



TOWN COUNCIL

Town of Wallingford, Connecticut

MUNICIPAL BUILDING WALLINGFORD, CONNECTICUT 06492 (203) 294-2155

Albert E. Killen, Chairman
Edward R. Bradley, Vice Chairman
Susan B. Duryea
Peter A. Gouveia
Steven B. Holmes
Iris F. Papale
Robert F. Parisi
Thomas D. Solinsky
Geno J. Zandri, Jr.

TO: Dog Warden
Building Inspector
Director of Welfare
Fire Marshal
Economic Development Commission
Registrar of Voters
Town Engineer
Director of Public Works

FROM: Kathryn F. Milano *(Signature)*
Town Council Secretary

DATE: April 24, 1991

Standing Committees

EDUCATION LIAISON

Peter Gouveia, Chairman
Steven B. Holmes
Geno J. Zandri

PERSONNEL MERIT REVIEW

Robert F. Parisi, Chairman
Steven B. Holmes
Iris F. Papale

PUC LIAISON

Iris F. Papale, Chairwoman
Edward R. Bradley
Steven B. Holmes

ORDINANCE

Geno J. Zandri, Chairman
Susan Duryea
Thomas D. Solinsky

FINANCE

Edward R. Bradley, Chairman
Peter Gouveia
Robert F. Parisi

PLANNING & ZONING

Susan Duryea

Attached you will find a formal record of motions made at the April 22, 1991 Budget Workshop of the Wallingford Town Council which may or may not have effected your department's budget. If you need any additional information on this matter, you may contact me at 294-2155. Thank you.

attach.

cc: Town Council Members
Mayor William W. Dickinson, Jr.
Thomas A. Myers, Comptroller
Kathryn J. Wall, Town Clerk

The First Budget Workshop was held on Monday, April 22, 1991. Chairman Albert E. Killen called the meeting to order at 7:12 P.M. Present were Council Members Bradley, Duryea, Gouveia, Holmes, Killen, Papale, Parisi and Zandri. Councilor Solinsky arrived at 7:14 P.M. Comptroller Thomas A. Myers was also present.

DOG POUND, pg. 53

Motion was made by Mr. Zandri to reduce Line 2000, Telephone, from \$3,000 to \$2,800, seconded by Mr. Parisi.

VOTE: Solinsky passed, Gouveia and Papale, no; all others, aye. Motion duly carried.

Motion was made by Mr. Gouveia to reduce Line 3000, Gas & Oil from \$2,400 to \$2,000, seconded by Mrs. Duryea.

VOTE: Papale, no; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to reduce Line 4000, Supplies, from \$4,000 to \$3,000, seconded by Mr. Zandri.

VOTE: Gouveia, Holmes, Papale and Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line 5000, Maintenance of Vehicles, from \$4,300 to \$3,300, seconded by Mr. Bradley.

VOTE: Duryea, Holmes, Papale, Parisi & Solinsky, no; all others, aye; motion failed.

Motion was made by Mr. Zandri to reduce Line 6000, Veterinary Fees, from \$2,500 to \$2,200, seconded by Mr. Holmes.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Holmes to reduce Line 6050, Cremation Fees, from \$2,000 to \$1,500, seconded by Mr. Parisi.

A friendly amendment was made to the motion to reduce Line 6050 from \$2,000 to \$1,700, seconded by Mr. Holmes.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Holmes to accept the page as amended, seconded by Mr. Zandri.

VOTE: All ayes; motion duly carried.

DOG WARDEN, Page 166 - Personnel and Salary A/C 2020

Motion was made by Mr. Bradley to reduce Overtime from \$6,000 to \$5,000, seconded by Mr. Parisi.

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VOTE: Duryea, Gouveia, Papale, Solinsky, Zandri & Killen, no; all others, aye; motion failed.

Motion was made by Mr. Holmes to reduce Overtime from \$6,000 to \$5,500, seconded by Mr. Bradley.

VOTE: Gouveia, Papale, Solinsky, Zandri & Killen, no; all others, aye; motion failed.

Motion was made by Mr. Bradley to Accept Page 166, Personnel and Salary for Department #2020, Dog Warden, as presented, seconded by Mr. Parisi.

VOTE: Holmes was absent; all others, aye; motion duly carried.

DOG WARDEN, Page 123 - Capital Equipment

Motion was made by Mr. Bradley to Accept Page 123 as presented, seconded by Ms. Papale.

VOTE: Holmes was absent; all others, aye; motion duly carried.

BUILDING INSPECTOR, Page 65

Motion was made by Mrs. Duryea to reduce Line 3200, Transportation Expense, from \$1,000 to \$700. Seconded by Mr. Bradley.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Bradley to reduce Line 2000, Telephone, from \$1,800 to \$1,500, seconded by Mr. Zandri.

VOTE: All ayes; motion duly carried.

Motion was made by Ms. Papale to Approve Page #65 as Amended, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

BUILDING INSPECTOR, Page 173 - Personnel and Salary A/C 2050

Motion was made by Mr. Bradley to Accept the Page as Presented, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

WELFARE, Page 70

Motion was made by Mr. Gouveia to reduce Line 4000, Office Supplies, from \$500 to \$400, seconded by Mr. Zandri.

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VOTE: Bradley, Holmes, Papale, Parisi & Solinsky, no; all others, aye; motion failed.

Motion was made by Mr. Gouveia to reduce Line 5200, Maintenance of Equipment, from \$300 to \$200, seconded by Mr. Zandri.

