if the utilities line item pertains only to electric and water?

Chief Struble answered, it is our electric, water, sewer and propane fuel. The Yalesville Station is the only one with propane.

Mr. Wasilewski asked if their electricity funding will be decreasing?

Chief Struble answered, we budgeted following the instructions from the Mayor's and Comptroller's Offices which was to reduce the electric account by 5%. There is a \$1,224 reduction in that line item account to reflect that 5% reduction.

Mr. Wasilewski asked, if I call 9-1-1 and need an ambulance, one is dispatched and I am transported to the hospital. I have medical insurance. Do I get billed for that transportation?

Chief Struble answered, the paramedics, what they try to do is obtain the insurance information from hospital, without being rude, and as long as they obtain the insurance information, the insurance company, Medicare or Medicaid, is billed directly. There is a deductible that may have to be paid like any other health insurance. The first billing is to the insurance company and if there are any deductibles, that has to be billed.

Mr. Wasilewski asked if a person driving through the state on the highway is involved in an automobile accident, are they billed the same way?

Chief Struble answered, yes they do.

Mr. Wasilewski asked what the collection rate was on that?

Chief Struble answered, the overall collection rate runs around 70%, without bill collectors or anything else. In general, ambulance collection is about 70%, which is about par with the national averages for fire-based, EMS calls.

Mr. Wasilewski asked what the Town budgets for the ambulance service?

Chief Struble answered, the ambulance is integral to the Fire Department because it is not used just exclusively for transporting services, we break down our services by first respond or transport, fire suppression, hazardous materials. It is mixed in with the Fire Department budget, it is not separated out. We try to adjust the rates so that if you break out just the cost of providing ambulance transport services, it is a wash with what comes in. By CT. state statute, a municipal-run ambulance can't make anymore than a 3% profit.

Mr. Wasilewski stated, it is one of the best services we have in town.

Mr. Melillo asked how old the fleet of fire trucks are?

Chief Struble stated, we just completed a 10-12 year replacement program. The oldest piece in the fleet right now is a reserve piece; a 1981. It will be retired in July when the

new engine comes in. It will be a couple of years and we just started to lay out a replacement plan for the next fifteen years to make sure nothing goes over the 20 year mark.

Health Department, P. 41

Pasquale Melillo, 15 Haller Place, Yalesville asked if this department could use more money in its budget for preventative maintenance regarding e-coli contamination since it seems to be on the rise statewide?

Director of Health Mary Ann Cherniak Lexius answered, we do have a part time position that has been put into the budget. There is a growing awareness of bacterial contamination in privately-owned wells. Truly, the next step has to be taken by the State Health Department to look at regulations, look at how homes are developed and how construction occurs, to prevent blasting, for example, in an area where wells will be placed. It is not something that we can do much about here. We respond to the symptoms. When someone is having a problem and they contact us, we deal with them on a case by case basis. We have plenty of work to do and we are moving forward with it. Myself, as well as other Directors of Health, have been requesting the State Health Department to revisit those regulations.

Recreation Department, P. 46-48

Vincent Avallone, 1 Ashford Court noted that there was a reduction of almost 10%, \$4,000 in Line #4100, Recreation Expenses. He asked, what would be considered recreational supplies?

Parks & Recreation Director, Tom Dooley, answered, that would be a number of items from types of equipment that we use to run, our programs at Community Pool, to basketballs, softballs, equipment that we run our pre-school programs from, to gymnastic equipment, etc. I am not 100% sure where the cuts will come from. I will have to balance it out over a number of programs.

Mr. Avallone stated, we are looking for things for kids to do, yet something like this...we have almost a 10% reduction. It looks like the only thing in the (department's) budget, as I look through here, that has been reduced and it seems like a pretty significant account to me. I don't know how it would impact what the kids would have to be doing.

Mayor Dickinson pointed out that the request was from \$33,000 to \$42,000. The request was reduced to \$38,000. I felt it was rather extreme for the request to go from \$33,000 to \$42,000.

Mr. Avallone then asked, why was there such a large request? A \$9,000 increase was requested and Mr. Dooley is not getting nearly what he wanted. Where is that cut specifically or, how do you plan on making that cut?

Mr. Dooley answered, a large part of that increase was due to, we wanted to put furniture and different kinds of things down at Community Pool last year. We did get some of the equipment in that we had listed here but we did not completely do the job that we wanted to. That was a large reason for the significant increase and we will make some strides towards that this year. We probably won't be able to do everything that we want to do again.

Mr. Avallone stated, I hope it won't be in equipment that kids would be using such as balls, bats, etc.

Mr. Dooley answered, no.

Robert Sheehan, 11 Cooper Avenue referred to page 46, Line Acct. #9019, "Purchased Services - Forest Management" noting that \$5,000 was requested by the department yet, \$25,000 was approved by the Mayor. He asked, what is the \$20,000 increase for?

Mr. Dooley answered, because of the Forest Management Program and all the open space being acquired by the Town, we decided to go out to bid to hire a consultant to give us an overview of the open space we have purchased in our forest areas to determine the direction in which we should proceed.

Mayor Dickinson added, the specific area is the Tyler Mill area. There has been increased usage there and this is a project that would be monitored by not only Recreation but also the Conservation Commission to develop a listing of the topographic and natural features that we would want to preserve with an eye to what we would want that to be as a park 100 years from now. An approach similar to what Central Park in New York City was. We want to make sure that we don't do anything; encourage uses or take a direction with regards to the Tyler Mill area that would conflict with an ultimate vision of what it should be. The consultant would inventory the areas to be protected, the features we want to preserve, and develop a vision that would then become a matter of public discussion. We would hopefully arrive at a consensus of what we would like that area ultimately to be like and then gradually work toward that. In the short run we should not allow things to occur

there that would conflict with that ultimate view of it being an asset to the community. That was the reason for this increase.

Mr. Sheehan stated, all of the open space is protected land now. Some of it you have used state grant funds to purchase it, therefore nothing can happen on that property without consent from the Town Hall; Planning & Zoning and the Zoning Board of Appeals. If the job can be done, and Mr. Dooley thought it could for \$5,000, and we have a Tree Warden, Mr. McCully.....to spend this money for something that is going to occur 100 years from now; we control that land, why do we have to hire someone for \$25,000 to tell us that we control it?

