

The sixth budget workshop was held on Wednesday, April 30, 1986, called to order by Chairman Gessert at 7:23 p.m. Present were Council Members Bergamini, Gessert, Gouveia, Holmes, Killen, Papale, Polanski and Rys.

Mr. Myers said net cuts of \$137,085 were made through April 29 and he presented documentation detailing the prices of fuel, from July, 1985 to April of 1986 when the prices went down. Mr. Myers wanted his workpaper part of the minutes when the position for the Clerk Typist in Central Service was voted so that it is clear that no additional positions are being authorized. Mr. Myers also had his analysis of the General Fund position and at some point he would like the Council to review the points addressed in the cover letter because he feels that this is the most critical part of the budget.

Mr. Gessert mentioned that he received a letter from the Police Department since their budget workshop was heard and he also received a letter from John Costello detailing an update of projects which was requested during his budget workshop.

WORK STUDY PROGRAM - 154 - PAGE 46.

Mr. Rys moved acceptance of WORK STUDY PROGRAM - 154 - PAGE 46, seconded by Mrs. Bergamini for discussion.

Mr. Gessert asked why \$1,000 was appropriated and -0- spent and Mr. Roe explained that this is a summertime program and there was no work study school this past summer. Mrs. Collins was budgeting for a person this summer to do a specific project and Mr. Myers explained that he would like an intern to work on pension contributions by employee for the actuarial study. Interest due will be calculated for each employee on their contributions paid in from date of hire and each employee contributes 5% of their pay and this information is not on a computer. Mr. Killen felt that this information should be provided by the actuary. Mr. Myers said that by Charter, the Treasurer is in charge of the pension funds but that his office performs some of the accounting of the pension. Mr. Roe pointed out that line 650 will require an additional \$1,000 for the accounting intern for Mrs. Collins and this amount was originally in Mrs. Collins budget but was removed because he intended to get a college accounting intern for her.

Mrs. Bergamini moved to increase line 650 College Program to \$2,000, seconded by Mr. Rys.

VOTE: Unanimous ayes (Diana absent); motion duly carried.

Mr. Gessert would like Mr. Segal to present a report to the Council.

Mr. Killen moved acceptance of WORK STUDY PROGRAM - 154 - PAGE 46, as amended, seconded by Mr. Gouveia.

VOTE: Unanimous ayes (Diana absent); motion duly carried.

Mr. Rys moved acceptance of WORK STUDY PROGRAM - 154 - PAGE 154, seconded by Mrs. Bergamini.

Mr. Roe said the personnel number should be changed from 4 to 5, with no change in the dollars.

Mr. Holmes moved to increase the number of personnel from 4 to 5, seconded by Mr. Rys.

VOTE: Unanimous ayes (Diana absent); motion duly carried.

Mr. Holmes moved acceptance of WORK STUDY PROGRAM - 154 - PAGE 154, as amended, seconded by Mr. Rys.

VOTE: Unanimous ayes (Diana absent); motion duly carried. 296

Mr. Gessert asked Mr. Killen to remind him to request information from various department heads, etc. two weeks before the budget process began to allow the Council time to read the information.

Mr. Rys moved acceptance of DEVELOPMENT COMMISSION - 703 - PAGE 110, seconded by Mrs. Bergamini for discussion.

Mr. Gessert asked how many employees were at the new Yale Steel plant and Mr. Roe felt probably under 100, in production for a year and they have been cleaning up a mess and, as a sideline, they are also producing nails.

Mr. Rys questioned line 408 Postage and said there is \$900 left from 1985-86 and Mr. Roe said the Development Commission reimburses Mr. Dunleavy for postage expenses. \$750 was proposed this year because a new prospectus will be available in June and a targeted mailing will be done.

Mr. Rys questioned line 602 Promotional Expense and Mr. Roe pointed out that the handout Mr. DiNoia gave the Council was the original July 1 budget and the Mayor was looking at an amended budget because the Judd Capability Study got incorporated into the EDC budget and \$1,000 from EDC came from that promotional expense line item. For this fiscal year, promotional expense is at \$7,500 and the Mayor thought he was working with \$5,500 and that is why he only recommended \$6,000 and the Mayor is comfortable with a higher line item amount when this was pointed out to him.