VOTE: Holmes, Papale, Parisi & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to Accept the Page as Amended, seconded by Mr. Holmes.

VOTE: All ayes; motion duly carried.

WELFARE, Page 174 - Personnel and Salary A/C 3060

Motion was made by Mr. Bradley to Table this Item until additional information is obtained regarding the expediency of hiring a Director upon retirement of Mr. Francesconi, seconded by Mr. Zandri.

VOTE: All ayes; motion duly carried.

FIRE MARSHAL, Page 59

Motion was made by Mr. Zandri to reduce Line 2000, Telephone, from \$2,000 to \$1,800, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Holmes to reduce Line 3000, Gas & Oil from \$2,622 to \$2,400, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Parisi to Eliminate the Outside Professional Service Account, seconded by Mr. Holmes.

VOTE: Duryea, Gouveia, Papale, Solinsky, Zandri & Killen, no; all others, aye; motion failed.

Motion was made by Mr. Bradley to Accept the Operating and Maintenance Budget of the Fire Marshal as amended, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

FIRE MARSHAL, Page 172 - Personnel and Salary A/C 2035

Motion was made by Mr. Bradley to reduce Overtime from \$2,100 to \$1,575, seconded by Mr. Holmes.

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VOTE: Gouveia, Papale, Solinsky & Zandri, no; all others, aye; motion duly carried.

Motion was made by Mr. Holmes to Accept Page 172 as amended, seconded by Mr. Solinsky.

VOTE: Parisi was absent; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to accept the Fire Marshal's Budget as amended, seconded by Mr. Solinsky.

VOTE: Parisi was absent; all others, aye; motion duly carried.

ECONOMIC DEVELOPMENT COMMISSION, Page 103

Motion was made by Mr. Bradley to reduce Line 6020, Promotional Expenses, from \$10,000 to \$9,000, seconded by Mr. Zandri.

VOTE: Gouveia, Holmes, Papale, Parisi & Solinsky, no; all others, aye; motion failed.

Motion was made by Mr. Bradley to Accept Department 7030, Economic Development Commission, Operating and Maintenance as well as Salaries as presented, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

VISITING NURSE ASSOCIATION, Page 69

Motion was made by Mr. Bradley to Accept the Operating and Maintenance Budget of the VNA as presented, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

REGISTRAR OF VOTERS, Page 96

Motion was made by Mrs. Duryea to reduce Line 2000, Telephone from \$3,000 to \$2,000, seconded by Mr. Zandri.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line 5200, Maintenance of Equipment, from \$1,700 to \$1,500, seconded by Mr. Bradley

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line 9000, Custodians from \$1,000 to \$900, seconded by Mr. Bradley.

VOTE: All ayes; motion duly carried.

Motion was made by Ms. Papale to accept the Registrar of Voters Budget as amended, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

REGISTRAR OF VOTERS, Page 181-182 - Personnel & Salary A/C 6011

Motion was made by Mr. Bradley to Table this item until the confusion over the two part-time clerks' position is clarified, seconded by Mrs. Duryea.

VOTE: Holmes was absent; all others, aye; motion duly carried.

Motion was made by Mr. Parisi to Remove From the Table the Personnel and Salary Account of the Registrar of Voters, seconded by Mr. Zandri.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to Eliminate the \$5,950.00 from the Elections, Dept. 6010, account that funds the two office clerks in their positions, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Bradley to accept the Personnel & Salary Account of the Registrar of Voters as amended, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

PRIMARY ELECTIONS, Page 97

Motion was made by Mr. Gouveia to reduce Line 9000, Outside Services - Custodians, from \$1,000 to \$900, seconded by Mr. Bradley.

VOTE: Zandri was absent; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to accept the Operating and Maintenance Budget of the Primary Elections as amended, seconded by Mr. Parisi.

VOTE: Zandri was absent; all others, aye; motion duly carried.

PRIMARY ELECTIONS, Page 182 - Personnel & Salary A/C 6011

Motion was made by Mr. Bradley to accept the wages and salaries of this department, seconded by Mr. Parisi.

VOTE: Zandri passed; all others, aye; motion duly carried.

TOWN COMMITTEE ELECTIONS, Page 98

Motion was made by Mr. Bradley to eliminate the total operating Budget for this department reducing it to \$0.00., seconded by Mrs. Duryea.

VOTE: Holmes, no; all others, aye; motion duly carried.

ENGINEERING ADMINISTRATION, Page 77

Motion was made by Mr. Zandri to reduce Line 2000, Telephone from \$1,250 to \$1,200, seconded by Mr. Bradley.

VOTE: Papale, Parisi, Solinsky & Killen, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line 4000, Office Supplies, from \$1,200 to \$1,100, seconded by Mrs. Duryea.

VOTE: Holmes, Papale, Parisi, Solinsky & Killen, no; all others, aye; motion failed.

Motion was made by Mr. Zandri to reduce Line 4040, Microfilming, from \$300 to \$200, seconded by Mr. Gouveia.

VOTE: Holmes, Papale, Parisi, Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Gouveia to reduce Line 4400, Engineering Supplies, from \$750 to \$450, seconded by Mrs. Duryea.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Gouveia to reduce Line 4500, Reference Material, from \$300 to \$225, seconded by Mrs. Duryea.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Bradley to accept the operating and maintenance budget of Dept. #5010 as amended, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

ENGINEERING ADMINISTRATION, Page 176 - Personnel & Salary A/C 5010

Motion was made by Mr. Bradley to accept the personnel and salary accounts of the department, seconded by Mr. Parisi.