Mayor Dickinson answered, activities are planned for these areas. When people start using the areas, at times, they take actions that could be harmful to natural and special features that we would not want damaged, that we would want to protect. Our goal is to make sure that we are aware of all of those areas and then look to protect those areas while the rest of the acreage might be used. It is an effort to assist the community in arriving at a vision for 100 years from now. At the point the Recreation Department submitted the budget, they were not fully aware of the Conservation Commission's concerns as well as mine and through discussions we altered what the plan would be on this.

Mr. Sheehan stated, I am a lifetime resident here and Tyler Mill area has been used by the public. It was stocked for fishing and for hunting. It survived very well with the number of people who have been on the property. Since the Town has purchased it, there has been an increase in the activity on the property. We have walking trails and bike trails and other things. I appreciate the effort...but I just don't think that amount of money is required for that area when we do protect it and know that it is a vital piece of property in town.

Pasquale Melillo, 15 Haller Place, Yalesville stated that the soccer and ball fields have been sadly lacking the proper rest room facilities. Are there any plans to build and funding for permanent rest rooms at the parks?

Mr. Dooley stated, the amount requested in the port-o-let account provides facilities from the middle of March until the middle of December on those ball fields used the most.

Mr. Melillo stated that the Council should give the department money so that permanent rest rooms can be constructed.

Mr. Melillo next asked if Community Pool's peeling paint problem has been resolved?

Mr. Dooley answered, the pool bottom was scraped last Fall. As soon as we drain the pool, which will probably be sometime around the end of April, it will be scraped and swept again, repainted and then cured for a significant amount of time before we open it.

Mr. Melillo wished Mr. Dooley luck with it.

Donna Cortright, 13 Southside Court asked why Acct. #5110, "Maintenance of Pool" has no funds allocated to it?

Mr. Dooley answered, the maintenance of our pool has been turned over to the Public Works Department, therefore the account has been given to them.

Engineering Department, P. 48-49

Jack Agosta, 505 Church Street, Yalesville stated that there is \$250,000 in the budget for sidewalks and \$50,000 for cubing. He noted that no money has been used from last year's budget yet. He recalled that Mr. Thompson had stated at earlier Town Council Meetings that \$650,000 had gone unused because the Town was unable to find someone who was capable of doing the sidewalk work in town. Is the \$600,000 still waiting to be spent?

John Thompson, Town Engineer, answered that the money for the previous years has been spent down. We did not yet begin spending last year's appropriation. We are currently beginning to spend last year's money right now. It will probably not be spent, in its entirety, by June 30th.

Mr. Agosta asked if sidewalks will be done this year? He has not noticed any work being done on sidewalks since the last time Mr. Thompson appeared before the Council.

Mr. Thompson answered, we have spent last year, the first year of our new sidewalk contract, approximately \$320,000. We did make a considerable step in terms of addressing the outstanding sidewalk issues.

Mr. Agosta asked if he could pay a visit to Mr. Thompson's office to obtain a list of the sidewalks that have been repaired?

Mr. Thompson replied that he would be happy to show Mr. Agosta a map of everything that has been done.

Mr. Agosta next referred to the Pond Hill Road Bridge in the budget, noting that \$235,000 has been allocated.

Mr. Thompson explained, after discussions with the Mayor, it was taken out of the Capital Improvement account and put into the Six Year Capital Non-Recurring account. The project is currently out to bid; we anticipate bid openings next Monday, a week from today. Hopefully construction will begin this coming Summer. There was a previous appropriation from F.Y. 1994-95 and what I did was to request a supplement the deficiency in that account so that we would have sufficient funds for the project this year.

Pasquale Melillo, 15 Haller Place, Yalesville asked, has the Town Engineer been given enough money to make all of our bridges safe?

Mr. Thompson answered, the department has been provided sufficient funds to go after all the bridges that were capable of advancing to construction.

Mr. Parisi asked, are the bridges safe, Mr. Thompson?

Mr. Thompson answered, yes they are.

Mr. Melillo pointed out that there are many road signs that are blocked by growth on the bushes and shrubs throughout town.

Mr. Parisi stated, that is a Public Works' matter.

Mr. Melillo asked Mr. Thompson if he works hand in hand with Public Works on the matter?

Mr. Thompson replied, we do.

Mr. Parisi stated that Mr. Thompson does not deal with that matter, Mr. McCully deals with the trees.

Mr. Melillo offered to wait until the Public Works Department budget is called.

Geno Zandri, 37 Hallmark Drive referred to Page 48 and questioned the Regular Salaries and Wages Account. There is a \$43,000 increase in this account; is there additional staffing? Why such a large increase?

Mr. Thompson answered, there has been no change in staff from last year to this year. We did fill a new position, Construction Inspector, during the year. I honestly cannot explain that off hand.

Mayor Dickinson answered, I suspect some of the change would be the new Assistant Engineer. There had been a Project Engineer that was changed to an Assistant Engineer and I don't believe it was a full year financing. This year is a full year financing.

Mr. Thompson answered, it should be filled this coming fiscal year.

Mr. Zandri stated, it seems as though the staffing level from last year to this year still reads "9".

Mayor Dickinson stated, the position may have been changed or the position was indicated but it was not funded, if my memory is correct. We can check on the figure but there would be an additional person there this coming fiscal year which would be the Assistant Engineer.

Mr. Zandri stated, if you can check that out for me, I would appreciate it.

Public Works Department, P. 50-53

Pasquale Melillo, 15 Haller Place, Yalesville asked if Mr. McCully's department and budget was organized to allow for the trimming of bushes and trees that obstruct stop signs and traffic lights throughout town?

Henry McCully, Director of Public Works replied, we had a \$5,000 increase in that account this year, in fact.

Jack Agosta, 505 Church Street noted that there is \$10,000 in the budget for the painting of Council Chambers. He asked why there was no funds set aside for painting the outside of the building? There is peeling paint on the southern side of the building overlooking the parking lot which needs to be addressed.

