

April 11, 2012

SPECIAL MEETING OF THE COMMON COUNCIL

APRIL 11, 2012

Mayor Timothy E. O'Brien called the Special Meeting of the Common Council to order at 6:44 p.m. on Wednesday, the 11th day of April 2012 in the Common Council Chambers, City Hall.

Twelve members were present at roll call: Ald. Trueworthy, Magnuszewski, DeFronzo, Sanchez, Collins, Black, Carlozzi, Hermanowski, Platosz, Brown, Pabon, and Giantonio.

Three members were absent: Ald. Centeno, Freeman and Bielinski.

Ald. Freeman arrived at 7:02 p.m.

The invocation was given by City Clerk, Peter J. Denuzze: O God, our Heavenly Father, bless and help this Common Council in making the proper decisions in this budget process. Give them strength of conviction and the sense of fairness and compassion where necessary. We ask this in Thy name. Amen

The City Clerk led the pledge to the flag.

Ald Trueworthy moved to waive the reading of the Mayor's Warrant, seconded by Ald. Collins. So voted.

MAYOR'S WARRANT

TO THE CLERK OF THE CITY OF NEW BRITAIN:

BY THE AUTHORITY OF THE STATE OF CONNECTICUT, YOU ARE HEREBY COMMANDED TO NOTIFY Suzanne Bielinski, Shirley A. Black, Rha-Sheen Brown, Carlo Carlozzi, Jr., Roy Centeno, Tonilynn Collins, David DeFronzo, J. Tobias Freeman, Jamie Giantonio, Lawrence J. Hermanowski, Eva Magnuszewski, Wilfredo Pabon, Adam Platosz, Emmanuel Sanchez, and Michael W. Trueworthy, Aldermen and Alderwomen of said city, that there will be a special meeting of the Common Council on Wednesday, April 11, 2012 at 6:30 p.m. in the Council Chambers, 27 West Main Street, City Hall, for the following purpose:

1. To accept a report from the Mayor's Office regarding the General Fund Budget for Fiscal Year 2012-2013.
2. To act upon a resolution regarding the General Fund Budget for Fiscal Year 2012-2013.
3. To accept a report from the Mayor's Office regarding the Special Revenue Funds and Enterprise Fund Budget for Fiscal Year 2012-2013.
4. To act upon a resolution regarding the Special Revenue Funds and Enterprise Fund budget for Fiscal Year 2012-2013.
5. To accept a report from the Mayor's Office regarding the Budget Appropriation for Capital Improvement Program 2012-2013 (LoCIP).
6. To act on a resolution regarding the Budget Appropriation for Capital Improvement Program 2012-2013 (LoCIP).

HEREOF FAIL NOT, but due service and return make according to law.
Dated at New Britain, this 5th day of April 2012.

Timothy E. O'Brien Jr., Mayor

April 11, 2012

The Council stood at ease while Mayor O'Brien recognized Cub Scout Pac 14 for winning a competition – they built a miniature racecar that is now on display in the Mayor's Office.

Ald. Trueworthy moved to suspend the rules in order to allow Mayor O'Brien to address the Council regarding his budget, seconded by Ald. Collins. So voted.

MAYOR O'BRIEN'S BUDGET ADDRESS

#31823 RE: MAYOR'S 2012 BUDGET MESSAGE

This is a rare and important time in our city's history. We are in a vital position of making decisions that have great gravity for the future of our city. We are working in the worst economy since the great depression, trying to bring our city out of a severe and dire situation, towards a brighter future.

Tonight, I am presenting you with a proposed budget that makes city government more efficient by consolidating 21 city departments to six, reduces our overdependence on one-shot revenues that cause long-term structural shortfalls, addresses an estimated \$30 million dollar structural deficit for next year, prioritizes our schools, protects public safety and doesn't raise property taxes.

We have been grappling with huge budget problems that complicate everything we have to do. Those budget problems have to be addressed to enable the city of New Britain to be in the position necessary to strengthen our economy, improve our neighborhoods and ensure public safety.

Although I did not create the problems we now must contend with, I am the mayor and it is ultimately my responsibility to fix them. The budget process now underway is perhaps the most important in our city's history - and I ask that you, as a member of the city council, take your role in this moment of history very seriously – just as I do.

Let me be clear - this is not a problem our good public employees created – but to put our heads in the sand and pretend the problem doesn't exist would only serve to make matters worse and short circuit the possibilities we have for a better future.