Motion was amended by Mr. Bradley to reduce the Overtime account from \$2,100 to \$1,575, seconded by Mr. Zandri.

VOTE: Duryea, Papale & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to accept the personnel detail and salary accounts of Engineering Administration as amended, seconded by Mr. Holmes.

VOTE: All ayes; motion duly carried.

ENGINEERING ADMINISTRATION, Page 124 - Capital Equipment Outlay

tion was made by Mr. Holmes to accept the Capital account as presented, seconded by Ms. Papale.

VOTE: All ayes; motion duly carried.

ENGINEERING GENERAL IMPROVEMENTS, Page 78

Motion was made by Mr. Bradley to accept the Operating and Maintenance accounts as presented, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

PROPOSED SIX YEAR CAPITAL BUDGET, Page 143

Motion was made to accept the Six Year Capital Budget as amended by the letter distributed by Mr. Costello (attached), seconded by Mr. Parisi.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

Mr. Bradley left at 11:07 P.M., Mr. Holmes left at 11:00 P.M.

PUBLIC WORKS ADMINISTRATION, Page 79

Motion was made by Mr. Gouveia to the page as presented, seconded by Mr. Zandri.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS ADMINISTRATION, Page 176 - Personnel & Salary A/C 5020

Motion was made by Ms. Papale to accept the pages as presented, seconded by Mr. Solinsky.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

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PUBLIC WORKS ADMINISTRATION, Page 124 - Capital Equipment Outlay

Motion was made by Ms. Papale to accept the page as presented, seconded by Mr. Gouveia.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept Dept. #5020 in its entirety as amended, seconded by Mr. Gouveia.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS GENERAL HIGHWAY, Page 80

Motion was made by Ms. Papale to accept the page as presented, seconded by Mr. Gouveia.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS GENERAL HIGHWAY, Page 177 - 180 - Personnel & Salary

Motion was made by Ms. Papale to Table the Personnel & Salary accounts of this department until the correct figure is obtained to adjust the budget by due to the addition by the Council of the Maintainer III position, seconded by Mr. Zandri.

VOTE: Bradley & Holmes were absent; Gouveia passed; all others, aye. Motion duly carried.

PUBLIC WORKS GENERAL HIGHWAY, Page 124 - Capital Equipment Outlay

Motion was made by Ms. Papale to accept this account as presented, seconded by Mr. Zandri.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS PARKS, Page 81

Motion was made by Ms. Papale to accept this page as presented, seconded by Mr. Zandri.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS PARKS, Page 180 - Personnel & Salary A/C 5031

Motion was made by Ms. Papale to accept this page as presented, seconded by Mr. Zandri.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS PARKS, Page 125 - Capital Equipment Outlay

Motion was made by Ms. Papale to accept this page as presented, seconded by Mr. Parisi.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept Dept. #5031 in its entirety, seconded by Mr. Parisi.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS ICE CONTROL AND SAND PICKUP, Page 82

Motion was made by Ms. Papale to accept this page as presented, seconded by Mr. Parisi.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS ICE CONTROL & SAND PICKUP, Page 180 - Personnel & Salary

Motion was made by Ms. Papale to accept the Overtime account in the amount of \$80,000, seconded by Mr. Parisi.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS ICE CONTROL & SAND PICKUP, Page 125 - Capital Equipment

Motion was made by Ms. Papale to accept this account as presented, seconded by Mr. Parisi.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept Account #5040 in its entirety, seconded by Mr. Zandri.

PUBLIC WORKS CENTRAL GARAGE, Page 83

Motion was made by Ms. Papale to Increase Line #2000 to \$2,150 from \$1,950, seconded by Mr. Parisi.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept this page as amended, seconded by Mr. Parisi.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS CENTRAL GARAGE, Page 180 - 181 - Personnel & Salary

Motion was made by Ms. Papale to accept these pages for Dept. #5050 as presented, seconded by Mr. Gouveia.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS CENTRAL GARAGE, Page 125 - Capital Equipment Outlay

Motion was made by Ms. Papale to accept the request for \$41,400 as presented, seconded by Mr. Parisi.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept Dept. #5050 in its entirety, seconded by Mr. Parisi.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS REFUSE DISPOSAL, Page 84

Motion was made by Mr. Zandri to reduce Line 6540, Waste Disposal & Composting Fees, from \$240,000 to \$220,000, seconded by Mrs. Duryea.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept this department budget as amended, seconded by Mr. Parisi.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS REFUSE DISPOSAL, Page 181 - Personnel & Salary A/C 5060

Motion was made by Ms. Papale to accept the personnel & salary accounts of this department as presented, seconded by Mr. Parisi.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS REFUSE DISPOSAL, Page 125 - Capital Equipment Outlay

Motion was made by Ms. Papale to accept this request as presented, seconded by Mr. Parisi.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS TREE PROGRAM, Page 85

Motion was made by Ms. Papale to accept this budget as presented, seconded by Mr. Parisi.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS STREET LIGHTING, Page 86

Motion was made by Ms. Papale to accept this budget as presented, seconded by Mr. Zandri.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS RAILROAD STATION, Page 87

Motion was made by Ms. Papale to accept this page as presented, seconded by Mr. Zandri.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS WASHINGTON STREET RECREATION CENTER, Page 88

Motion was made by Ms. Papale to accept this page as presented, seconded by Mr. Zandri.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

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PUBLIC WORKS WASHINGTON STREET RECREATION CENTER, Page 125 - Capital

Motion was made by Ms. Papale to accept this request as presented, seconded by Mr. Parisi.

