

PRESENT Chairman Ronald Fedor, Rosalyn Dupuis, John W. Sheehan, George Peteros, Alan Wilensky, Rosalyn Dupuis, Norman Glidden

OFFICIALS First Selectman Daniel Steward

RTM Paul Goldstein, Thomas Dembek, Andrea Kanfer

ALSO Superintendent of Schools Jerome Belair, Bernard Pisacich, Town Treasurer

STAFF Ruth Beers, Finance Director; Yvette M. Pier, Secretary

Chairman Fedor called the Public Hearing to order at 7:00 pm.

ITEM 1 Public Hearing of all Town budgets for Fiscal Year 2011-2012

He explained the budget review process to this point. It will be forwarded to the RTM after finalization this evening.

He asked if anyone wished to comment on any of the budgets.

Quaker Hill Fire Chief Matthew Carson asked the Board to reconsider the \$3,000 reduction to this budget.

Mr. Glidden spoke of the fiscal plan and the increase in salaries for Board of Education and Government employees. He felt this issue should be readdressed next year.

Mr. Vachris read the following: At our meeting on December 8, 2010, this Board unanimously voted to hold the General Government budget to a zero percent increase, except for unavoidable increases in Insurance, contractual obligations and debt service. For the information of those present, this Board has been presented with several new and additional expenses that are unavoidable. These include the following:

\$314,000 in additional General Government Insurance costs

\$1,125,000 in additional Retirement Costs

\$1,719,000 in additional Board of Education Employee Benefit and Insurance Costs

This is a total of over \$3,100,000 in new and additional expenditures that are contractual obligations of the taxpayers. In addition, we are faced with the complete loss of the System Benefit Charge on the income side due to the electric utility deregulation law, which devalued the Millstone Power Plants. This year, we will lose over \$1,000,000 on the income side.

We have to cut this year's requested expenses by over \$4,000,000 or raise taxes.

Because of the insurance and retirement costs we have before us, we have a 5.2% projected increase in General Government expenditures. This unfunded mandate from the State Government is not acceptable to this member of the Board. Therefore, if we move additional budget cuts in the requests, it is not personal, and not aimed at any particular department or governmental function. It is our job to serve the taxpayers of this town, and we will try to do that. Thank you.

1. Retirement Commission: STATEMENT: Mr. Chairman, the 40% budget increase in this line item is the unfortunate consequence of the failure of the Connecticut General Assembly to address inequities in sections 7-439 through 7-441 of the Connecticut General Statutes. Furthermore, the poor performance of the State Treasurer's Office has required Waterford to pay extra; money into the MERF fund. The unrealized gain in assets of the last fiscal year of

1.4 billion dollars does not replace the unrealized loss of 5.5 billion dollars from the previous fiscal year. Furthermore, continued losses in Real Estate, International Stocks, Contracts to purchase Foreign Currencies, and Losses in emerging Foreign Market Debt have negatively impacted fund performance. So has the payment of over \$14,000,000 in commission fees. The public should be informed that during the last year, the book value of the assets held by the CT State Treasurer for employee pensions continued to decrease, despite the increase in unrealized market value. The point I am making, Mr. Chairman, is that neither this Board nor the First Selectman, nor the Town Treasurer, nor the Director of Finance have anything to say about this expenditure. This is about 80% of the increase in the General Fund budget.

Capital and Non-Recurring: COMMENT: The public should be aware that over \$8,000,000 has been cut by the Board of Selectmen or the Board of Finance from this budget. All sorts of repairs, from roads and highways to needed municipal buildings, to upgrading sewer facilities are being postponed until the new school bonds are fully in place and peaked out. I strongly urge the public to contact their legislators in Hartford and Washington and ask them to reduce the use of unfunded mandates on local governments. There is a limit to what town and city governments can cut. In many ways, we are creatures of the State and are limited by their requirements.

Mr. Sheehan made the following statement:

**Statement at Board of Finance Budget Hearing  
March 30, 2011  
Regarding FY2012 Proposed Budget**

Over the past month the Board of Finance has conducted seven hearings and managed to cut \$71,962 from the budget proposed by the Board of Selectmen. The small amount cut is a tribute to the hard work of the Departments, Boards, and Agencies that submitted well justified budgets and the review by the Board of Selectmen that reduced the proposed budget by \$150,511. This has led to a budget totaling \$74,339,334, an increase of 3.23% over the current year's budget. This increase, due to revenue losses, will lead to a tax increase of 4.46% from a mill rate of 18.04 to a mill rate of 18.85 unless there are further cuts tonight or when the Representative Town Meeting reviews the budget. This means the average \$188,000 assessed home will pay an additional \$152 in taxes next year.