Mr. McCully stated, three years ago we painted the exterior of the building which consisted mainly of the exterior windows. I have money from last year's budget and I will be preparing a bid to do some renovations to the Carriage House. It is the peeling of the concrete that you are seeing and we will probably take care of that in-house.

Town Clerk, P. 55

Pasquale Melillo, 15 Haller Place, Yalesville stated that the Town Clerk should get a raise in salary.

Pension Fund, P. 62

Mr. Melillo asked if the Town's pension investments are safe following the recent major decline in the stock market?

Comptroller Thomas M. Myers answered, yes.

Jack Agosta, 505 Church Street, Yalesville asked, I thought we had enough money in the pension fund that we did not have to put anything into it and no one had contribute to it. Why are we putting money into it?

Mayor Dickinson stated, the line items are Social Security and Medicare Tax, it is not a contribution to the Pension Fund.

Property & Casualty Insurance, P. 63

Frank Wasilewski, 57 N. Orchard Street asked, with regards to Line #8260, "Property & Casualty Insurance – Education", is that for the Board of Education? Who does that cover?

Mayor Dickinson stated, it does cover education. The Board of Education does not handle Property & Casualty, they may cover other insurance.

Joseph Cirusuolo, Superintendent of Schools explained, the only insurance we cover is health insurance for employees, all the other insurances are paid for out of the General Government budget.

Police Department, P. 29-30

Pasquale Melillo, 15 Haller Place, Yalesville asked if the new computers will last for any appreciable amount of time?

Police Chief Douglas Dortenzio answered, the hardware is under warranty. Once that warranty runs out, they are not under any specific guarantee. There is a one year warranty on some of the equipment and three years on other parts.

Mr. Melillo asked, are there any problems with coordination of the new 9-1-1- system through which the calls come to the Police Department first, versus the Fire Department?

Chief Dortenzio replied, the dispatching of emergency resources in town is not difficult and is not problematic and services are being deployed as you would expect.

Robert Sheehan, 11 Cooper Avenue asked if all positions are filled or is the department short officers? Under the "Total Staffing" line, the Department Request is for 97 positions and the column titled, "Mayor Approved" reflects a zero.

Chief Dortenzio asked for the page number and believes the digit is a typographical error. He stated that there are vacant positions in the department.

Mr. Sheehan asked if those positions are included in this budget proposal? Does the Chief anticipate filling the positions?

Chief Dortenzio answered, yes, interviews have been ongoing over the past week with more scheduled later this week.

Mr. Sheehan asked, how many are vacant?

Chief Dortenzio answered, we have five vacant police officer positions at the moment and there are two new dispatcher positions included in this budget. If the budget is approved, at the appropriate time we will begin interviewing for those positions as well.

General Fund, P. 11

With regards to Line #1030, "Interest & Liens" Pasquale Melillo, 15 Haller Place, Yalesville asked for an explanation on how the Town's Lien process is carried out. Are the liens enforced strictly or is there leeway?

Comptroller Thomas Myers replied, electric bills are not lien able. Water, sewer and property taxes are lien'd. Yes, they are strictly enforced.

Jack Agosta, 505 Church Street asked, why is the request for "Current Property" cut from \$64,527,228 to \$60,994,715? How did the Mayor arrive at that difference?

Mr. Myers answered, the \$64 million figure represents the property taxes that would have had to have been raised and billed had all the budget requests been approved.

Mr. Agosta thought the figure represented the assessed value of all the property in town, multiplied by 24.8 (mills).

Mayor Dickinson stated, that would be the \$56,604, 618 figure for this year. The request that came in for additional spending, which would have required an increase, would have raised the \$64 million. The requested increase was reduced to approximately \$61 million and that results in the 1.1 mill increase.

Mr. Agosta stated, at the end of this year we will have only \$293,000 left of our \$8.7 million presently in reserves after putting \$4.6 million aside for our Credit Rating, \$2.4 million for revaluation and an additional \$1.4 million in this budget. How did it get down that low?

Mr. Myers answered, our spend able reserves were \$8.7 million. That \$4.6 million is reserved for the Credit Rating. \$4.6 (million) and \$2.4 (million) is \$6.8 (sic) and we are taking \$900,000 out of this budget. The \$1.4 million figure is made up of the \$900,000 in reserves and \$600,000 from the current budget.

Mr. Agosta stated, next year we are not going to be able to take any money out of our fund balance to do anything at all, to buy property...we are at a standstill.

Mr. Myers answered, yes, that is a very good possibility.

Frank Wasilewski, 57 N. Orchard Street asked, how many bonds are we going to write off this year of the State Grand School Bonds for things like the roofs, asbestos, etc.? Quite a few will be written off this year, won't they?

Mr. Myers answered that he did not believe any would be fully-retired but the Town will make payments on the outstanding school bonds approximating \$2.6 million in principle and \$1 million in interest.

Mr. Wasilewski pointed out that none of the open space purchases that were made this year are in the budget for they are not bonded yet, i.e., Tyler Mill and George Washington Trail and Scard Road purchases. He asked if the Town got any aid for that?

Mr. Myers answered, those figures will appear in the 2001 budget.

Wes Lube, 15 Montowese Trail asked, when we speak of the increase in our budget of \$2,245,000., is that arrived at by subtracting last year's budget from this year's budget?

Mr. Myers answered, yes.

Mr. Lube answered, it does not work. If you subtract last year's budget from this year's budget, it does not come out to \$2,245,000. Why would that be?

Mr. Myers answered, the current budget is \$95,317,000., the proposed budget is \$97,563,000.

Mr. Lube stated, the \$95,317,000 figure is not the figure we have in the Mayor's letter that is part of the budget book.

Mr. Myers explained, the figure of \$95,317,975 is borne out on page 3 in the budget book.