VOTE: Bradley & Holmes were absent; all others, aye; motion duly carried.

PUBLIC WORKS 701 CENTER STREET, Page 89

Motion was made by Ms. Papale to accept this page as presented, seconded by Mr. Parisi.

VOTE: Bradley, Holmes & Solinsky were absent; all others, aye; motion duly carried.

Mr. Solinsky left at 12:15 P.M.

PUBLIC WORKS WASHINGTON STREET SENIOR CITIZEN CENTER, Page 90

Motion was made by Ms. Papale to table this item until the bid specifications for the custodial services are received, seconded by Mr. Parisi.

VOTE: Bradley, Holmes & Solinsky were absent; all others, aye; motion duly carried.

PUBLIC WORKS WASHINGTON STREET SENIOR CITIZEN CENTER, Page 125 - Capital Equipment & Outlay

Motion was made by Ms. Papale to accept this page for account #5150 as presented, seconded by Mr. Parisi.

VOTE: Bradley, Holmes & Solinsky were absent; all others, aye; motion duly carried.

PUBLIC WORKS TRAFFIC CONTROL AND SIGN SHOP, Page 91

Motion was made by Ms. Papale to accept this page as presented, seconded by Mr. Parisi.

VOTE: Bradley, Holmes & Solinsky were absent; all others, aye; motion duly carried.

PUBLIC WORKS CIVIL PREPAREDNESS, Page 92

Motion was made by Ms. Papale to accept this page as presented, seconded by Mr. Parisi.

VOTE: Bradley, Holmes & Solinsky were absent; all others, aye; motion duly carried.

PUBLIC WORKS TOWN HALL, Page 93

Motion was made by Ms. Papale to accept this page as presented, seconded by Mr. Parisi.

VOTE: Bradley, Holmes & Solinsky were absent; all others, aye; motion duly carried.

PUBLIC WORKS FIRE STATION ON CHAPEL STREET, Page 94

Motion was made by Ms. Papale to accept this page as presented, seconded by Mr. Zandri.

VOTE: Bradley, Holmes & Solinsky were absent; all others, aye; motion duly carried.

PUBLIC WORKS YALESVILLE SCHOOL, Page 95

Motion was made by Ms. Papale to accept this page as presented, seconded by Mr. Parisi.

VOTE: Bradley, Holmes & Solinsky were absent; all others, aye; motion duly carried.

Meeting adjourned at 12:30 A.M.

Meeting recorded and transcribed by:

Kathryn F. Milano, Town Council Secretary
April 24, 1991

PROPOSED SIX YEAR CAPITAL BUDGET

(Revised April 15, 1991)

ROADWAY RECONSTRUCTION

	<u>TOTAL COST</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>
Jobs Road Rock Hill to Durham Road	\$ 500,000.	500,000.					
Chimney Hill Road Hanover to Chimney Sweep	350,000.					350,000.	
South Branford Road Whirlwind Hill to Town Line	750,000.		750,000.				
Grove Street Rte 68 to Chimney Hill	450,000.			450,000.			
West Dayton Hill Road RR Track to Woodhouse Ave	1,000,000.					550,000.	450,000.
High Hill Road Rte 68 to Cliffside	1,400,000.						400,000.
<u>BRIDGE REPAIR/REPLACEMENT (1)</u>							
Wall Street-Wharton Brook	170,000.			150,000.			
Pond Hill Road-Wharton Brook	200,000.			175,000.			
Quinnipiac Street-Quinnipiac River (2)	115,000.		115,000.				
West Dayton Hill-Muddy River	700,000.				700,000.		
Scard Road-Muddy River	200,000.				200,000.		
Tyler Mill Road-Muddy River	350,000.	350,000.					
TOTAL	\$6,185,000.	\$850,000.	\$865,000.	\$775,000.	\$900,000.	\$900,000.	\$850,000.

NOTES:

- (1) All bridges are currently eligible for funding under the State's Local Bridge Program including a 30% Grant and 50% Loan.
- (2) Minor repairs of superstructure and substructure, pending more detailed inspection and analysis.

The Second Budget Workshop was held on Wednesday, April 24, 1991. Chairman Albert E. Killen called the meeting to order at 7:11 P.M. All Council Members were present. Mayor William W. Dickinson, Jr. arrived at 7:30 P.M. and Comptroller Thomas A. Myers was also present.

ELECTRIC DIVISION - Page 126 - Operating Budget

Motion was made by Mr. Holmes to Consider the Operating Revenue Budget of the Electric Division, seconded by Mr. Parisi.

E: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #502-1, Boiler Labor, from \$18,220 to \$12,000, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #505-1, Prime Movers, from \$17,860 to \$10,000, seconded by Mr. Gouveia.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #505-2, Electric Labor, from \$235,000 to \$210,000, seconded by Mr. Gouveia.

VOTE: Holmes, Parisi & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #505-3, Lubricants, from \$2,500 to \$2,000, seconded by Mr. Gouveia.

VOTE: Holmes, Parisi & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #505-4, Water, from \$15,500 to \$12,000, seconded by Mrs. Duryea.

VOTE: Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #506-2, Station Expenses, from \$20,000 to \$15,000, seconded by Mrs. Duryea.

VOTE: Bradley, Gouveia & Zandri, aye; all others, no; motion failed.