Mrs. Bergamini felt that this is one year Wallingford does not need to be promoted since there is no more room for cars or any more development, 11 office buildings on Route 68 and she will not fund this. Mr. Holmes asked about the status of the video-tape and Mr. Roe said it's complete but another voice dubover is being considered. Mr. Roe explained that advertising is done in national magazines on a semi-monthly basis and that is what the \$6,000 is for. Mr. Killen felt that there is an EDC to answer questions and Wallingford is as well known as he cares to have it be.

Mrs. Bergamini moved to eliminate \$6,000 from Line 602 Promotional Expense, Page 110, seconded by Mr. Killen.

VOTE: Unanimous ayes (Diana absent) with the exception of Messrs. Holmes and Polanski who voted no; motion duly carried.

Mrs. Bergamini moved acceptance of DEVELOPMENT COMMISSION - 703 - PAGE 110, as amended, seconded by Mr. Killen.

VOTE: Unanimous ayes (Diana absent) with the exception of Messrs. Holmes and Polanski who voted no; motion duly carried.

Mr. DiNoia said that he has been on the Economic Development Commission for 17 years and without national advertising on a continuity basis will be the saddest thing you can do because this way, a chance is had to look at the businesses coming in and problem industries can be discouraged. Mrs. Bergamini felt that you can't stop anyone and she has attended enough P & Z meetings to know this. Mr. Roe said that property can be taken off the market. Mrs. Bergamini said that new industry requires an increase in services, roads, etc. and Mr. Roe thinks you need to look a little deeper and realize that it's the residential development that adds costs to the community and you lose money on housing. Mr. Roe suggested than an analysis can be done to determine if the growth in the industrial sector has been representative in terms of that pie and he doesn't think it has. Mrs. Bergamini feels there has been considerable industrial growth and Mr. DiNoia commented that the industry coming in right now realizes the situation regarding the Sewer Treatment Plant and they will not be on line until the sewer plant is. Mr. DiNoia pointed out that if you don't have industrial growth along with the housing growth, who will offset those costs? It will come out of the taxpayers pocket.

Mr. Gouveia felt that some are willing to stand up and say

Wallingford has had enough growth and feels that we should stop for a while. Mr. Roe shares these same concerns and finds it difficult to advocate for that particular line item but on the other hand, he feels there is a minimal benefit and he is disinclined to not want to continue in one particular journal in which there has been a great deal of success and the cost of that ad is around \$1,200. 297

Mr. Killen felt that the town has not had the type of orderly growth that a town looks for. People have come in and told us what they are going to do, regardless of our rules and regulations. Read the Planning & Zoning minutes. From the beginning with FIP, the feeling has been get industry in at any price and that price has been paid, Mr. Killen stated. Mr. Gessert felt that the biggest mistake made was to pour a fortune into North Plains Industrial Road for heavy industry and there are several trucking terminals which generate very few tax dollars.

Mr. Holmes felt that if the Council doesn't want the EDC to do any work enticing industry, then you might just as well wipe them out since their primary action is advertising. Mr. Holmes would like to see documentation of industry development vs. residential development. Mr. Gessert said that the former Mayor always pointed out how many tax dollars were generated by industry but he never pointed out the costs of the roads, sewers, bonds, etc. which cost the town money.

Mr. Polanski asked if EDC had any records pertaining to say a company approached EDC in 1980 and decided to move to Wallingford in 1985 and Mr. Roe said it is very difficult to track that. Mr. Polanski asked because he felt that not all moves would be immediate but scheduled for the future. Mr. Gessert would entertain a motion to restore \$1,200 for advertising in the national publication.

Mr. Holmes moved to restore \$1,200 to line 602 Promotional Expense, Development Commission - 703 - Page 110, seconded by Mr. Polanski.

Mr. Killen felt that the State of Connecticut has a Development Commission who is contacted by various companies and then these companies could contact Wallingford's EDC to ask what Wallingford has and he prefers people coming to Wallingford.

VOTE: Unanimous ayes (Diana absent) with the exception of Bergamini, Gouveia and Killen who voted no; motion duly carried.

Mr. Polanski moved acceptance of DEVELOPMENT COMMISSION - 703 - PAGE 110, as amended, seconded by Mr. Holmes.

