

~CITY COUNCIL COMMITTEE REPORT~

General Government Two Budget Hearing

Wednesday, April 23, 2014

21-B-1

Chairman Warren Levy called the meeting to order at 6:30 p.m. on Wednesday, April 23, 2014, in the Caucus Room, 3rd Floor, Danbury City Hall, 155 Deer Hill Avenue. Present were Committee members Christopher Arconti, Joseph Cavo, Elmer Palma and Peter Nero.

Also present were Scott Ferguson, Tax Collector; Frank Gentile, Manager of IT; Charles Volpe, Purchasing; Virginia Werner, Director of Human Resources/Civil Service; Roger Palonzo, Mayor's Office; David St. Hilaire, Finance Director; Colleen Lahood, Tax Assessor; Lazlo Pinter, Deputy Corporation Counsel; Dan Garrick, Risk Manager; Dan Jowdy, City Treasurer.

Ex Officio Members: Jack Knapp, Benjamin Chianese, Colleen Stanley, Mike Haddad, Fred Visconti, Paul Rotello, Vinny Digilio.

Also present were members of the public.

Chairman Levy introduced everyone present at the meeting.

Chairman Levy opened up the meeting to Mr. St. Hilare who reviewed the line items as follows:

Director of Finance:

Mayor's proposal \$901,633. Main adjustment was 50% of the Assistant Finance Director's salary being allocated into Risk Management as a result of the significance of time dedicated to that position. Overall, increases reflect the general wage increases for union and non-union staff in addition to some adjustments related to historically in other areas of the budget.

Independent Audit:

Budget remains flat at \$40,000. The current year did require some additional audit work as a result of the new system and some FEMA related items which required additional time.

Retirement Administration:

Budget remains flat at \$20,000.

City Treasurer:

Mayor's proposal \$23,370.

Information Technology:

Mayor's proposal \$1,283,160. The proposal by the department is lower than the proposal by the Mayor because there is a conscious effort to charge some of the software that was historically charged to some other departments within the IT area. Any other increases are contractual relating to personnel and software, maintenance, etc. The restructuring of IT throughout the City's departments continues with many of the programs being live and currently utilized. More automation, going paperless and unifying all the City department's systems are major goals.

Assessor:

Mayor's proposal \$413,966. Some vacancies have been budgeted in anticipation of being filled later in the year.

Board of Assessment Appeal:

Mayor's proposal \$7,200. Pay is not based on an hourly basis, rather \$1,100 per person, per year under normal circumstances. This year, there is a month's extension, so there may be an increase.

Tax Collector:

Mayor's proposal \$642,584. Postage was increased. QDS system is in place and being utilized. It is a two-part phase-in. The first part was the property tax piece which has gone live. The second part is utility which will be implemented later in the year.

Purchasing:

Mayor's proposal \$258,471. Changes are due to contractual salary increases and lines that were not previously accounted for at the department level are now being accounted for. Budget stays steady from year-to-year.

Human Resources:

Mayor's proposal \$344,570. Professional Services has been broken out into three lines (Professional Services, Civil Service and Employment Testing). Additional funds added for part-time salaries to deal with change management that is being anticipated with regard to the Blum Shapiro project that will be implemented.

Labor Negotiations:

Mayor's proposal \$170,200. All the contracts will be reviewed at the end of next year.

FICA:

Mayor's proposal \$1,656,346. Budgeted on an actual basis.

Pension Expense:

Mayor's proposal \$10,325,000. Number is provided by the actuary. Annual required contribution.

Employee Service Benefit:

Mayor's proposal \$176,414.

Worker's Compensation:

Mayor's proposal \$760,600. There are approximately 15 emergency service employees currently collecting for heart and hypertension (any emergency service employees hired pre-1996 could apply depending on the situation).

State Unemployment Comp.:

Budget remained flat at \$65,000.

Employee Health & Life Ins.:

Mayor's proposal \$17,501,354. Approximately \$450,000 OPEB is now being funded 50% on an annual basis, if there is no funding in place, it reduces return assumption down to 4% from 7 ¼%. Other increases are associated with dental, health and number of participants.

Union Welfare:

Mayor's proposal \$1,660,000. Health insurance for teamsters.

Risk Management:

Mayor's proposal \$3,044,082. Increases due to cost of policies.

Interest on Debt:

Mayor's proposal \$4,510,000.

Interest On Debt—School:

Mayor's proposal \$1,260,000.

Redemption Of Debt:

Mayor's proposal \$8,259,000.

Redemption Of Debt—School:

Mayor's proposal \$2,321,000.

Contingency:

Budget being funded at \$475,000.

Other Financing/Uses:

Mayor's proposal \$300,000. Transfer to animal control fund. Increased in anticipation of major capital improvements and replacement of a vehicle.

Capital (formerly 9100):

Mayor's proposal \$5,250,000. Bulk of increase is due to road improvements due to harsh winter weather, replacement of highway equipment and funding of projects which David reviewed. He noted that the City is trying to move away from bonding. The desire is to pay as you go, some bonding and some leasing. The plan is to stabilize the bond refund which will be helpful in the future.

A motion was made by Councilman Cavo and seconded by Councilman Palma that the Committee recommends to the City Council that they accept the Mayor's proposed budget for General Government II as presented. The motion carried with one nay being Peter Nero.

A motion to adjourn was made by Councilman Cavo and seconded by Councilman Arconti. The motion carried unanimously at 8:35 p.m.

Respectfully submitted,

Warren Levy, Chairman

Christopher Arconti

Joseph Cavo

Elmer Palma

Peter Nero