Motion was made by Mr. Bradley to accept Production Expenses Operation as amended, seconded by Mr. Holmes.

VOTE: Holmes, Parisi & Solinsky, no; all others, aye; motion duly carried.

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Motion was made by Mr. Zandri to reduce Line #511, Maintenance of Structures from \$353,450 to \$250,000, seconded by Mr. Gouveia.

Motion was withdrawn.

Motion was made by Mr. Zandri to reduce Line #511, Maintenance of Structures from \$353,450 to \$3,200, seconded by Mr. Bradley.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #512-0, Fuel Storage, from \$2,500 to \$2,000, seconded by Mr. Gouveia.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #513-1, Prime Movers, from \$141,450 to \$135,000, seconded by Mr. Gouveia.

VOTE: Bradley, Gouveia & Zandri, aye; all others, no; motion failed.

Motion was made by Mr. Zandri to reduce Line #513-2, Accessories Equipment, from \$56,835 to \$40,000, seconded by Mrs. Duryea.

VOTE: Bradley, Holmes, Parisi & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #513-3, Miscellaneous Power Equipment, from \$40,000 to \$35,000, seconded by Mr. Bradley.

VOTE: Parisi was absent; Holmes & Solinsky, no; all others, aye. Motion duly carried.

Motion was made by Mr. Bradley to accept the Maintenance Section of the Operating Expenses as amended, seconded by Mr. Zandri.

VOTE: Parisi, passed; Holmes & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #555, Purchased Power, from \$28,905,000 to \$28,500,000, seconded by Mr. Gouveia.

VOTE: Holmes, Papale, Parisi & Solinsky; no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #555, Power Adjustment, from \$2,615,000 to \$2,500,000, seconded by Mr. Bradley.

Motion was withdrawn.

Motion was made by Mr. Bradley to accept Line #555, Purchase Power Line & Power Adjustment as amended, seconded by Ms. Papale.

VOTE: Holmes, Papale & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #584, Underground Lines, from \$45,000 to \$40,000, seconded by Mr. Parisi.

VOTE: Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line 586, Meter Expense, from \$148,750 to \$120,000, seconded by Mrs. Duryea.

VOTE: Holmes, Papale, Parisi & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #587, Customer Installation Expense from \$41,500 to \$40,000, seconded by Ms. Papale.

VOTE: Duryea, no; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to Accept the Distribution Expenses Operation as amended, seconded by Mr. Zandri.

VOTE: Holmes, Parisi & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #594, Underground Line, from \$63,250 to \$55,000, seconded by Mr. Bradley.

VOTE: Parisi was absent; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #595, Line Transformers, from \$22,000 to \$13,000, seconded by Mrs. Duryea.

VOTE: Zandri, aye; all others, no; motion failed.

Motion was made by Mr. Zandri to reduce Line #598, Miscellaneous Distribution, from \$176,200 to \$167,000, seconded by Mr. Gouveia.

VOTE: Gouveia and Zandri, aye; all others, no; motion failed.

Motion was made by Mr. Bradley to Accept the Distribution Expenses Maintenance Budget as amended, seconded by Mr. Parisi.

VOTE: Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #570, Maintenance of Station Expenses, from \$20,000 to \$15,000, seconded by Mr. Gouveia.

VOTE: Holmes, Papale, Solinsky & Killen, no; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to Accept Transmission Expense as amended, seconded by Mrs. Duryea.

VOTE: Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #902, Meter Reading,

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from \$179,300 to \$165,000, seconded by Mr. Gouveia.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #903, Customer Rec. & Collection, from \$459,560 to \$450,000, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #903-1, Customer Rec. - Data Processing, from \$276,100 to \$270,000, seconded by Mr. Gouveia.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #904, Uncollectible Accounts, from \$120,000 to \$110,000, seconded by Mr. Parisi.

VOTE: Holmes & Parisi, no; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to accept Customer Records as Amended, seconded by Mrs. Duryea.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #908, Customer Assistance, from \$69,000 to \$50,000, seconded by Ms. Papale.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #909, Conservation, from \$50,000 to \$25,000, seconded by Mr. Holmes.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Bradley to accept Customer Service and Information as amended, seconded by Mr. Gouveia.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #923-1, Outside Services - Town, from \$247,000 to \$225,000, seconded by Ms. Papale.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #923-2, Outside Service - Legal from \$75,000 to \$70,000, seconded by Ms. Papale.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #923-3, Outside Service - Consultant, from \$90,000 to \$80,000, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #925-1, Workmens' Comp., from \$105,000 to \$100,000, seconded by Mr. Holmes.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #926, Employee Pension & Benefit, from \$1,662,620 to \$1,600,000, seconded by Mrs. Duryea.

VOTE: Papale, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #932, Maintenance of Gen. Plant, from \$109,000 to \$100,000, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Holmes to reduce Line #930, Misc. General Expense from \$70,000 to \$64,000, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Bradley to accept the Administrative and General Budgets of the Electric Division as amended, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Bradley to consider the Depreciation Budget of the Electric Division, seconded by Mr. Holmes.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Gouveia to reduce Line #408-1, CT Gross Revenue from \$2,219,241 to \$2,200,000, seconded by Mrs. Duryea.

VOTE: Holmes, Parisi & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to accept the Taxes accounts of the Electric Division as amended, seconded by Mrs. Duryea.

VOTE: Holmes, Parisi & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to increase Line #419, Interest, from \$340,000 to \$450,000, seconded by Mr. Gouveia.