VOTE: Unanimous ayes (Diana absent) with the exception of Mrs. Bergamini who voted no; motion duly carried.

Mr. Roe pointed out that the EDC got involved in trying to look at ways that the commission can assist local businesses who are already here and if some ideas develop over the next year, he hopes the Council would have EDC come before them to follow up on that. There have been 2 seminars which were sellouts and Mr. Roe thinks they probably will be doing more of that. Mr. Gessert felt that the Council would rather invest in a local company and help local people.

Mr. Rys moved acceptance of DEVELOPMENT COMMISSION - 703 - PAGE 179, seconded by Mrs. Bergamini.

VOTE: Unanimous ayes (Diana absent); motion duly carried.

Mr. Roe mentioned he will be going to a one day seminar on fiscal impact fees to look at how development fees might be handled. One of the issues that was raised was the statutory structure in Connecticut and how that might be able to be implemented.

HOUSING CODE PROGRAM BUDGET - PAGE 26.

Mr. Killen asked if there were comparisons and Mr. Myers said to look in March, under Revenue Sharing.

Mr. Holmes moved acceptance of HOUSING CODE PROGRAM BUDGET -
PAGE 26, seconded by Mrs. Bergamini.

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Mr. Holmes asked about a bill the House passed to revive Revenue Sharing and Mr. Roe said it hasn't been on any floor that was in Committee.

Mr. Polanski indicated that right now this entire budget comes out of Revenue Sharing and when that drops, Wallingford will pick up \$24,000 in its budget. Mr. Roe felt that the issue was bigger than that and the next fiscal year (1987-88) we are going to have to deal with the 4 full time positions that have been funded through General Revenue Sharing and the 4 or 5 part time positions, secretarial. Mr. Myers pointed out that the costs are on page 26, 27 and 28 and they amount to about \$170,000. Mr. Roe began looking at that this year because of the indication that President Regan's budget was going to include the cutting of the fourth quarter payment but that is not going to be the case and the fourth payment will be made.

Mr. Polanski pointed out that if Revenue Sharing is gone next year, the cost will be \$675,000 and Mr. Myers said that is right, you will be looking at \$655,000 added to the mill rate. Mr. Polanski said that this alone will amount to one mill.

Mr. Killen questioned the telephone account which shows -0- expenditure through 9 months and Mr. Roe's impression is that Tom is utilizing the phones in the Building Department and he pays for toll calls attributable to the Housing Code Program. The \$600 would provide for his own phone for the next fiscal year since he has always been typing up Carmen's phone. Mr. Killen was opposed to this and Mr. Gessert felt that to have someone sit around waiting to use a phone is really not good productivity.

Mr. Killen questioned Insurance and Mr. Roe explained that when the budget was developed for 1985-86, an employee was not on board and if that employee was a married employee, the insurance costs would be approximately \$2,800 or \$2,900 and the person happens to be single and only \$1,440 is budgeted for next year but if this person gets married, Mr. Roe will be back for more money.

VOTE: Unanimous ayes (Diana absent) with the exception of Mr. Killen who was not present for the vote; motion duly carried.

YOUTH SERVICE BUREAU BUDGET - PAGE 27.

Mrs. Barracato-Camire presented the Council with a breakdown of her budget. Mr. Myers explained that this budget is a very complicated piece of accounting and the funds for Youth Service Bureau come from State Grants, Revenue Sharing which is called a Town Match. Every month in the Council's financial statement packet, two reports are included and one shows how much came in on the State Grant and what from Revenue Sharing was transferred over to support the Youth Service Budget Program. The total operations to the Youth Service Bureau is about \$85,953.

Mr. Polanski moved acceptance of YOUTH SERVICE BUREAU BUDGET - PAGE 27, seconded by Mrs. Bergamini.

VOTE: Unanimous ayes (Diana absent) with the exception of Mr. Killen who was not present for the vote and Mr. Rys who passed; motion duly carried.

Mrs. Papale asked about the amount given to Battered Women and Marty said that a specific amount of money is decided upon and the Funding Committee of the Board for Youth then decide upon the appropriations to each agency, based on what their needs are and last year they received \$3,600.

Mrs. Bergamini moved FOOD PROGRAMS - PAGE 27, for discussion, seconded by Mr. Gouveia.