My personal goal during these budget hearings was to get the tax increase down to 4.00%. Unfortunately for the taxpayer, I have not been successful in that endeavor. Reductions equivalent to a wage freeze for all general government employees was not supported by the BOF and those reductions to basic salaries were restored at Monday's BOF meeting. An effort to redesignate \$540,247 already designated but unused capital funds to the new projects is not within BOF powers. To keep the tax increase to 4.00% the BOF would have to cut an additional \$308,000 from the proposed budget. To match their shares in the total budget, it would mean an additional reduction of \$176,946 from the Board of Education Budget and \$131,054 from the General Government portion of the budget. The BOE is 57.45% of the budget and General Government, Capital, and Debt Service are 42.55% of the total budget.

I spread the General Government share among the six larger (by budget total) departments: Library, Police, Fire, Emergency Management, Recreation and Parks, and Public Works. The table below shows how devastating such cuts would be to those departments.

Department	Account	Name	Current	Reduction	New Total
Library	54160	Books	\$ 45,000	\$ 9,234	\$ 35,766
Emergency Management	52040	Svc Conts	\$ 40,128	\$ 7,638	\$ 32,490
Police	52030	Prof Fees	\$ 9,000	\$ 2,000	\$ 7,000
Police	52040	Svc Conts	\$ 78,292	\$ 31,254	\$ 47,038
Police	52300	Training	\$ 27,900	\$ 10,000	\$ 17,900
Fire Commission	52040	Svc Conts	\$ 23,311	\$ 10,258	\$ 13,053
Fire Commission	52050	Dues Conf	\$ 8,050	\$ 8,000	\$ 50
Rec& Parks	52380	Programs	\$ 79,000	\$ 11,705	\$ 67,295
Public Works	52470	Solid Wast Dis	\$ 1,117,638	\$ 40,965	\$ 1,076,673
				\$ 131,054	

The Police, Emergency Management and Fire Service would be the hardest hit in such an across the board cut. Necessary equipment maintenance contracts and repairs would have to be cancelled or deferred. The Library would have to reduce the

purchase of new books. Recreation and Parks would have to make significant reductions in programs. Public Works margin for error would be greatly reduced. After the cuts already made by the BOE, an additional \$176,946 would require additional layoffs of key personnel or reductions in needed programs for education.

The only way to really get control of the Town budget is to limit the increase in the salaries and benefits of Town Employees. As we heard on Monday, March 28, 2011, Salaries are 61.14% of the BOE budget and benefits are 18.56% of the BOE budget. Together, Salaries and Benefits are 79.7% of the BOE budget. Similarly, on the Town Side Salaries and Benefits total 73.46% of the budget. (Salaries are 48.03% of the budget and benefits are 25.43% of the budget). This is not meant to disrespect the hard working Town employees, especially in the emergency services and police department. With very few exceptions, they earn every penny the Town pays them. Regardless, I hope that future negotiations between the employee unions and the town and BOE reflect the obvious need for such limitations. Salaries are 86.56% of the Library budget, 83.18% of the Emergency Management budget, 87.16% of the Police budget, 80.94% of the Town Clerk Budget, 77.79% of Youth Services budget (not counting all of the grants obtained by the YSB), 75.42% of Recreation and Parks budget, 72.16% of the Senior Citizens budget and 46.51% of Public Works budget. Benefits do not impact individual departments on the Town side because benefits are lumped in the Insurance and Retirement Commission budgets.

MOTION To adjourn the Public Hearing at 7:03 pm.  
Peteros, Dupuis Unanimous

Mr. Fedor convened the Special Meeting at 7:04 pm.

MOTION To approve the Board of Selectmen budget in the amount of \$212,515 as designated by the series sub-totals.  
Sheehan, Vachris Unanimous

MOTION To approve the Registrars of Voters budget in the amount of \$54,996 as designated by the series sub-totals.  
Sheehan, Vachris Unanimous

MOTION To approve the Board of Finance budget in the amount of \$62,267 as designated by the series sub-totals.  
Sheehan, Vachris Unanimous

MOTION To approve the Assessor budget in the amount of \$283,519 as designated by the series sub-totals.  
Dupuis, Sheehan Unanimous

MOTION To approve the Board of Assessment Appeals budget in the amount of \$1,328 as designated by the series sub-totals.  
Dupuis, Vachris Unanimous

MOTION To approve the Tax Collector budget in the amount of \$190,675 as designated by the series sub-totals.  
Dupuis, Vachris Unanimous

MOTION To approve the Finance Department budget in the amount of \$816,647 as designated by the series sub-totals.  
Sheehan, Dupuis Unanimous

MOTION To approve the Legal Department budget in the amount of \$306,000 as designated by the series sub-total.  
Vachris, Dupuis Unanimous