For a responsible future we need to have a balanced budget that is constructed in way that meets the needs of our residents without over relying on risky one-shot revenue to fund basic services or use budget gimmicks to conceal shortfalls. Simply put, we need to get on a sustainable track – our spending has, for too long, outpaced revenue – and failing to address this previously is what created a nearly \$30 million dollar structural deficit for next year. Failing to act boldly, or punting in hopes that someone else one day will fix this, will only amplify the awful consequences.

Yes, this is a budget that makes very tough decisions. Tough decisions are easy to talk about in the abstract but painfully hard to talk about once we get down to the specifics of what needs to be done.

In order to make city government better equipped to address the needs of the public for the future – modernize our public services as well as make our city government more efficient- ...we need to ensure that our city government is organized in a way that most effectively achieves this while reducing costs. That is why I am proposing that we consolidate the existing 21 city departments into six. The Mayor's office itself is being merged into a new department – and the merged department will be assuming greater responsibilities over economic development and city management.

We cannot continue to ask taxpayers to pay for an unsustainable structure of local government when we know there is a more efficient way to provide services. Change often is not easy – but the ramifications for inaction are too great. It is unfortunate that change often does not occur until it absolutely has to. Members of this council, members of the public, it is time. We have to change. For a brighter future for New Britain we must change course.

As I stated previously, we are in the worst economy since the great depression, and we know property taxes are an unfair, regressive form of taxation, one that I worked hard as a state legislator to reform. It is my priority that we not raise the property tax. I know that many of you share that priority. This budget has no property tax increase.

April 11, 2012

This budget also starts to address unfair burdens that have been placed on the homeowners of our city. Chiefly among those unfairness's, is the extra burden that homeowners have had to pay because of blighted buildings. This budget will start to recover from the owners of those blighted buildings what they are costing the taxpayers of our city.

Additionally, a very high percentage of police and fire calls in our city go to a disproportionately small group of properties and addresses in our community. And the rest of the people pay extra and bear the burden. It's unfair that there is a small group of properties generating more than their fair share of police and fire calls. This budget will recover from those "hotspots" the extra cost and place that extra cost on those properties.

How many times have you as elected officials heard your constituents express concerns about the length of response they get from police – to then find that the delay is because the police, who are working hard to do a good job, are stretched by being routinely dispatched to these hotspots.

These proposals seek to address unfairness' that homeowners have been subjected to and generates new revenue for the city without raising property taxes.

We have a lot of good people who work for our city and these workers did not cause the problems we now see. It makes be heartsick that they are paying the price for a problem they had no hand in creating –however we must pass a budget that is balanced and responsible and puts us on a sustainable path for a better future.

Our city needs us to be able to have a city government that is equipped to aggressively pursue economic development to grow jobs and meets the needs of the people. And our city needs to make sure that we are creating a priority for education – the future of New Britain – and provides strong public safety. These are priorities that are important to the future of our city and it's important that our budget priorities match these priorities. That is why I proposed the first real increase in local education funds in years.

There's much in this proposal I am not excited about and I'm sure you feel the same. We must separate however the things we want to do with the things we must do. We cannot continue to go down the same path – it would be irresponsible. This proposal before you makes city government more efficient, reduces costs, holds the line on property taxes, provides for our schools and addresses our enormous structural deficit for the next fiscal year.

We must now work together. I am an optimist – the solutions won't always be easy but I know that we are up to the task and I know that New Britain has a bright future ahead.

Ald. Trueworthy moved the Council return to regular order, seconded by Ald. Collins. So voted.

REPORT OF THE MAYOR'S OFFICE

31819 RE: MAYOR'S PROPOSED GENERAL FUND BUDGET FOR FISCAL YEAR 2012-2013

To the Common Council of the City of New Britain: the undersigned beg leave to report the following:

WHEREAS, The Mayor's Proposed Budget estimates that the listed expenditures of \$226,916,863 seem necessary for the fiscal year commencing July 1, 2012 – June 30, 2013 and also estimates that the following listed income from sources other than taxation will be available to meet such expenditures, a tax of 36.63 mills, estimating a collection rate of 95.88%, on the Grand List of October 1, 2011 will be necessary, now therefore be it

RESOLVED; That the Mayor recommends to the Common Council of the City of New Britain that the following listed expenditures, income and tax rate be adopted by the Common Council of the City of New Britain for the fiscal year ending June 30, 2013 along with the detail budget accounts totaling \$226,916,863 as listed below.