Mr. Roe said that he and the Mayor agreed on a reduction to \$15,000 for Elderly Nutrition--this is a grant program and it is not known if the town will receive the Social Services Block Grant and \$12,000 was received this year which will run through 9/30/86.

Mrs. Bergamini moved to reduce Elderly Nutrition/FOOD PROGRAMS/ PAGE 27, by \$3,000, for a new total of \$15,000, seconded by Mr. Rys. 299

VOTE: Unanimous ayes (Diana absent); motion duly carried.

Mrs. Bergamini moved FOOD PROGRAMS - PAGE 27, as amended, seconded by Mr. Rys.

VOTE: Unanimous ayes (Diana absent); motion duly carried.

PROGRAM PLANNER - PAGE 27 AND 27A.

Mr. Gessert asked if Mr. Roe had a part-time Planner and he said this is Phil Hamel.

Mrs. Bergamini moved acceptance of PROGRAM PLANNER - PAGE 27 & 27A, seconded by Mr. Rys.

VOTE: Unanimous ayes (Diana absent); motion duly carried.

Mr. Myers asked for a motion to take the \$3,000 from Elderly Nutrition/Food Programs/Page 27 which was reduced and increase the Street Lighting under appropriation categories and this will transfer over to the General Fund against the tax rate.

Mrs. Bergamini moved to increase appropriation category Street Lighting in the Revenue Sharing Trust Fund Budget \$470,067 to \$473,067, seconded by Mr. Rys.

VOTE: Unanimous ayes (Diana absent); motion duly carried.

Mrs. Bergamini moved acceptance of ENERGY CONSERVATION BUDGET - PAGE 26, seconded by Mr. Rys.

Mr. Roe said this has primarily focused on the Railroad Station, doing energy related work there and also at Simpson School.

VOTE: Unanimous ayes (Diana absent); motion duly carried.

PROGRAM AUDIT - PAGE 27.

Mr. Gessert asked why the cost of the audit changed and Mr. Roe explained that Levitsky & Berney is charging more and Mr. Killen pointed out that there was no figure for an audit in 1984. Mr. Myers explained that this audit was done every other year and it has now been changed to every year and the \$1,750 encompasses 5 or 6 audits which are compliance audits which are required under the various programs such as Social Services Block Grant, Meals on Wheels, SCOW, Summer Work Experience Program. Mr. Killen asked if the same scope of audit was being done in 1985 and Mr. Myers indicated it was but in some cases, the other grant funds were reduced and the cost of the audit had to be picked up someplace or cut service in the grant. At one point, continued Mr. Myers, funds were under each grant program. Mr. Killen feels that the federal government had the town addicted to the grant money and the town can live without it.

Mrs. Bergamini moved acceptance of PROGRAM AUDIT - PAGE 27, seconded by Mr. Rys.

VOTE: Unanimous ayes (Diana absent) with the exception of Mr. Gouveia who was not present for the vote and Mr. Killen who voted no; motion duly carried.

CAPITAL AND NON-RECURRING FUND YEAR ENDED JUNE 30, 1987 - PAGE 21.

Mr. Costello was present for discussion of the PROPOSED SIX YEAR CAPITAL BUDGET which appears on the page before page 1 of the budget book but Mr. Killen pointed out that there has to be a public hearing and Mr. Myers must get all the paperwork and ordinances together for this and he hopefully will have it in place by July 1 and he was glad the Council reminded him.

Mr. Polanski questioned why this is always \$800,000 and asked where this figure came from. Mr. Costello indicated that the figure comes from Mr. Myers and Mr. Myers explained that the

\$800,000 is based on the contribution that the town received from the Electric Division plus a contribution of tax dollars to pay existing bonds, interest on bonds, notes, interest on notes, plus provide financing for the new projects that are coming on board. Mr. Killen said that originally it was supposed to have an effect of only one-half mill on the tax rate, according to the original ordinance but things got a little out of hand and that's why it's up to \$800,000.