MOTION To approve the Town Clerk budget in the amount of \$243,017 as designated by the series sub-totals.  
Sheehan, Dupuis Unanimous

- MOTION To approve the Planning and Zoning budget in the amount of \$521,547 as designated by the series sub-totals.  
Sheehan, Vachris Unanimous
- MOTION To approve the Building Maintenance budget in the amount of \$141,999 as designated by the series sub-totals.  
Sheehan, Vachris Unanimous
- MOTION To approve the Insurance budget in the amount of \$3,536,595 as designated by the series sub-totals.  
Dupuis, Sheehan Unanimous
- MOTION To approve the Economic Development budget in the amount of \$9,651 as designated by the series sub-totals.  
Vachris, Dupuis Yes: Dupuis, Peteros, Fedor, Wilensky, Vachris, Glidden  
Abstain: Sheehan  
Motion passed
- MOTION To approve the Conservation Commission budget in the amount of \$19,850 as designated by the series sub-totals.  
Sheehan, Dupuis Unanimous
- MOTION To approve the Zoning Board of Appeals budget in the amount of \$5,918 as designated by the series sub-totals.  
Sheehan, Dupuis Unanimous
- MOTION To approve the Retirement budget in the amount of \$3,912,149 as designated by the series sub-totals.  
Sheehan, Dupuis Yes: Sheehan, Dupuis, Peteros, Fedor, Glidden, Vachris  
No: Wilensky  
Motion passed
- MOTION To approve the Representative Town Meeting budget in the amount of \$18,099 as designated by the series sub-totals.  
Dupuis, Sheehan Unanimous
- MOTION To approve the Building Department budget in the amount of \$264,405 as designated by the series sub-totals.  
Sheehan, Vachris Unanimous
- MOTION Motion to approve the Social Service Grants/Miscellaneous budget in the amount of \$91,436 as designated by the series sub-totals.  
Sheehan, Dupuis
- MOTION To reduce the 58000 series to \$0.  
Vachris, no second Motion failed
- Discussion was held regarding low ridership as well as administrative expenses.
- MOTION To reduce LI 52644 S.E.A.T by \$5,000 to \$36,423.  
Fedor, Glidden Yes: Dupuis, Vachris, Wilensky, Fedor, Glidden  
No: Sheehan, Peteros  
Motion passed

MOTION To approve the 52000 series in the amount of \$67,336.  
Fedor, Glidden Yes: Dupuis, Vachris, Wilensky, Fedor, Glidden  
No: Sheehan, Peteros  
Motion passed

MOTION To approve The Miscellaneous Social Service Grants budget in the amount of \$86,436 as designated by the series sub-totals.  
Wilensky, Vachris Yes: Dupuis, Vachris, Wilensky, Fedor, Glidden  
No: Sheehan, Peteros  
Motion passed

MOTION To approve the Contingency budget in the amount of \$250,000 as designated by the sub-total.  
Vachris, Glidden Unanimous

MOTION To approve the Flood and Erosion Control Board budget in the amount of \$929 as designated by the series sub-totals.  
Sheehan, Vachris Unanimous

MOTION To approve the Harbor Management budget in the amount of \$1 as designated by the sub-total.  
Vachris, Sheehan Unanimous

MOTION To approve the Ethics Commission budget in the amount of \$873 as designated by the series sub-totals.  
Sheehan, Dupuis Unanimous

MOTION To approve the Human Resources Department budget in the amount of \$182,339 as designated by the series sub –totals.  
Sheehan, Vachris Unanimous

MOTION To approve the Emergency Management budget in the amount of \$867,477 as designated by the series sub-totals.  
Sheehan, Vachris Unanimous

MOTION To approve the Board of Fire Commissioners budget in the amount of \$2,073,495 as designated by the series sub-totals.  
Sheehan, Vachris Unanimous

MOTION To approve the Waterford Fire Engine Co. budget in the amount of \$101,000 as designated by the sub-total.  
Vachris, Glidden

Mr. Peteros noted that a door that was replaced a year ago was indeed commercial grade.

MOTION To reduce the Waterford Fire Engine Co. budget by \$1,500.  
Peteros, Sheehan Yes: Sheehan, Dupuis, Peteros, Fedor, Wilensky, Vachris  
No. Glidden  
Motion passed

**Vote: Final Total - \$99,500 Unanimous**

MOTION To approve the Quaker Hill Fire Company budget in the amount of \$92,881 as designated by the sub-total.  
Sheehan, Glidden

Chief Matthew Carson provided more back-up information regarding \$3,000 that was reduced May 16. Mr. Wilensky noted that this budget was essentially up.