VOTE: Gouveia, Zandri & Killen, aye; all others, no; motion failed.

Motion was made by Mr. Holmes to increase Line #419, Interest, from \$340,000 to \$360,000, seconded by Ms. Papale.

VOTE: Bradley, Gouveia, Zandri & Killen, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to increase Line #419-1, Interest Rate,

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Settlement from \$90,000 to \$650,000, seconded by Mr. Bradley.

VOTE: Holmes, Papale, Parisi & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to accept Interest Income as amended, seconded by Mrs. Duryea.

VOTE: Holmes, Papale, Parisi & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to increase Line #421, Misc. Non-Operating Revenue from \$70,000 to \$250,000, seconded by Mr. Gouveia.

VOTE: Parisi was absent; Holmes & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to accept Other Revenue as amended, seconded by Mrs. Duryea.

VOTE: Parisi was absent; Holmes & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #427, Interest on Long Term Debt, from \$173,820 to \$53,000, seconded by Mr. Gouveia.

Motion was withdrawn.

Motion was made by Mr. Zandri to reduce Line #431, Interest on Customer Deposits from \$35,000 to \$30,000, seconded by Mr. Gouveia.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Bradley to accept the Interest Expense Account as amended, seconded by Mr. Holmes.

VOTE: Parisi, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri to reduce Line #426, Community Welfare, from \$68,000 to \$30,000, seconded by Mrs. Duryea.

VOTE: Bradley and Parisi were absent; Holmes, Papale and Solinsky, no; all others, aye; motion failed.

Motion was made by Mr. Bradley to accept the Total Non-Operating Expense Budget as amended, seconded by Mr. Holmes.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Zandri to accept the Net Income before Operating Transfer into the account as amended, seconded by Mr. Zandri.

VOTE: Holmes, Parisi & Solinsky, no; all others, aye; motion duly carried.

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Motion was made by Mr. Zandri to accept the transfers out into the General Fund in the amount of \$2,800,000, seconded by Mr. Gouveia.

VOTE: Holmes, Papale, Parisi & Solinsky, no; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to Increase Line #311, Structures, from \$428,500 to \$750,000, seconded by Ms. Papale.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Bradley to accept the Production Plant Account of the budget as amended, seconded by Ms. Papale.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Bradley to accept the Distribution Plant Account as presented, seconded by Mrs. Duryea.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Bradley to accept the General Plant Account of the budget as presented, seconded by Mr. Gouveia.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Bradley to reduce Overtime from \$25,000 to \$22,250, seconded by Mrs. Duryea.

Motion was withdrawn.

(SEE ATTACHED LIST OF MOTIONS - APPENDIX I)

Mr. Holmes left at 11:00 P.M.

VOTE: Gouveia and Holmes were absent; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to accept the Administrative and General Budget of the Electric Division as amended, seconded by Mr. Zandri.

VOTE: Holmes was absent; all others, aye; motion duly carried.

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Motion was made by Mr. Bradley to accept the Distribution Accounts as amended, seconded by Ms. Papale.

VOTE: Holmes was absent; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to reduce the Distribution Overtime Account from \$90,000 to \$70,000, seconded by Mr. Zandri.

VOTE: Holmes was absent; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to accept the Production Account of the Electric Division Budget as amended, seconded by Mr. Parisi.

WATER DIVISION - Page 133

Motion was made by Ms. Papale to accept Revenue From Sales in the amount of \$6,741,180, seconded by Mr. Zandri.

Mr. Parisi left at 11:25 P.M., Mr. Bradley left at 11:30 P.M.

VOTE: Bradley, Holmes & Parisi were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept Other Operating Revenue of \$1,600, seconded by Mr. Zandri.

VOTE: Bradley, Holmes & Parisi were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Total Operating Revenues of \$6,742,780, seconded by Mr. Zandri.

VOTE: Bradley, Holmes & Parisi were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Source of Supply Expenses of \$233,880, seconded by Mr. Zandri.

VOTE: Bradley, Holmes & Parisi were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept Pumping Expenses in the amount of \$423,545, seconded by Mr. Zandri.

VOTE: Bradley, Holmes & Parisi were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Water Treatment Expenses in the amount of \$281,195, seconded by Mr. Zandri.

VOTE: Bradley, Holmes & Parisi were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Transmission & Distribution Expenses of \$438,005, seconded by Mr. Zandri.

VOTE: Bradley, Holmes & Parisi were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Customer Account Expenses in the amount of \$112,845, seconded by Mr. Zandri.

VOTE: Bradley, Holmes & Parisi were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Administrative and General Expenses of \$1,489,490, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Mr. Solinsky left at 12:05 A.M.

Motion was made by Ms. Papale to accept the Depreciation and Tax Expenses Account in the amount of \$529,500, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Total Operating Expenses of \$3,508,460, seconded by Mrs. Duryea.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept Operating Income in the amount of \$3,234,320, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Non-Operating Revenues in the amount of \$672,870, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Non-Operating Expenses of \$1,578,058, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept Net Income in the amount of \$2,329,132, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

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Motion was made by Ms. Papale to accept the Total Capital Account of the Water Division in the amount of \$1,036,220, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to reduce the Overtime account from \$106,130 to \$96,500, seconded by Mrs. Duryea.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Personnel Pages as amended, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

SEWER DIVISION - Page 199

Motion was made by Ms. Papale to accept the Revenue from Usage/ Total Operating Revenues in the amount of \$3,663,350, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept Pumping Expenses in the amount of \$197,240, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept Sewer Treatment Expenses in the amount of \$970,000, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept Collection System Expenses of \$441,255, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Customer Account Expenses of \$122,425, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept Administrative and General Expenses in the amount of \$1,024,555, seconded by Mr. Zandri.