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Mr. Gessert asked Mr. Costello what his anticipation was as far as completion of these projects within the fiscal year coming up. Mr. Costello said that Ward Street is a project being managed by the state as is the Toelles Road railroad crossing is and they have indicated that they would like to see some construction begin this summer. Mr. Killen asked what the scope of Ward Street was and Mr. Costello said it is new crossing material at the tracks, between the rails, a hard rubber surface which gives a very smooth ride across the tracks. The restoration of the sidewalks which got buried as the tracks were raised over the years and new traffic signals at Ward and Route 5 will also be part of the project.

Mr. Costello said the town only pays 10% of the total construction costs. The Public Works Department installed drainage on Hall Road some time ago and the paving will be done by a private contractor. On Beaumont Road, the drainage is in place. Mr. Gessert asked why the town is limited to Tilcon-Tomasso and Mr. Costello said they are the low bidder for the state and offer the same price to local municipalities and using someone else always costs more. Mr. Costello pointed out that they are trying to get Beaumont Road extended out to Route 5 but the problem is there are utility poles and they are reluctant to relocate those SNETCo. poles. Mr. Gessert asked about North Plains from North Colony to Partridge and Mr. Costello said that as far as Circle Drive, the drainage was put in a couple of years ago and North Lane begins on Route 5, runs in and makes a sharp left turn up the hill to the new subdivision called Partridge Road and Circle Drive is a horseshoe off to the east from there. Mr. Gessert asked if 90 degree weather is necessary for paving and Mr. Costello said that although that's the best time to pave, there is no reason to wait. Mrs. Bergamini asked if the water problem was alleviated and Mr. Costello said Circle Drive doesn't get anything from Caldor anymore and there are provisions in Partridge Run to take it and storm drains have been installed in Circle Drive. Mr. Costello said the consultant assumed all the responsibility for the delay with the Caldor situation but their study has been refined with exact pipe sizes and they have to go to the property owner across the street, Colony Plaza, and get an agreement to enlarge some of the pipes, and it goes to the state system first and then to the system in Colony Plaza and it was suggested to Attorney McManus that if ground is not broken this summer, he should take whatever legal action is necessary and Mr. Costello said he received a letter today that indicated the work will begin in two weeks.

Mr. Costello said that East Main Street is the biggest project going right now and Mr. Gessert suggested that the Town Attorney inform them that any cost increases due to their lack of timeliness might cost them.

Mr. Rys pointed out that \$375,000 was requested for North Airline Road and last year it was \$425,000 and in 1988-89, \$625,000 has been requested and Mr. Costello said that the total cost has gone up.

Mr. Costello said he has requested a pavement management study to decide which streets in town should be done first. Mr. Gessert asked if any additional money was coming from the state and Mr. Costello said there is an additional \$200,000 coming this year which is being used for sidewalks and to repair some of the utility trenches.

Mr. Rys pointed out that there has been some concern in the Ridgeland Area about two entrances and on a map he received, there was a roadway shown opposite Highland School, parallel to Hintz Drive and circles around and in talking with P & Z, there may be some rule on the books that if a roadway comes within a certain distance from an existing roadway, they connect.

Mr. Rys felt that many Ridgeland residents are looking for a better entrance and exit. Mr. Costello said there was a zone change and a developer was in to see Mr. Costello and as part of his development, he would extend a road in that area, a dead end, but provisions would be made in the subdivision approval to extend a future road up to Pierson, and it is possible that Pierson would exit in front of Highland School and it's also a possibility that Pierson may be extended in some fashion out to Route 68. 301

Mr. Killen said that last year's budget book shows recreation improvements at Sartori property at \$50,000 and this year's budget book shows 1986-87 for a Little League ballfield and Mr. Costello said that Mr. Shepardson changed his mind and the same with restrooms at Woodhouse Avenue and Mr. Killen wanted to know how P & Z approved the bottom lines of \$100,000 at Woodhouse. Mr. Costello said that the budget as Stanley originally submitted it was for a nature center at \$100,000, five years at \$100,000 each year but the Mayor changed it. Mr. Killen can understand changing specifics but he felt \$100,000 should be specific.

Mr. Gessert asked about the Sartori fields and Mr. Myers stated that the earliest this money will be available will be after the referendum period or the ordinance has been satisfied and the public hearing is scheduled for May 13, 1986 and it will be heard on May 27, 1986 and it is advertised which takes 5 days and then it's a 21 day referendum period if all the paperwork is done for a May 13 public hearing.