Mr. Lube stated, it was only four years ago that we were dealing with a budget of \$84.2 million. Now, if approved, the budget is \$97.5 million which is an increase of \$13 million in four years. During that period of time, four years ago, the Town's mill rate was 24.8; last year it was 24.8; and we have had a \$13 million increase in our budget during that time because of increased commercial, industrial and residential...we have had an increase in our Grand List and state and federal aid, as well as other incomes, that has offset that \$13 million increase. Now suddenly we find ourselves in a year where these revenue sources are less than we are going to have to spend, resulting in an increase in the mill rate. All of our expenses were allowed to increase to the tune of \$13 million because we had offsetting increases in our Grand List and other revenues. This year we are going to be taking in less than we need to spend. This is very dangerous if we allow it to continue. Whereas in past years you have allowed the budget to go through relatively unscathed or untouched, I hope this year you will be giving it a lot more scrutiny than you have in recent years.

Mr. Parisi stated, I don't think that past years have suffered from lack of scrutiny. That is your opinion but I don't know that it is accurate.

Robert Sheehan, 11 Cooper Avenue stated, during the last campaign, the Board of Education submitted a school renovation list to the Council in the amount of \$43 million. During the campaign the Mayor eluded to the fact that, in looking at that amount of money

for the project, taxes would likely go up. It was calculated at that time that the average tax increase would be between \$9-10 per month. Lo and behold, it seems that is what the proposed tax increase is, \$119. per year. Is the 1.1 mill rate increase due entirely to the projected school renovation plan? It appears as though there will be no cuts made to the \$43 million proposed project by the Mayor or Council, unless you are awaiting recommended cuts from the building committee.

Mayor Dickinson answered, the tax increase does not reflect the school project. The cost of the school renovation project, there may be an incremental amount in this budget, but it would not cover what our responsibilities would be for debt payment on the school renovation project.

Mr. Sheehan asked, what is the major cause of the increase, if not the school project?

Mayor Dickinson answered, the primary areas that have been set forth cause the need for a tax increase. In part, it is increases in expenditures, overall. In part, it is reserving money for revaluation. In part, it is with tighter and tighter budgets, expecting less in the way of revenues in excess of what is expected in a budget year. All of these factors contribute to the need for a tax increase. We have gone three or four years without a tax increase. All expenses increase so, at some point, logically, there would have to be an increase in revenues at some point, unless we mint our own money. It is keeping up with the level of expenditure in order to provide services.

Mr. Sheehan stated, the reason we have not had a tax increase over the past few years is because our Grand List has increased, the same as it did this year by \$1.8 million. A lot of this is going to debt payment and now the bill is coming due and now we have to pay.

Mayor Dickinson stated, we are fortunate that the Grand List does increase but it increased \$1.8 million and the budget requests resulted in a \$4+ million requested increase, I believe. The Grand List does not cover the increases in expenditures by departments. That is where the dilemma occurs as to what can be afforded and what can't.

Mr. Sheehan stated, the sad part is that we have \$15 million down at the borough electric and \$8 million in reserves in General Government. We are giving away \$10.6 million from the borough electric's money over the course of four years. That means that the taxpayer, resident of Wallingford is getting a \$3.00 break on his electric bill per month and his taxes are going up \$10 per month. Something is wrong with the picture. When the PUC wanted a rate reduction....those who own the utility, the people, got the lesser share. If we had that kind of money to throw around, it could have helped us with our tax rate. It was also mentioned at the time, if the PUC did not give a rate reduction, in four years we

would have \$23 million in that account and that would be too much money. It was also said at that meeting that the Council could not take any money from the Electric Division and use it for a Town project because the utility would go "belly up". I remember that happening when we put \$1 million into Cook Hill School, we almost went broke (meant sarcastically). You could do a lot better for the people who own the utility and the people who pay the bills in this town.

Frank Wasilewski, 57 N. Orchard Street asked, how much of the school renovation project is in this budget this year?

Mayor Dickinson stated, we cannot specify an exact dollar figure; probably not a large figure. There are a number of large projects, such as the senior center...

Mr. Wasilewski added, that have not gone out to bid yet?

Mayor Dickinson answered, right. All of those have to be handled in our debt schedule. You cannot pinpoint a dollar figure.

Mr. Wasilewski asked, what is the Town's share of the \$43 million project?

Mayor Dickinson answered, approximately 50%.

Mr. Wasilewski stated, next year that is what is going to be budgeted. Next year is when we are going to have to budget for it. We are jumping ahead a year.

Mayor Dickinson replied, the approximate payment on \$21 or \$22 million would be approximately a \$2.9 million payment. That is budget shock when it comes in one year.

Board of Education Budget, P.71

Geno Zandri, 37 Hallmark Drive stated that the budget was cut by \$2.6 million, approximately. He asked the Board of Education how they planned on making up the lost dollars in order to balance what they wanted to do and what they ended up with?

Dr. Cirsuolo replied, the amount of the reduction that the Mayor is recommending is \$2,619,537. We are projecting an end of the year balance of \$748,722. We have identified some savings in next year's budget, accounts we can reduce with no impact; \$349,461., which adds up to \$1,098,183. That leaves the Board with \$1,521,354 short of the reduction. It is highly, highly unlikely that we are going to be able to find enough in

additional surplus savings to cover that. Some significant items in this budget will have to be removed. The staff is now in the process of going through and trying to come up with a list and prioritize that list for Board consideration. That list will go to the Board some time in the beginning of June and then they will have to make some choices. Clearly, unlike what has been the case for almost 10 years, the Board will not be able to do everything it felt needed to be done in the school system next year. To put it another way, we are going to be less of a school system than we ought to be next year.

Mr. Zandri asked, will you have the list of potential cuts available when you have your workshop with the Council?

Dr. Cirusuolo answered, no. It is far too early to do that for a couple of reasons; the surplus figure I quoted before can change between now and June; we are still looking at other items as far as savings are concerned and, beyond that, we want to go through a very deliberative process of coming up with reductions. We build the budget in a consultative process with parents and staff and we will cut the budget the same way. What the Board gets as a recommended budget from the staff is a result of that consultation. What they will get in terms of a list of items to be reduced will be a result of that as well. We won't have a list for the Council to look at until the end of May or beginning of June.

Mr. Zandri stated, it concerns me that you don't have a list because the Council has to make a judgment as to whether or not they may want to add additional dollars to fund some of the items that you potentially would like to cut. I would highly recommend that you have some sort of an idea when you attend your budget workshop with the Council of what the potential areas are that you are looking at cutting so that they can make a fairly decent judgment as to whether or not they would want to recommend putting some additional dollars in there or not.