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VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept Depreciation and Reserve in the amount of \$1,378,000, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Total Operating Expenses in the amount of \$4,133,475, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Operating Income (Loss) in the amount of (\$470,125), seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Non-Operating Revenue of \$1,016,000, seconded by Mr. Gouveia.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Non-Operating Expense of \$810,082, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Net Income (Loss) of (\$264,207), seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Total Capital of \$627,150, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to reduce Overtime from \$90,000 to \$82,000, seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Personnel Pages as amended. Seconded by Mr. Zandri.

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VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

PUBLIC UTILITIES COMMISSION - Page 118

Motion was made by Mr. Zandri to reduce Line #9000, Secretarial Services from \$1,000 to \$500, seconded by Mrs. Duryea.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept Operating and Maintenance Accounts of the P.U.C., as amended, seconded by Mrs. Duryea.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Motion was made by Ms. Papale to accept the Personnel Pages in the amount of \$131,982, seconded by Mr. Zandri.

Motion was made by Ms. Papale to adjourn the meeting at 12:50 a.m., seconded by Mr. Zandri.

VOTE: Bradley, Holmes, Parisi & Solinsky were absent; all others, aye; motion duly carried.

Meeting recorded & transcribed by:

Kathryn F. Milano

Kathryn F. Milano
Town Council Secretary

April 24, 1991

Motion was made by Ms. Papale to reduce Overtime in the Administrative and General Budget from \$25,000 to \$20,000, seconded by Mr. Bradley.

VOTE: Gouveia and Holmes were absent; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to accept the Administrative and General Budget of the Electric Division as amended, seconded by Zandri.

VOTE: Holmes was absent; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to reduce Overtime in the Distribution Overtime Account from \$355,000 to \$229,000, seconded by Ms. Papale.

VOTE: Holmes was absent; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to Accept the Distribution Accounts as amended, seconded by Ms. Papale.

VOTE: Holmes was absent; all others, aye; motion duly carried.

Motion was made by Mr. Bradley to reduce Production Overtime from \$90,000 to \$70,000, seconded by Mr. Zandri.

VOTE: Holmes was absent; all others, aye; motion duly carried.

Attachment II



Town of Wallingford, Connecticut

TOWN ATTORNEY
JANIS M. SMALL
ASSISTANT TOWN ATTORNEY
GERALD E. FARRELL
CORPORATION COUNSEL
ADAM MANTZARIS
DEPARTMENT OF LAW
WALLINGFORD TOWN HALL
45 SOUTH MAIN STREET
WALLINGFORD, CT 06492
TELEPHONE 294-2140

April 24, 1991

Raymond F. Smith
Director of Utilities
Town of Wallingford
45 South Main Street
Wallingford, CT 06492

Dear Mr. Smith:

This letter is in response to your request for an opinion as to the legality of the Electric Division's Retained Earnings.

FACTS

All receipts from the Electric Division are deposited in an account entitled "Town of Wallingford Electric Enterprise Fund". All Electric Division Revenue is deposited into this account and all Electric Division expenditures are paid out of this account. There is no separate bank account entitled "Retained Earnings." Retained earnings is a balance sheet account representing the difference of balance sheet liabilities from balance sheet assets at the end of an accounting and reporting period. A positive number in retained earnings would include cash plus equity. The comptroller has designated the "Town of Wallingford Electric Enterprise Fund" as the account in which receipts are deposited with the town treasurer and expenditures of approved claims are drawn, signed by the comptroller and countersigned by the treasurer.

LAW

Connecticut General Statutes

Connecticut General Statutes Section 7-213 et seq. provides the authority for municipally owned electric plants. Section 7-213 provides that a town may own and maintain an electric plant "under the limitations of this chapter."

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Section 7-216 of the Connecticut General Statutes provides for the establishment of a commissioner

. . .to whom shall be entrusted, subject to any ordinances established by such municipality, the operation, control, management and repair of plant, and the manufacture, generation and distribution of gas and electricity, including the purchase of supplies and the hiring and discharge of employees and of a suitable clerk and superintendent, and all the business relating to such manufacture, generation and distribution and to the methods, amounts, times, prices and quality of supply to each person and corporation, the collection of bills, the keeping of accounts and the custody of money received for gas or electricity, or otherwise, and the payment of bills incurred in said business. . . It shall also, at any time required by the selectmen, common council or warden and burgesses, make to them a statement of its doings, business, receipts, disbursements and balances and of the indebtedness of the municipality, in its department, in the detail required, and it shall pay over to the treasurer of the municipality all moneys collected in its department.

Unless otherwise provided by Ordinance, the Public Utilities Commission has the duty of keeping accounts and the custody of monies received by the Electric Division.

Section 7-217 provides, in part,: "All receipts from the sale of gas or electricity shall be paid over to the treasurer of such municipality".

Books and accounts of the electric division are kept in a form prescribed by the Commission pursuant to Section 7-221. Further, Connecticut General Statutes Section 16-29 requires the filing of an annual report with the Department of Public Utilities. Section 16-29 further provides, "The Department may prescribe the method for keeping the accounts pertaining to such utility and all other

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utilities reporting to the department." The method prescribed is set forth in Section 16-27-7 of the State Regulations. Section 16-27-7 sets forth the "Uniform System of Accounts prescribed for Utilities." Section 215-216 of the Regulations provides for retained earning accounts.