April 11, 2012

Recommended Expenditure Budget for Fiscal Year 2012-2013
Appropriations

Account Description	Budget
Economic & Policy Development	\$ 1,213,451
Legal Services	\$ 1,984,368
Financial Administration	\$ 57,026,447
Public Safety – Police	\$ 13,468,322
Public Safety – Fire	\$ 11,681,855
Public Safety – Telecommunications	\$ 1,565,397
Public Works	\$ 16,579,813
Community Services	\$ 3,052,913
Education	\$120,219,633
Common Council	<u>\$ 124,664</u>
TOTAL	\$226,916,863

Estimated Revenue

Account Description	Budget
Economic & Policy Development	\$ 717,200
Legal Services	\$ 1,192,082
Financial Administration	\$ 214,852,574
Public Safety	\$ 1,073,050
Public Works	\$ 8,363,922
Community Services	\$ 692,035
Education	\$ 26,000
Common Council	<u>\$ 0</u>
TOTAL	\$226,916,863

Mayor Timothy E. O'Brien Jr.

Ald. Trueworthy moved to accept, seconded by Ald. Collins. So voted. Approved by Mayor Timothy O'Brien Jr. the 13th day of April 2012.

RESOLUTION

31819-1 RE: MAYOR'S PROPOSED GENERAL FUND BUDGET FOR FISCAL YEAR 2012-2013

To His Honor, the Mayor, and the Common Council of the City of New Britain: the undersigned beg leave to recommend the adoption of the following:

RESOLVED, the "Mayor's Proposed Budget" of the City of New Britain, upon recommendation of the Board of Finance and Taxation, the attached estimates of revenue and expenditures, as amended by the Mayor, with all the supporting data be the same as hereby made, and for the purpose of meeting said appropriation, a tax of 36.63 mills on the dollar be computed on the basis of a collection rate of 95.88% and the same is hereby laid on the Grand List of October 1, 2011 on all ratable estates and property within the limits of the City of New Britain liable to taxation, and be it further,

RESOLVED, that all City taxes for the fiscal year ending June 30, 2013 excluding motor vehicle and personal property which shall be paid in full on the first day of July 2012 and real property taxes shall be due and payable in equal semi-annual installments on the first day of July 2012 and the first day of January 2013 except that any tax of less than two hundred dollars shall be due and payable in full on the first day of July 2012.

If any installments of such tax shall not be paid on or before the first business day of the month next succeeding that in which it shall be due and payable, such installment shall immediately become delinquent and shall be subject to interest at the rate and manner provided in the general statutes. Any taxpayer may pay the total amount of any such tax at the time when the first installment shall be payable

April 11, 2012

and nothing herein shall preclude the payment of the January 1, 2013 installment prior to said first due date.

Alderman Michael Trueworthy
Mayor Pro-Tempore

(Attachments are on file in the Town Clerk's Office)

Ald. Trueworthy moved to accept and refer to the Committee on Administration, Finance and Law, the Committee on Planning, Zoning and Housing and the Consolidated Committee, seconded by Ald. Collins. So voted. Approved by Mayor Timothy O'Brien Jr. the 13th day of April 2012.

REPORT OF THE MAYOR'S OFFICE

31820 RE: MAYOR'S PROPOSED SPECIAL REVENUE FUNDS AND ENTERPRISE FUND BUDGET FOR FISCAL YEAR 2012-2013

To the Common Council of the City of New Britain: the undersigned beg leave to report the following:

Resolved, That the Mayor recommends to the Common Council of the City of New Britain the proposed Special Revenue Funds and the Enterprise Fund for Fiscal Year 2012-2013, be accepted and adopted as follows:

Mayor's Proposed Special Revenue Fund Budget

Stanley Golf Course Operating Fund #201	\$ 2,055,551
Cemetery Operating Fund #204	529,701
Dog Fund #205	158,297
Sewer Operating Fund #208	7,958,461
Donations Account #283	330,000
Medical Self Insurance Fund #702	31,052,133
W/C Self Insurance Fund #703	2,703,673
Liability Insurance Fund #704	174,750

Mayor's Proposed Enterprise Fund Budget Water Department

2012-2013 Fiscal Year Budget – Projected Estimated Expenses	
Debt Service – Principal (Long Term Debt)	\$ 1,834,149
Debt Service – Interest (Long Term Debt)	474,478
Accounts Payable	4,591,089
Taxes Payable	375,000
Payrolls and Benefits Payable	0
Transfer to General Fund – Piping	1,000,000
Transfer to General Fund – Payroll & Benefits	5,662,433
TOTAL Expenses	\$13,937,149

Projected Estimated Income

Computer Accounts	\$ 9,000,000
Monthly Accounts	40,000
Berlin Water & Sewer Commission	600,000
Kensington Fire District	750,000
Bristol Water	275,000
Patton Brook Well Lease	106,924
Fire Protection Charges	140,000
Accounts Receivable (Reimbursed Charges)	130,000
Interest & Penalties Received	476,000
Out of Town Hydrant Charge	40,000
Gravel Sale – O&G Industries	5,000
Public Works Admin Payment	170,800
Interest Earned on Investments	30,000
Miscellaneous Revenue	50,000