Board of Education Chairperson, Patricia Corsetti stated, we, as a Board, met with Council members approximately two weeks ago and thoroughly went through our budget. We will do what we need to do once we know our bottom line. The Board will then go from there, doing the best we can.

Dr. Cirusuolo stated, what is new in the budget is, we would like to reduce class size in grade 2 to a maximum of 20 which would cost about \$180,000.; we would like to continue with the work on technology that we have done instructionally which is \$414,000; we would like to continue the work with technology that we have done with respect to management which is \$134,000; if we add up the list of new things, we may not get to the figure we need to get to. We may well be looking at some things that are going on now, especially since some of the things that are new are required by law. We have to make

progress on our early reading intervention program, a new item in the budget and we really cannot scale it any further back. We are only going to one more school and we are required to make progress in that every year. There are additional costs with special education. We are speculating an \$872,000 increase to special education. That does not include some positions we have in contingency because we don't know the entire impact to special education. It will probably be a \$1 million increase to special education all by itself, we can't touch that for it is required by law. We are going to be in a situation where some very difficult decisions are going to have to be made and it may well be that some of the things that are going on now will not be going on next year.

Mr. Zandri suggested that the Board have as much information available as possible when they appear at their workshop with the Council to give them the opportunity to make a good judgment decision.

Jack Agosta, 505 Church Street, Yalesville asked, did you approve all of these cuts made by the Mayor or did the Mayor just make the cuts?

Dr. Cirasuolo answered, he (Mayor) made them.

Mr. Agosta stated that he could not understand how \$1 million could be cut out of wages.

Dr. Cirasuolo answered, he could have been focusing on new positions; he has no idea how the Mayor came up with those figures. We were looking to hire 2 additional teachers for the early reading intervention program; 2 additional middle school physical education teachers because the enrollment in the middle schools is increasing and, we wanted to reduce class size in grade 2 which would have resulted in the hiring of 4 new teachers. We have 8 additional teaching positions in the budget, plus we had 5 teaching positions in contingency. That account will not be as low as the Mayor's recommended budget. Just to maintain our existing programs will cost about \$2.6 million. The special education mandate is close to \$900,000. There are some recurring master plan proposals, four or five year programs to add library books, equipment in libraries, and technology which is another \$636,000. We have, in addition to that, some other multi-year plans that are close to \$600,000. When you start adding those up, you get pretty close to the requested amount of increase of \$4,964,006. A majority of it is to maintain existing programs and to meet our requirements under the law.

Howard Koenig, 27 Edgewood Drive stated that he was very concerned by the budget for the schools. He stated, in six areas the budget has increased. In the school education budget, it has decreased. There are many areas of this budget that I am appalled are being cut. He asked the Council and Mayor, how do you justify cut backs in textbooks and

library books? You are probably going to have to lay off teachers because you are cutting down on salaries and benefits. How can you justify these cuts?

Mayor Dickinson stated, given that it is a proposed budget prepared administratively, I can answer that. The reductions in salaries are all new positions. That was based upon materials that I have received. The bottom line is this, an 8.9% increase on a 63% of the budget is just not affordable. If the community wants to pay more than a 1.1 mill increase that can be done. I felt that the limit would be in the 4.4% area. Looking at the newspaper, no other school system looks to me as receiving anywhere close to an 8% increase in a budget. Most of them are down around 3%. Historically, we have been well above the 3% or the minimums that have been seen in other communities. Ultimately, the question becomes, the new programs, the advancements, all of these things are wonderful but the community has to be able to afford them. Every time we embark on a new program, it has an exponential effect on the next year as far as what is needed for money. On top of that, we have the school renovation project which will represent a very large amount of money that will be part of a capital budget. At some point the affordability is a serious question. Unfortunately or fortunately, this is the process that has to assess that; what is affordable and what isn't? I would not want to say that anything proposed by the Board of Education, and I don't say, that it is totally unnecessary but my job isn't necessarily to just say what would be good to have. I have to also say what is affordable by the community. At this point I think the tax increase proposed, is one that we should undertake. Could it be higher? That is another judgment call but I can't recommend that the spending go higher than what is contained in this budget.

Mr. Koenig stated, I have a son in the Wallingford school system. How I do tell him and justify that he has no textbooks in one of his classes because the school can't afford it?

Mayor Dickinson stated, the textbook line shows a reduction in the requested increase. That is not a reduction in the total amount of money that can be spent.

Mr. Koenig stated, they are missing books now.

Mayor Dickinson stated, if they are missing books now, that should be addressed by the Board of Education. I am not aware of that.

Mr. Koenig stated, my son is in a language class and they have no textbooks.

Mayor Dickinson stated, that shouldn't be the case now and I think the Board should address that. Just keep in mind the reductions in the "Mayor Approved" column are reductions from the requested increase. There is still, in most cases, an increase. Keep in

mind also that General Government does not control what dollars occur in any of these object lines. The money, historically, is moved to different lines afterwards and I would expect that would occur this year. The Board of Education is in complete control over everything but the total dollar figure. For instance, if another \$200,000 or \$1,000 were needed for textbooks, that could be moved from another line and something wouldn't be done in another line. It is an assessment of priorities. Why there would not be textbooks this year, I can't answer, the Board members or Superintendent can answer that question.

Dr. Cirasuolo stated, you should talk to the principal of the school as to why that is the case. If you have, give my office a call. I am not aware of any situation where children don't have textbooks this year. That has not been brought to my attention. As far as the textbook account for next year, the amount that was appropriated this year is \$187,845 but that is a phase-in account.

Linda Winters, Business Manager for the Board of Education explained, ...pre-purchases from the prior year in the amount of \$150,000.

Dr. Cirasuolo stated, you have \$150,000 added to the \$187,845 which is actually what we spent on textbooks; \$337,845.00. The Mayor's recommendation is \$137,000 less than what we actually spent this year on textbooks.

Mr. Koenig stated that the Board of Education is doing an excellent job and the Town should take into very serious consideration, the Board's (budget) request.

Frank Wasilewski, 57 N. Orchard Street asked, in your budget do you have an item titled, "Retirees' Sick Leave"?