Finally, Sections 7-223 and 7-233 address the power of the municipality to enact ordinances "regulating the production, control and use of its plant, fixtures and appurtenances." Section 7-233 provides that any such ordinance cannot be inconsistent with Section 7-213 et seq.

Charter of the Town of Wallingford

Chapter XIV of the Town Charter sets forth the provisions dealing with Public Utilities. The Board of Public Utilities Commissioners, pursuant to Chapter XIV, Section 1, "shall have all the powers and duties of a board of electrical commissioners and sewer authority as provided in the Connecticut General Statutes, and of the legislative body of the town for the purposes of the Connecticut General Statutes, and such powers and duties as heretofore were possessed by the town's Board of Electrical Commissioners, Board of Water Commissioners, and Sewer Authority". Section 7 of Chapter XIV requires that the utilities budget "contain an estimate of the gross revenues of each division, as well as the expenditures thereof, and a statement showing receipts and payments among utilities and other town departments for the use of personal services, equipment and facilities, in accordance with the provisions of Section 8 of this chapter". Further, it provides that the budget "shall provide for the setting aside from annual net income of an adequate depreciation reserve and/or surplus for each division".

Section 8 of Chapter XIV provides that separate books and accounts be kept by each utility. Further, Section 8 provides "all receipts shall be turned over to the Town Treasurer as required by Chapter XV of this charter, and deposited by him as the comptroller

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may require."

Section 9 of Chapter XIV provides that the comptroller is the fiscal officer of the Department of Public Utilities.

Pursuant to Chapter XV, Section 7(c), "The comptroller shall prescribe the time at which and the manner in which persons receiving money on account of the town shall pay the same to the town treasurer."

Other Applicable Definitions

A) Treasurer - An officer of the government charged with the receipt, custody and disbursement of its money or funds. (Black's Law Dictionary).

B) Enterprise Fund - Used to account for operations:

- a. that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or
- b. where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

(Codification of Governmental Accounting and Financial Reporting Standards).

C). General Fund- Accounts for all current financial resources not required by law or administrative action to be accounted for in another fund. [Governmental Accounting, Auditing and Financial

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Reporting (1988)].

DISCUSSION

The Electric Division is operated as a enterprise which basically means that the user charges are used to operate and finance the division. In accordance with the Connecticut General Statutes and the Town Charter, the Electric Division's books and accounts are kept separate from the General Fund and other utilities accounts. Further, the separate account is kept in a manner prescribed by the Public Utilities Commission of the State of Connecticut which is set forth in Section 16-27 of the State Regulations.

The Town Treasurer takes possession of all receipts for the Electric Division and, as required by the Comptroller, deposits them into the account entitled "Town of Wallingford Electric Enterprise Fund." This is in compliance with Section 7, Chapter XIV of the Town Charter and Section 7-221 and 16-29 of the General Statutes.

Neither the Town Charter nor the Connecticut General Statutes require that "receipts" or "monies" be deposited in the General Fund. To the contrary, the monies are required to be kept separate. Depositing Electric Division monies into the designated account does not render the monies something other than Town money, nor does it remove the funds from the appropriation or transfer process. The Electric Division receipts are Town money as are the Electric Division's expenditures Town expenditures. All receipts are turned over to the Town Treasurer and all Electric Division expenditures are signed by the Comptroller and Treasurer as required by Town Charter. All Town funds are subject to the budget process.

The subject of controversy surrounds the retained earnings of the Electric Division. As stated above, retained earnings is a balance sheet account representing the difference of balance sheet

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liabilities from balance sheet assets at the end of an accounting and reporting period. If there is a positive number, it would include cash plus equity. Having retained earnings complies with Section 7, Chapter XIV which provides, in part:

Such budget shall provide for the setting aside from annual net income of an adequate depreciation reserve and/or surplus for each division.

In accordance with this section, the Electric Division, as well as the other utilities, sets aside retained earnings.

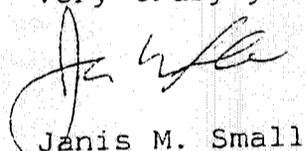
Although the Town Charter specifically provides for setting aside "an adequate depreciation reserve and/or surplus" from net income, any excess net income or retained earnings are subject to the appropriation procedure set forth in the Town Charter. The appropriation process permits the Mayor and the Town Council to appropriate the net income or retained earnings at budget time. In either case, the normal checks and balances of our system of government would apply. That is, if the Council appropriates a portion of the net income at budget time, it is subject to veto by the Mayor. The veto, of course, can be overridden by the Council in accordance with the Charter. The retained earnings are not exempt from the appropriation process.

In conclusion, the manner in which the Electric Division receipts are managed complies with the Connecticut General Statutes and the Town Charter. Retained earnings are permitted under the law and are specifically required by Section 7, Chapter XIV of the Town Charter. Further, the retained earnings are not exempt from the normal appropriation process. Electric Division receipts and expenditures are Town

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receipts and expenditures and are, in fact, Town monies even though they are accounted for separately.

Very truly yours,


Janis M. Small
Town Attorney

JMS:da

cc: William W. Dickinson, Jr., Mayor
Thomas Myers, Comptroller
✓ Members of the Wallingford Town Council
Members of the Public Utilities Commission
Gerald E. Farrell, Assistant Town Attorney