Mr. Polanski moved acceptance of CAPITAL AND NON-RECURRING FUND. YEAR ENDED JUNE 30, 1987, PAGE 21, seconded by Mr. Holmes.

Mr. Gouveia questioned the \$880,000 under Electric Division Earnings and wondered if their expenses were reduced if the Council could increase the \$880,000, if these savings were not used to reduce the ratepayers bills. Mr. Gessert totally agrees with Mr. Gouveia and their line items have been cut and the Electric Division indicated that it would mean higher rates to the customers. Mr. Gessert said that the 55/45 law is still on the books and everytime expenses were decreased, theoretically you were increasing money coming to the town; however, this year a deficit budget is being proposed and the \$880,000 is a payment in lieu of 55%. Mr. Gouveia felt that the Electric Division will still be left with \$2,000,000 Retained Earnings. Mr. Gouveia asked if the \$880,000 could be increased and Mr. Myers said the Council could since they are the Board of Finance. Mr. Gouveia asked if this would have an effect on the mill rate and Mr. Myers explained that he has never used the Electric Division funds to impact the mill rate-- the 55% of money that came from the Electric Division comes over to this Capital and Non-Recurring Program that pays bonds and notes for projects that have been bonded, projects that have been done since 1964. Mr. Gouveia asked if any money for bonds and notes are tax dollars and Mr. Myers said they were but up until this year, the 55%/45% formula split was a very intangible amount because there have been times when \$200,000 was received from that split and there have been times when \$1,000,000 was received from that split.

Mr. Myers further stated that the 55%/45% split all depended on where the Electric Division's net income ended up and for several years, this fund suffered because the town did not receive a good return from the Electric fund and one year, \$500,000 was budgeted and \$74,000 received because 55% of the earnings of the Electric Division was \$74,000 that year. What Mr. Myers tried to do when it was disclosed that the Electric Division would take a net loss of \$4,000,000, it was approached from the standpoint of what was necessary to maintain the health of the Capital and Non-Recurring Program since Mr. Myers thinks it is one of the most valuable programs that the Town of Wallingford has. Mr. Myers feels that the Capital and Non-Recurring Program provides a method to improve the infrastructure and many communities wish they could have a fund such as this and that is how he reached the \$880,000 to maintain fiscal integrity, to continue in perpetuity. In the mid 70's, this amount was cut down to \$300,000. \$1,906,125 is indicated for revenues on page 21 and \$1,906,125 paid out. Mr. Killen asked what the legality was for the \$880,000 and

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Mr. Myers said that is simply the fact that the Electric Division is not going to have a net income this year. Mr. Killen felt that when he wanted to touch the other revenues, they weren't touchable and now all of a sudden they are touchable--there was \$6,000,000 available and everyone kept saying there wasn't a penny there. Mr. Gouveia felt it could have an impact on the mill rate and Mr. Myers said it could have an impact on the mill rate and also on the Electric Fund. Mr. Killen pointed out that part of their rates are predicated on the fact that they reinvest the money that should have been coming to the town and that helps keep their rates down. Mr. Killen said that now is the time a new rate schedule is being prepared and now is the time the return on investments should not be put in because they are not entitled to them in the first place. Mr. Holmes felt that the rate has been set predicated on the fact that there will be massive increases and we are talking about a substantial amount of money that could possibly be given back to the town via rate decreases. The developments that Mr. Holmes has seen leads him to believe the rates will be much lower than projected. Mr. Gouveia went to a PUC meeting and told them he believed Northeast Utilities would not get more than 2% to 3% increase, if any, and Mr. Gouveia was told he was totally wrong. Mr. Holmes pointed out that a budget is prepared on what you think may happen. Mr. Gouveia mentioned that the comment he made at the PUC meeting did not appear in their minutes. Mr. Gouveia also asked the PUC a question in the event they did not get the 35% (Pierce Plant) and their consultant said that it would then not be feasible and that does not appear in the minutes--Mrs. Bergamini felt that Mr. Gouveia had a right to ask to have the minutes corrected.

Mr. Gessert asked where the Electric Division interest income appeared and Mr. Myers referred him to Page 139 Interest \$500,000. Mrs. Bergamini indicated that the Sewer & Water Divisions also provide this line in their budget and Mr. Killen said this is a violation of the Charter and State Statute since they are supposed to turn over all monies collected to the Treasurer of Wallingford.