Dr. Cirasuolo answered, it is titled, "Severance". When people retire there is a formula in contracts that gives them a severance.

Mr. Wasilewski asked, how many days can they accumulate?

Dr. Cirasuolo answered, there is an accumulation of up to a full two years but there is a cap on the payment of about the \$40,000 range.

Mr. Wasilewski asked, only management will get the larger amount?

Dr. Cirasuolo answered, there is a cap, even for them; I believe it is in the \$40,000 range.

Mr. Wasilewski asked, how much do you budget for that account?

Ms. Winters answered, the increase for Certified Severance is \$359,540.

Mr. Wasilewski asked, do you use that up every year?

Dr. Cirsuolo answered, yes.

Mr. Wasilewski asked, when they retire, how soon do they have to apply for that or is there...

Dr. Cirsuolo answered, if they notify us of their retirement by November 15th we are obligated to pay them the following year; it is within that fiscal year. Sometimes they make a request to spread out the payment but it has to be done during that year.

Mr. Wasilewski asked, do you ever overrun that budget?

Dr. Cirsuolo answered, no. When we go to the Board of Education in January, we know how many people have gotten their letters in by November 15th.

Mr. Wasilewski stated, I have gone through this budget and one item that bothers me is the utilities; \$696,000, what does that include?

Ms. Winters answered, it is for electricity, water & sewer and non-heating gas under object #410.

Mr. Wasilewski asked, did you deduct the electric rate decrease?

Ms. Winters answered, we budgeted a 5% decrease in our electric rates.

Mr. Wasilewski pointed out that the account is \$10,000 higher than last year's budget.

Dr. Cirsuolo stated, the variance is due to consumption.

Ms. Winters stated, our water consumption went up as a result of the drought which affected us during two of our quarters; irrigation of the fields.

Mr. Wasilewski asked, how often do you check the faucets in the rest rooms to make sure they are not running? A large bill can result by letting a faucet run 24 hours a day. He visited Sheehan High School last year and, upon using the rest room, he found a faucet had been left running.

Dr. Cirasuolo stated, if it is the result of someone's carelessness, it is dealt with as a personnel matter; if it is the result of a faulty faucet or washer, that is referred to maintenance and is handled within a day.

Mr. Wasilewski stated, I can see the Mayor making cuts to this budget but what cuts he has made is still larger than last year's budget. He did not cut you down to nothing, he still gave you more money than you had last year because he has a lot of confidence in you people that you can handle this budget.

Dr. Cirasuolo replied, he has more confidence in us than I have in myself right now. We can handle any budget. The question is, what is the cost and what are the benefits?

Mr. Wasilewski referred to the account "Repairs and Maintenance" and asked, is this repairs to buildings?

Dr. Cirasuolo answered, yes.

Mr. Wasilewski stated, over the years you have budgeted at least \$1 million or more. I sat down and tried to figure out how much money we spent on maintenance and repairs. Starting with Parker Farms School, between Parker Farms School, the big project we had removing all the asbestos, replacing all the roofs and this new project, the money that the Board put into the budget, over the years, totals \$125 million.

Dr. Cirasuolo answered, that is one of the reasons we are very proud of our buildings, they stand up very well in comparison with school buildings throughout the state.

Mr. Wasilewski stated, it can't be said that the Town does not want to spend the money on education. I think we do an excellent job of supplying the Board of Education with the money they get.

Dr. Cirasuolo reiterated, unlike the past ten years, the Board feels it is highly unlikely that it will be able to do everything it feels it needs to do for the school system next year. No one is criticizing the community for not being willing to fund education. We are the only school district in the state that has been able to do what it has done for the last nine or ten years, no one is going to criticize that.

Mr. Wasilewski repeated, the Town is very generous when it comes to the Board of Education. The Board is capable of doing a good job, which they have proven in the past

where you have a balance the last few years, not a surplus, but a balance. Keep up the good work and everything will be just fine.

Jack Agosta, 505 Church Street, Yalesville stated, the school budget is not being cut, there is \$2.4 million added to it from last year. They are getting more services, not less.

Dr. Cirasuolo stated, the budget is going up but the cost of the services is going up, too. If it is going to take \$2.6 million to stay even, an increase of \$2.4 million does not get you there.

Mr. Agosta stated, for the first time in my life, I agree with the Mayor. He probably could cut more from this budget he is afraid to because education is very, very important. He did the right thing.

Vincent Avallone, 1 Ashford Court stated, it sounds to me as though the Board is presenting a leaner budget or have presented a leaner request to the Mayor this time.

Dr. Cirasuolo answered, it is probably about the same percentage as in the past; the dollar amounts.

Mr. Avallone stated, I thought you said it would be more difficult to live with the cuts the Mayor is proposing this year than he has in the past?

Dr. Cirasuolo answered, yes. In all likelihood we will not be able to do everything that was called for in the budget. There are going to have to be some decisions, some things eliminated. Whether those things are new things or things that are going on now, it is too early to tell. If living with the budget means, you can do everything you wanted to do, obviously it is going to be more difficult to live with this budget than it has been in the past.

Mr. Avallone asked, why is it tougher to live with the cuts the Mayor is giving you now?

Dr. Cirasuolo answered, the end of the year balance last year was \$1.6 million. We are now projecting \$750,000. a \$900,000 difference that would go a long way towards making up that \$1.5 million we have to find. That is the major reason why. We are the victim of our own good budgeting practices. We have developed some good spending histories, account by account which as enabled us to put together a more accurate budget. Ten years ago they hardly existed, if at all.

Mr. Avallone asked, how does the Mayor explain to you, when reviewing your budget request with you, that he does not think what is being presented, for instance in the Instructional Equipment account, is appropriate?

Dr. Cirsuolo answered, the Mayor does not get into that detail when we meet. We pointed out when we met with him that we were asking for an increase in the Instructional Equipment line item of \$426,000. We said to him that, in terms of what we have purchased this year, last year's balance that we were able to allocate to Instructional Equipment, and the amount left in the budget, we spent \$379,365 on Instructional Equipment this year and our increase is about \$47,000. We make it clear to everyone that when we do that prior year purchasing, you have to take a look at the amount that was put in for the prior year to understand what the spending pattern is. We didn't spend just \$127,504 on Instructional Equipment this year, we spent that plus an amount from last year which brought it up to almost \$380,000. All of that was gone over in detail with the Mayor, Town Council, anyone with whom we met.