April 11, 2012

Transfer from Fund Balance	<u>2,123,425</u>
TOTAL Income	13,937,149

This budget includes no general increase in water rates.
 Proposed Water Rate Structure – 2012-2013
 Semi Annual

First	2,300,000 cubic ft @ \$27.82 per 1,000 cubic feet
Next	2,300,000 cubic ft @ 24.73 per 1,000 cubic feet
Over	4,600,000 cubic ft @ 19.91 per 1,000 cubic feet

Present Water Rate Structure – 2011-2012
 Semi Annual

First	2,300,000 cubic feet @ \$27.82 per 1,000 cubic feet
Next	2,300,000 cubic feet @ \$24.73 per 1,000 cubic feet
Over	4,600,000 cubic feet @ \$19.91 per 1,000 cubic feet

Administrative Charge – Extra capacity Charge: For each semi annual billing, in addition to charges for water use, there shall be a fixed charge rendered based on the size of the meter in use:

<u>Size of Meter</u>	<u>Charge</u>	<u>Size of Meter</u>	<u>Charge</u>
5/8" x 3/4"	\$ 24.00	3"	\$ 386.00
3/4"	35.00	4"	652.00
1"	74.00	6"	1,276.00
1-1/2"	142.00	8"	2,552.00
2"	210.00		

Out of Town Retail Rates:	Same rates as above plus a seventy percent (70%) surcharge.
Out of Town Hydrant Charge:	\$350.00
Use of Water from any Hydrant:	\$350.00 January 1st to June 30th \$350.00 July 1st to December 31st

If estimate of water use is more than 5,000 cubic feet for the 6 month period, a meter might be required and, if so, the charge for water from the hydrant will be based on our rates with the \$350 being the minimum paid in advance. No use of a hydrant will be allowed for lawn and garden watering.

Peak Use Surcharge: Applies to all metered services which use equal to or more than 350,000 cubic feet for the four month meter reading cycle period from May 20 to September 20. When the daily average water use for the period of May 20 and September 20 total 3,000 cubic feet or greater, the average daily water use shall be compared to the previous average daily water use for the water reading cycle period of October 20th to February 20th.

If water use for May 20 to September 20th divided by water use for October 20th to February 20th equals 2.00 to 2.75, a 50% surcharge in the water charges shall be applied. If the ratio is from 2.76 to 3.50, a 60% surcharge in the water charges shall be applied. If the ratio is from 3.51 to 4.25, a 70% surcharge shall be applied to the water charge. If the ratio is from 4.26 to 5.00, an 80% surcharge shall be applied to the water charges and if the ratio is 5.01 to 6.00, a 90% surcharge shall be applied to the water charges. If the ratio is 6.01 or higher, a 100% surcharge shall be applied to the water charge. The water charge in effect at the time of the water billing shall determine the final surcharge bill. The May 20 and September 20 dates may be revised by a few days either way to provide for a meter reading during the regular work week.

Private Fire Protection Charges:

Under 4 inch service line	\$ 59.00
4 inch service line	127.00
6 inch service line	201.00
8 inch service line	289.00

April 11, 2012

10 inch service line	403.00
Over 10 inch service line	516.00

Mayor Timothy E. O'Brien Jr.

Ald. Trueworthy moved to accept, seconded by Ald. Collins. So voted. Approved by Mayor Timothy O'Brien Jr. the 13th day of April 2012.

RESOLUTION

31820-1 RE: MAYOR'S PROPOSED SPECIAL REVENUE FUNDS AND ENTERPRISE FUND BUDGET FOR FISCAL YEAR 2012-2013

To His Honor, the Mayor, and the Common Council of the City of New Britain: the undersigned beg leave to recommend the adoption of the following:

RESOLVED, The "Mayor's Proposed Budget" of the City of New Britain, upon recommendation of the Board of Finance and Taxation, as amended by the Mayor, estimates that the attached listing of income and expenditures for each Special Revenue and Enterprise Fund, be adopted for the Fiscal Year 2012-2013 as follows:

Special Revenue Funds

Stanley Golf Course Operating Fund #201	\$ 2,055,551
Cemetery Operating Fund #204	529,701
Dog Fund #205	158,297
Sewer Operating Fund #208	7,958,461
Donations Account #283	330,000
Medical Self Insurance Fund #702	31,052,133
W/C Self Insurance Fund #703	2,703,673
Liability Insurance Fund #704	174,750

Enterprise Funds

Water Department	\$13,937,149
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Alderman Michael Trueworthy
Mayor Pro-Tempore

Ald. Trueworthy moved to accept and refer to the Committee on Administration, Finance and Law, the Committee on Planning, Zoning and Housing and the Consolidated Committee, seconded by Ald. Collins. So voted. Approved by Mayor Timothy O'Brien Jr. the 13th day of April 2012.