Mr. Holmes understands that the 55%/45% is just an arbitrary number and perhaps the cause of action is someone to do a detailed investigation on the financial needs or the positions of the Electric Division with changes made accordingly or will the Council continue to sit and talk about it for the next 10 years. A proposal was made in the early 70's to change the 55%/45% ordinance but it failed, Mr. Gessert commented. Mr. Killen felt that the 55%/45% ordinance tied the hands of every ensuing Council and the Electric Division would keep 55% of whatever they earned. Mr. Killen does not want to debate this because he has a Town Attorney's opinion which states what the Statute says and what the Charter says. Mr. Gessert felt that the bottom line is if the Council has the fortitude to reorganize the whole financial operation of the Electric Division and put everything in the hands of the town.

Mr. Killen pointed out that the Electric Division is allowed to take depreciation, a cash figure which comes off the top before the town gets their 55% and the 55%/45% figure was used when the Pierce Plant was operating and they needed big bucks but that is no longer operating and that is why they've accumulated \$6,000,000 and the mill rate is going up because the town has not purchased the capital items needed and they could have been bought in the years they were needed and that has been Mr. Killen's cry since this started.

Mr. Killen questioned the Electric Division Earnings in the budget and for 1/31, earnings were \$663,331 and Mr. Myers said that is the accrued figure and Mr. Myers felt that now a concern is the Northeast rate increase because he understands that a substantial net loss will be taken in April, May and June. Mr. Killen felt that the loss will only be taken in May and June. Mr. Myers said that the loss will change the 55% and he does not see any way that the General Fund and Capital and Non-Recurring Fund will recover a million fifty-four and he feels it will be something less than a million fifty-four. Mr. Killen asked why \$880,000 was put in if a million fifty-four can't be recovered and Mr. Myers said that \$880,000 was not on the formula but will be a direct contribution from Retained Earnings. Mr. Killen

felt that in that case, he doesn't see any reason why they can't be told to come up with a million fifty-four. Mr. Holmes feels that this matter deems serious investigation. Mr. Killen felt that when they have run out of funds, they will start re-vamping and Mr. Killen felt that so far, efforts to correct this have fallen on deaf ears because the Council has been covering for them. 303

Mr. Myers pointed out that when the Council votes this budget, they are voting an appropriation and the \$880,000 must be paid and the Council has line control on every item except Board of Ed where there is only bottom line control. Mr. Gouveia felt that if you are not part of the solution, then you continue to be part of the problem.

Mr. Myers reminded the Council that the Capital and Non-Recurring Fund is a real tribute to Wallingford to continue improving and upgrading the infrastructure.

Mr. Killen requested that a letter be sent to the Town Attorney asking for his opinion on the legality of the \$880,000 and Mr. Myers felt it should be mentioned that it's appropriated in the Electric Fund on Page 8 of the 1986-1987 Budget Book.

VOTE: (motion on page 138) Unanimous ayes (Diana absent) with the exception of Messrs. Gouveia and Killen who voted no; motion duly carried.

Mr. Killen asked if we were still waiting for money for the Pine River land and Mr. Myers has received that money from the State and \$510,000 was bonded and Mr. Killen felt the original amount issued was \$225,000 and Mr. Myers said the \$225,000 was the split in the interest rate--\$2,025,000 bonds at 8.25% and \$225,000 bonds at 8.60%.

Mrs. Bergamini moved acceptance of TOWN TRANSPORTATION ALLOWANCE - 798 - PAGE 113, seconded by Mrs. Papale, for discussion.

Mrs. Papale asked if line 701 was for car expense and Mr. Killen said it was and she then asked where the ZBA got theirs and Mr. Myers said it was changed this year and all of these will go back to the individual departments as of July 1.