Mr. Avallone asked the Mayor, is the amount that you cut from the Board of Education's proposed budget, is it an approach that, if they get what they want, I am going to have to increase the mill rate more? Is it a percentage that you allow? How do you go about deciding what is cut and what isn't cut?

Mayor Dickinson responded, it is a variety of analysis that occur. It is partly mill rate increases, partly history as to what was spent in the past, ultimately, it is an assessment of what is affordable. If money were no object we would approve everything. I have to look at what percentage budgets are going up by. In general, on the Education side, we have gone up in excess of 4% on a regular basis. Salaries are coming in somewhere around 3% so it is significant money when we are dealing with almost \$60 million. It is a balancing of many factors. I always look very hard at new positions. Operational costs get out of control very quickly. When the economy is very good and the revenues are coming in, then there is no problem. When the revenues don't come in, there is this huge overhead that becomes a difficult proposition. It is a judgment call but the action taken was not to avoid a mill rate increase because we have a mill rate increase. Some would say that 4.4% is higher than it should be because it is above inflation. I recognize the needs of education; I try to balance the ability of the community to pay. Education is going up 4.2%. Some don't think that is enough. It has to be balanced against what is affordable. It is a difficult process.

Mr. Avallone stated, I want to be comfortable, personally, that the needs of the children, the programs in particular, that are being requested are looked at carefully enough and it is decided on whether they should be funded or not based on the need for the children and

not just to keep the mill rate down. There are some things you feel are necessary to increase, such as the forestry program, by \$5,000., because the Town will benefit. I want to feel comfortable that when the Board goes through their workshops and they propose a budget, hoping that everything they put forth to you, they feel is needed, I got a sense this time by what Dr. Cirusuolo was saying, that this budget was "honed down" as finely as they could. I would feel better if someone said, "you can't have this amount of money, we can only give you this percentage increase" if the programs themselves were looked at in detail. I would like to have a better understanding of just what details are presented to you by Dr. Cirusuolo during the budget meetings and what weight each factor has when you come to the conclusion that the budget will be cut \$2.6 million.

Mayor Dickinson stated, I look at it that there is an increase of 4.2% to the education... (dialogue was lost during the transition of recording decks by the machine)... spending in General Government, all of the increase is occurring on the education side. I think that is great but whether it should be a 4.2% increase or a 5% increase, a 9%; if you just deal with percentages, the 4.2% with the addition of around \$1 million will bring it to almost a 6% increase. Just looking at inflation factors and how budgets increase, close to a 6% increase in a budget, you won't find that occurring in many places in municipal government and maybe even in private industry. That is a significant increase in spending. The danger is, when we get used to those high percentages, at some point the revenues aren't there. Then the overhead really becomes a problem. That is where the capital projects become a real concern. As our operating expenses ratchet higher and higher, the capital projects become a huge problem for financing. There has to be a balancing and I am one of the points in that balancing process. It is a difficult process but it all comes down to what is affordable by the community.

Mr. Avallone answered, I am not proposing that the Board of Education get every dollar they are looking for. I would be extremely upset and disappointed, however, if there was one program out of all that you are proposing that was cut that could have been afforded if both parties had an opportunity to really go into detail and really convince you, that this program that will be cut is a detriment and it will go against the betterment of the kids. I just don't want to see that cuts are made based on an amount that fits into a 1.1 mill rate and that is all the Mayor thinks we can afford. I think the kids are more important than anything that we have going in this town. If you have to go back and scrutinize other department heads, then do it. I am leaving here not feeling confident that you (Mayor) have scrutinized, in detail, the projects that have been put forth by the Board and can say with certainty and confidence that they don't need that program. I think that is what should go on when the cuts are made.

Donna Cortright, 13 Southside Court asked, how can you cut a state mandated reading program back and justify spending \$36,000 on "Family Gram" and funds for Saturday Detention?

Dr. Cirusuolo stated, we did not cut back the state program.

Ms. Cortright stated, you were supposed to have two schools put in place next year and only have one.

Dr. Cirusuolo answered, we went with one school for a variety of reasons, some of which was budgetary impact. The Family Gram has proven to be a very valuable way to convey information to the community and the Saturday Detention proposal was evaluated by the Board and it was felt that it would be a very effective way to deal with the issue of student discipline at the high school level. It is a question of trying to get a balanced approach to meeting needs. That is what the Board did, make a series of adjustments.

Ms. Cortright asked, how did the Family Gram go from \$9,000 to \$36,000?

Dr. Cirusuolo answered, that was due to the fact that we actually were running under budget in that account and the last time we went out to bid for printing costs, the cost went up.

Joan Moore, 11 Stegos Drive stated, I would the Town Council and the Mayor to scrutinize this budget very carefully to make sure that existing programs are continued. I have students in the school system and have been a resident in town for nineteen years and I have observed what is affordable and I think that the community tries very hard to do the best for its students but I think at this point in time it is very important for us to be sure that it isn't a time that we need to spend more money and we have to be sure that the programs that are essential and important for us to move forward are continued in the school system.

Pasquale Melillo, 15 Haller Place, Yalesville asked about the Communications account.

Ms. Winters explained, the funds are for telephone service and postage.

Mr. Melillo stated that the schools should offer a special communications course that the Town should fund.

Cafeteria, P. 95

Wes Lube, 15 Montowese Trail stated, it is hard to tell by looking at these figures, the answer to my question. When attending the Martin Luther King Day Service at the church in January, I noticed what appeared to be a cafeteria truck assisting in the refreshments in the lower level. Where is that in this budget?

Dr. Cirasuolo answered, the Board of Education paid for that and it would have come out of object #890, Other Expenses. It would be in the estimated revenue account that comes in for the Cafeteria. Our cafeteria program does do some things that generates revenue. The program runs independently of the Board, financially; we direct it and control it by policy and administration. The money paid to the cafeteria would be reflected in the revenues that are projected for the cafeteria program.