REPORT OF THE MAYOR'S OFFICE

31821 RE: MAYOR'S PROPOSED CAPITAL IMPROVEMENT PROGRAM BUDGET FOR FISCAL YEAR 2012-2013

To the Common Council of the City of New Britain: the undersigned beg leave to report the following:

Article XI of the Charter of the City of New Britain requires the Mayor to present to the Common Council a "Mayor's Proposed Capital Projects Budget". The Capital Projects Budget includes a listing of all proposed capital projects for a six (6) year period with a general description, location and an estimated cost for each proposed activity.

April 11, 2012

Public Act 87-584, Section 11-44, has created a program referred to as the "Local Capital Improvement Fund" (LOCIP) to provide assistance to Connecticut municipalities for capital activities. For the fiscal year 2012-2013, the State of Connecticut allocated \$931,158 of new monies to New Britain.

The Mayor evaluated the needs of city departments and identified specific projects for funding through the Local Capital Improvement Program Entitlement XXV. Individual grant applications to the State of Connecticut for approval by the Secretary of the Office of Policy and Management is proposed for the projects listed below:

Project:	Budget:
Public Works	
Sidewalk Improvement	200,000
Street Rehabilitation Project	731,158
	\$ 931,158

These projects can be found in the CIP booklet, which provides a detailed listing of projects for the 2013-2017 Capital Improvements Program. Incorporated in that booklet are the estimated expenditures and the possible funding source(s) by each project. These projects have been evaluated as to need by the appropriate City departments and recommended by the Board of Finance and Taxation and the Mayor. The adoption of the project listing by the Board of Finance is the first step in the approval process of the City's Capital Projects Budget Process located in the City's Charter, Article 11-2(b)(1).

Mayor Timothy E. O'Brien Jr.

Ald. Trueworthy moved to accept, seconded by Ald. Collins. So voted. Approved by Mayor Timothy O'Brien Jr. the 13th day of April 2012.

Ald. Freeman arrived.

RESOLUTION

31821-1 RE: MAYOR'S PROPOSED CAPITAL IMPROVEMENT PROGRAM BUDGET FOR FISCAL YEAR 2012-2013

To His Honor, the Mayor, and the Common Council of the City of New Britain: the undersigned beg leave to recommend the adoption of the following:

Article XI of the Charter of the City of New Britain requires the Mayor to present to the Common Council a "Mayor's Proposed Capital Projects Budget". The Capital Projects Budget includes a listing of all proposed capital projects for a six (6) year period with a general description, location and an estimated cost for each proposed activity.

Public Act 87-584, Section 11-44, has created a program referred to as the "Local Capital Improvement Fund" (LOCIP) to provide assistance to Connecticut municipalities for capital activities. For the fiscal year 2012-2013, the State of Connecticut has allocated \$931,158 of new monies to New Britain.

The Mayor evaluated the needs of city departments and identified specific projects for funding through the LOCIP program Entitlement XXV. Individual grant applications to the State of Connecticut for approval by the Secretary of the Office of Policy and Management are proposed for the following projects:

Project:	Budget:
Public Works	
Sidewalk Improvement	200,000
Street Rehabilitation Project	731,158
	\$ 931,158

April 11, 2012

THEREFORE BE IT, RESOLVED that Timothy E. O'Brien Jr., Mayor of the City of New Britain, be authorized to execute all grant documents with the State on behalf of the City for the projects identified herein, and BE IT FURTHER,

RESOLVED, that the sum of \$931,158 be appropriated within the Special Revenue fund, LOCIP Fund #213, for the projects specified with the individual expenditure and revenue accounts established for LOCIP Entitlement XXV grant proceeds.

Alderman Michael Trueworthy
Mayor Pro-Tempore

Ald. Trueworthy moved to accept and refer to the Committee on Administration, Finance and Law, the Committee on Planning, Zoning and Housing and the Consolidated Committee, seconded by Ald. Collins. So voted. Approved by Mayor Timothy O'Brien Jr. the 13th day of April 2012.

There being no further business to come before the Council, Ald. Trueworthy moved to adjourn, seconded by Ald. Collins. So voted. Meeting adjourned at 7:03 p.m.

ATTEST: Peter J. Denuzze, City Clerk