Mr. Rys questioned line 205 Electrical Inspector and noted that he is already above his appropriation and he asked Mr. Myers if he felt that a town car would be better than paying this expense out and Mr. Myers could not answer that question. Mr. Rys asked what the \$1,475 was based on and Mr. Myers said it is based on 20¢ a mile. Mr. Killen pointed out that the Housing Code Enforcement Officer's account is nowhere near this and he might technically have to visit every building in town. Mr. Killen sent a letter to the Mayor asking what the criteria was for allocating town cars. Mr. Rys pointed out that if the Electric Division is going to get \$850 for a trade-in on the Chevetttes, perhaps one of them might be just right for the Electrical Inspector. Mr. Gessert felt that inspectors are better off driving a town car, just from a management standpoint. Mr. Gouveia said that page 113 is nearly a 17% increase from last year and line 301 and line 400 are the highest percentage increases requested.

VOTE: Unanimous ayes (Diana absent) with the exception of Messrs. Gouveia and Papale who voted no; motion duly carried.

CAR POOL EXPENSE - 798A - PAGE 114.

Mr. Holmes moved to reduce line 300 Gas & Oil, CAR POOL EXPENSE - 798A - PAGE 144, by \$1,000, for a new total of \$4,000, seconded by Mrs. Bergamini.

VOTE: Unanimous ayes (Diana absent); motion duly carried.

Mr. Killen sees 10 cars listed but felt there could be 20 and he asked if C.D. had a town car and Mr. Rys said he does and Mr. Killen pointed out that it is not listed and said the fleets grow like topsy and nobody can put their finger on it.

Mr. Holmes moved to reduce line 500 Maintenance of Vehicles, Page 114, by \$300, for a new total of \$2,600, seconded by Mr. Gouveia.

VOTE: Unanimous ayes (Diana absent); motion duly carried.

Mrs. Bergamini moved acceptance of CAR POOL EXPENSE - 798A, PAGE 114, as amended. Mr. Rys seconded the motion.

VOTE: Unanimous ayes (Diana absent); motion duly carried.

Mrs. Papale moved acceptance of TOWN CONVENTIONS & DUES - 799 - PAGES 115 AND 116. Mr. Holmes seconded the motion.

Mr. Myers explained that the National Controller's Conference is in Los Angeles and he planned to go from 6/1 to 6/5 but cannot because bonds will be sold on June 3.

VOTE: Unanimous ayes (Diana absent) with the exception of Messrs. Gessert and Millen who voted no; motion duly carried.

Mr. Rys moved to Page 123, line 825 Town Insurance and mentioned that at this point, the town is paying approximately \$35,000 a year for Parker Farms School and once construction begins (July or August), the firm doing the work takes over the responsibility. Mr. Rys has been advised by the Chairman of the Parker Farms Renovation Committee that this account can be cut.

Mr. Rys moved to reduce line 825 Town Insurance by \$15,000, for a new total of \$655,000 (\$5,000 was previously reduced). Mrs. Bergamini seconded the motion.

VOTE: Unanimous ayes (Diana absent); motion duly carried.

Mr. Gessert pointed out that Central Services - 146 on page 154 was pending and Mr. Myers came out with a cost of \$1,706 per the document presented to the Council which he would like included with the minutes.

Mr. Holmes moved to remove the subject of Clerk Typist - Central Services - 146 on page 154 from the table, seconded by Mrs. Bergamini. It was pointed out that 145 was tabled and Mr. Gessert said that 145 must be removed from the table and approved and then approve 146.

Mrs. Bergamini moved to remove Purchasing Agent - 145 on page 154 from the table, seconded by Mr. Holmes.

VOTE: Unanimous ayes (Diana absent); motion duly carried.

Mrs. Bergamini moved acceptance of PURCHASING AGENT - 145 - PAGE 154, seconded by Mr. Holmes.

VOTE: Unanimous ayes (Diana absent); motion duly carried.

Mr. Myers reviewed the document detailing Central Services - 146 and Mr. Killen asked if the replacement employee would become

a permanent employee and Mr. Myers said yes and explained that when an employee is granted a leave of absence for one year, if there is a job open somewhere in the classified service, they can bid it but the job is not guaranteed for one year. Mr. Myers said if the replacement doesn't work out, the employee on leave still has an opportunity to come back.

Mr. Myers felt that the Council should wait until Mr. Seadale returns on May 1 to discuss this further.

A motion to adjourn was duly made, seconded and carried and the meeting adjourned at 10:07 p.m.

Meeting recorded by:
Lisa M. Bousquet, Council Secretary

Meeting transcribed by:
Delores B. Fetta