Mr. Lube wanted to know if the food service on that day paid for by the Board of Education? If so, what did it cost?

Dr. Cirasuolo answered, yes it did and I will have to get back to you with a cost figure on that. You may call Ms. Winters' office, she will provide it for you.

Special Funds Board of Education, P. 5-7

Pasquale Melillo, 15 Haller Place, Yalesville asked if the Pre-school Handicapped program was adequately funded?

Dr. Cirasuolo answered, yes.

Mr. Melillo asked for an explanation of the Family Literacy account.

Dr. Cirasuolo explained, it is a grant that enables families whose native language is not English to learn to read English as a family. It compliments what we do with the youngsters at school. If there is a literacy problem in the family, it is difficult for us to help the youngsters without addressing the family. That is entirely a federal grant.

Mr. Melillo asked if the Board had enough money in this account?

Dr. Cirasuolo answered, probably not but our effort is limited to what we get from the federal government.

Mr. Melillo thought there should be more funds allocated to this line account.

Mr. Melillo asked for an explanation of the Outside Services account.

Ms. Winters explained, when the Board rents out their facilities for private use they collect revenues as a result of the rental.

Mr. Melillo next asked for an explanation of the Private Industry Council account.

Dr. Cirsuolo replied, that is a federal grant related to employing some people who may otherwise be unemployable. It is federally funded.

Mr. Melillo asked about class size reduction.

Dr. Cirsuolo answered, approximately \$67,000 will be received from a federal grant to help the Board with class size reduction. We need to put more money in the local budget if we are going to reduce class size. Out total cost to reduce class size is much more than the \$67,000. We have proposed the money in the budget, whether it will stay there or not remains to be seen.

Electric Division, P. 75-79

Jack Agosta, 505 Church Street, Yalesville asked if the division will be losing the same amount of money, \$108,000, for the next four years?

Raymond Smith, Director of Public Utilities answered, we have an extraordinary expense this year of \$1 million to close the Pierce Plant. There is also a depreciation expense unrecovered of about \$381,000 that would be a one time expense.

Mr. Agosta asked, is there anything final on the state law that says you have to make at least 5% but no more than an 8% profit? Is there clarification on that?

Mr. Smith answered, in my opinion, yes. The actual income, if you look back on page 4, Net Income before Operating Transfers is \$1,777,000.00. The transfer to the Town is the 4.5% revenues and for this year we will show an Adjusted Net Income of \$108,000 negative.

Mr. Agosta asked, the money coming to the Town is part of your profits that you are showing to the State of Connecticut?

Mr. Smith answered, in my opinion, yes.

Mr. Agosta stated, I believe that the \$10.9 million that is being given back to the ratepayers could be used to make up the shortfall for the Board of Education so that they can have everything they need. The \$3 per month savings to the residents does not make up for it.

Pasquale Melillo, 15 Haller Place, Yalesville stated that he hoped the Town's overhead lines were in good condition and asked if additional dollars were needed in the Maintenance of Overhead Lines Acct.?

Mr. Smith answered, those are transmission lines that the Maintenance of Overhead Line account addresses. The high voltage lines run out through the landfill.

Mr. Melillo asked for an explanation of the Uncollectable Accounts line item.

Mr. Smith explained, those are account that do not get collected as a result of bankruptcies, write-offs, etc. The uncollectables constitute less than 2/10 of 1% of the division's revenues.

Wes Lube, 15 Montowese Trail asked, what was the actual reduction of the large municipal rate?

Mr. Smith answered, the rate, according to the study, was about 12%.

Mr. Lube stated, those departments who reduced their utility accounts by only 5% are way over what they will need. What will be the percentage of reduction in the small municipal rate?

Mr. Smith answered, the figure we just received recently, put it in about the 12% range.

Mr. Lube asked, departments would have been more on target had they reduced their utility accounts by 12% versus 5%?

Mr. Smith answered, that is accurate.

Frank Wasilewski, 57 N. Orchard Street asked, with the Sale of Electricity; you are saying 12%, it does not seem as though the line item has been reduced that much; what you have requested and what the Mayor has approved. Is that 5% from \$14 million to \$13 million for residential?

Mr. Smith answered, it includes the reduced rate but there is some increase in usage that is planned in there, too.

Mr. Wasilewski stated, the total amount of sales does not reduce what you are reducing the rates.

Mr. Smith answered, that is correct.

Mr. Wasilewski stated, in last year's budget you received \$39,762,410 in electricity sales. This year you are getting \$39,412,000. That is not that much of a reduction in the sale of electricity with the reduced rate, right?

Mr. Smith answered, we may find at the end of this year that we are going to be short on those projections that were made a year ago. Our actual sales are going to be even higher, our revenues will be higher than this year had they projected out to the end of this fiscal year.

Mr. Wasilewski asked, we will be selling more electricity this year and not losing what we are reducing in the rates because the sales are higher?

Mr. Smith answered, that has been accounted for in what has been budgeted.

Mr. Wasilewski answered, I hope it works that way.

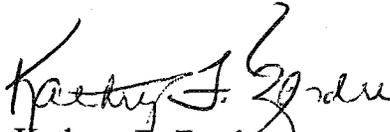
There were no further questions from the public at this time therefore the public hearing was declared closed.

Motion was made by Mr. Farrell to Adjourn the Meeting, seconded by Mr. Centner.

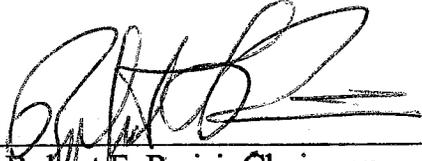
VOTE: All ayes; motion duly carried.

There being no further business the meeting adjourned at 9:35 p.m.

Meeting recorded and transcribed by:


Kathryn F. Zandri
Town Council Secretary

Approved:


Robert F. Parisi, Chairman

5-10-2000
Date


Rosemary A. Rascati, Town Clerk

5-10-2000
Date

RECEIVED FOR RECORD April 27, 2000
AT 4:35 P. M. AND RECORDED BY
Rosemary A. Rascati TOWN CLERK