

COMMON COUNCIL
Special Work Session
October 27, 2004

Mayor Robert Raphael presided at a special budget development work session of the Common Council held at 7 PM on October 27, 2004, at One Court Plaza.

Present:

Mayor Robert Raphael
Ald. A. Anthony Abraham
Ald. James Cushman
Ald. Jeffrey Thornton
Ald. Joseph Maiurano
Ald. Joseph Biviano

Also:

Director of Finance/Clerk William Roberts
Police Chief Joseph Angelino
Human Resource Director Deborah DeForest
Public Works Superintendent Carl Ivarson
Youth Bureau Director Robert Mason
Fire Chief John Tighe
Deputy Clerk Donna Philippone

Absent:

Ald. Suzanne Williams

Mayor Raphael called the meeting to order at 7 PM for the purpose of continuing review of the initial working draft of the Tentative 2005 Budget. He stated that two aldermen have also requested that discussion be held this evening relative to the Intermunicipal Agreement.

Director of Finance William Roberts indicated that at the last budget session the Council members were addressing items in the budget and believed there were still questions.

Ald. Biviano referred to discussion at the last meeting regarding the reserves and asked that the Council be provided with a Vehicle Replacement Schedule as well as a report on each vehicle including mileage, vehicle condition and repair/maintenance and insurance cost for every vehicle. Ald. Biviano also asked for a report on energy efficiency for each building. DPW Supt. Ivarson stated that the Council is provided with a monthly vehicle maintenance report, although there may not have been a recent report due to employee shortages in the department.

Ald. Biviano asked what the expectations were with regard to the 2004 budget through the end of the current year. Director of Finance Roberts said he doesn't know of anything that would affect the budget other than overtime costs should there be a large amount of snowfall in December.

Ald. Biviano asked where the City stood with regard to the outstanding principal on City Court, City Hall and the fire truck and if it was possible to reduce the interest rate. Director Roberts said that at the end of this year the outstanding balance would be \$595,000 and said it would not be feasible to refinance.

Discussion ensued relative to the Capital Reserves Summary Schedule. DPW Supt. Ivarson noted that in his department would need to replace over \$ 1,000,000 in equipment in 10 years. He noted that \$10,000 would be going into the pool and playground reserves.

Ald. Biviano asked if the figure for building maintenance was accurate. DPW Supt. Ivarson said the only question is with utilities. He noted that gas rates just increased 28 percent and electric rates are expected to increase 17 percent. Supt. Ivarson said that he expects the cost to decrease when the new Fire Department is opened and noted the temporary station has been expensive to operate. Mayor Raphael noted that the new station has been made as energy efficient as possible. Ald. Biviano asked for a breakdown on insurance and asked if the \$144,280 figure was realistic. Director of Finance Roberts said it was realistic and noted the figure includes all insurance except employee health insurance. Ald. Biviano asked that a comparison sheet be prepared.

Mayor Raphael said he has been talking to Senator Libous since February about supplemental aid. He noted that he has also been calling Congressman Boehlert monthly regarding a FEMA grant.

Discussion ensued regarding retirement funds and concern about the possibility of another occurrence with the State and the stock market. Director Roberts said the Finance Committee would be discussing the possibility of establishing a retirement reserve in the 2006 budget. Ald. Thornton suggested the reserve be started in 2005.

Ald. Maiurano praised the efforts of department heads to bring down the tax increase from 43% to 8.2% and noted the draft is a good budget, however, that the City cannot keep raising taxes every year. He suggested that looking toward the future, the City would need to: bring business in which would be difficult with no Community Development Director or Assistant; sell some of the City owned property; settle the lawsuits that the City is involved in; look into further the role of the labor attorneys versus the Human Resource Director in labor negotiations; rearrange the City offices and duties; change Youth Programs staff from hourly to salary.

Ald. Biviano stated that a change in the Charter relative to interest paid on tax certificates would produce a 17% savings.

After much discussion there was some agreement that the 8.2% is not an acceptable increase every year.

Ald. Thornton suggested that each alderman write down their suggestion for decreasing expenses and increasing revenue for discussion as a group. He added that tax rate increases should be limited to no greater than the rate of inflation.

Ald. Cushman indicated that last year three aldermen voted against the budget (Wards 1, 2 and 6) because they were not in agreement with using the reserves and the Mayor voted to break the tie. He asked if the City was saving any money or just deferring payments against the debt. Director Roberts indicated the retirement fund was the only item being deferred. Ald. Cushman questioned the selling of property as revenue as it would not be a steady revenue stream and stated that it is saving expenses. He asked if the Fire and Police have any comments regarding public safety. Chief Angelino stated that closing the Station at night is a loss of service and the impact is not yet known, however, it will result in a reduction in the personal services budget.

Ald. Abraham indicated that he is working on a revenue-generating project with DPW Supt. Ivarson.

Ald. Thornton questioned the decrease in Fire Department personal services and the Chief explained that it was due to the reduction in overtime that would result from the per diem firefighters. It was noted that the savings was significant and the Chief was ready to move forward when authorized to do so. When questions were raised relative to correspondence from the Firefighters, HR Director DeForest advised Council not to talk about the issue because it was currently in negotiations.

-- Ald. Thornton moved to create the position of Per Diem Firefighter and authorizing advertising for the position. Seconded by Ald. Abraham and duly adopted, 5-0, on a roll call vote.

Ald. Thornton questioned the reduction in the street maintenance budget. DPW Supt. Ivarson indicated that it was due to fewer employees and moving positions. Ivarson added that the Assistant Superintendent's duties have shifted and he is now being paid partially through the Water System.

Ald. Thornton questioned if the Fire Department Equipment and Repairs and Maintenance budget was realistic. Chief Tighe indicated that it was realistic and said that the bucket was replaced and a new tank is being ordered for the current tanker truck. He noted that the money would be recovered when the tanker truck is sold. Ald. Thornton expressed concern that the draft budget is too bare bones and said the figures must be realistic.

Ald. Thornton asked why there was nothing in the contracted services line item under Youth Bureau. Youth Bureau Director Mason explained that facility rentals, buses, trips, etc. are funded through the state and are being done at the County level now rather than through the City.

The Council concurred to continue discussion and review of the budget at a special budget work session at 7 PM on Thursday, November 4, 2004.

Ald. Biviano moved to adjourn at 9:13 PM. Seconded by Ald. Maiurano and duly adopted, ayes all.