- MOTION To restore \$2,000 to this budget.  
Vachris, Glidden Yes: Vachris, Glidden  
No: Dupuis, Sheehan, Peteros, Fedor, Wilensky,  
Motion failed  
**Vote: Final Total - \$92,881 Unanimous**
- MOTION To approve the Goshen Fire Department budget in the amount of \$78,781 as designated by the sub-total.  
Sheehan, Dupuis Unanimous
- MOTION To approve the Oswegatchie Fire Department budget in the amount of \$108,702 as designated by the sub-total.  
Vachris, Sheehan Unanimous
- MOTION To approve the Cohanzie Fire Company budget in the amount of \$100,159 as designated by the sub-total.  
Peteros, Dupuis Unanimous
- MOTION To approve the Police Department budget in the amount of \$4,912,252 as designated by the series sub-totals.  
Vachris, Dupuis Unanimous
- MOTION To approve the Public Works Department budget in the amount of \$4,652,322 as designated by the series sub-totals.  
Sheehan, Vachris Unanimous
- MOTION To approve the Utility Commission budget in the amount of \$1.  
Dupuis, Sheehan Unanimous
- MOTION To approve the Youth Services budget in the amount of \$199,032 as designated by the series sub-totals.  
Vachris, Sheehan Unanimous
- MOTION To approve the Conservation of Health budget in the amount of \$129,444 as designated by the series sub-totals.  
Dupuis, Vachris Unanimous
- MOTION To approve the Public Health Nursing Service budget in the amount of \$54,350 as designated by the sub-total.  
Sheehan, Dupuis Unanimous
- MOTION To approve the Senior Citizens Commission budget in the amount of \$514,979 as designated by the series sub-totals.  
Dupuis, Vachris Unanimous
- MOTION To approve the Waterford Public Library budget in the amount of \$1,048,703 as designated by the series sub-totals.  
Dupuis, Vachris Unanimous
- MOTION To approve the Recreation and Parks Commission budget in the amount of \$1,329,318 as designated by the series sub-totals.  
Vachris, Sheehan

Director Flaherty provided information regarding the purchase of an over-seeder and top dresser for continued maintenance. Mr. Glidden noted that this is good for the Summer Jobs for Minors program as well as helping to keep the cost of maintenance down.

MOTION To approve LI 51630 Summer Jobs for Minors in the amount of \$13,481 (increased by \$2,211)  
Glidden, Vachris Yes: Glidden, Vachris  
No: Dupuis, Sheehan, Peteros, Fedor, Wilensky,  
Motion failed

**Vote: Final Total \$1,329,318 Unanimous**

MOTION To approve the Community Use of Schools budget in the amount of \$283,346 as designated by  
the sub-total.  
Sheehan, Dupuis

Mr. Glidden felt that this should be in the Board of Education budget.

**Vote: Final Total of 283,346 Yes: Dupuis, Sheehan, Peteros, Fedor, Wilensky, Vachris  
No: Glidden  
Motion passed**

MOTION To approve the General Government budget in the amount of \$27,666,297.  
Sheehan, Vachris Unanimous

MOTION To approve the Board of Education budget in the amount of \$42,914,414.  
Sheehan, Wilensky

Discussion was held regarding cuts in foreign language, and Mr. Glidden noted that  
substantial money was returned to the General Fund in FY 2008/09 and 2009/10.

MOTION To reduce the Board of Education budget by \$166,000.  
Glidden, Vachris Yes: Glidden  
No: Dupuis, Sheehan, Peteros, Fedor, Wilensky, Vachris  
Motion failed

**Vote: Original Motion - \$42,914,414 Yes: Dupuis, Sheehan, Peteros, Fedor, Wilensky,  
Vachris  
No: Glidden  
Motion passed**

MOTION To approve Current Capital Improvement budget in the amount of \$1,136,000.  
Sheehan, Dupuis Unanimous

MOTION To approve Transfers to Capital and Non-recurring Expenditure Fund budget in the amount  
of \$570,247.  
Vachris, Wilensky Unanimous

MOTION To approve Debt Service budget in the amount of \$2,045,876.  
Sheehan, Dupuis Unanimous

MOTION To approve the Capital and Debt Service budgets in the amount of \$3,752.123.  
Sheehan, Dupuis Unanimous

MOTION To approve the total budget in the amount of \$74,332,834.  
Sheehan, Dupuis Yes: Dupuis, Sheehan, Peteros, Fedor, Wilensky, Vachris  
No: Glidden  
Motion passed

MOTION To adjourn at 8:04 pm.  
Sheehan, Dupuis Unanimous

Submitted by,

Alan Wilensky, Clerk

Prepared by,

Yvette M. Pier, Secretary

