

June 5, 2009

## **SPECIAL MEETING OF THE COMMON COUNCIL**

**JUNE 5, 2009**

Mayor Timothy T. Stewart called the Special Meeting of the Common Council to order on Friday, the 5th day of June 2009 at 9:02 p.m. in the Common Council Chambers, City Hall.

Thirteen members were present at roll call: Ald. Trueworthy Rocha, Sherwood, Magnuszewski, Platosz, Gerratana, Centeno, Black, Cruz, Collins, Catanzaro, Bernacki, and Bielinski.

Two members were absent: Ald. Hermanowski and Ald. Salvio.

Ald. Trueworthy moved to waive the reading of the Mayor's Warrant, seconded by Ald. Bielinski. 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 Mark H. Bernacki, Suzanne Bielinski, Shirley A. Black, Paul D. Catanzaro, Tonilynn Collins, Silvia Cruz, Lawrence J. Hermanowski, Adam Platosz, Lori A. Rocha, Louis G. Salvio, Michael W. Trueworthy, Gregory J. Gerratana, Eva Magnuszewski, Phil Sherwood and Roy Centeno, Aldermen and Alderwomen of said city, that there will be a special meeting of the Common Council on Friday evening, June 5, 2009 at 8:30 p.m in the Council Chambers, 27 West Main Street, City Hall, for the following purpose:

1. To accept a report of the Committee on Administration, Finance and Law regarding Mayor's Proposed General Fund Budget for Fiscal Year 2009-2010; Special Revenue Funds and Enterprise Fund Budget for Fiscal Year 2009-2010; Budget Appropriation for Capital Improvement Projects 2009-2014 (LoCIP).
2. To accept a report of the Consolidated Sub-Committee regarding Mayor's Proposed General Fund Budget for Fiscal Year 2009-2010; Special Revenue Funds and Enterprise Fund Budget for Fiscal Year 2009-2010; Budget Appropriation for Capital Improvement Projects 2009-2014 (LoCIP).
3. To accept a report of the Committee on Planning, Zoning and Housing regarding Mayor's Proposed General Fund Budget for Fiscal Year 2009-2010; Special Revenue Funds and Enterprise Fund Budget Fiscal Year 2009-2010; Budget Appropriation for Capital Improvement Projects 2009-2014 (LoCIP).
4. To act upon a Resolution regarding the General Fund Budget for Fiscal Year 2009-2010.
5. To act upon a Resolution regarding the Special Revenue Funds and Enterprise Fund Budget for Fiscal Year 2009-2010.
6. To act upon a Resolution regarding the Budget Appropriation for Capital Improvement Projects 2009-2014 (LoCIP).

HEREOF FAIL NOT, but due service and return make according to law.  
Dated at New Britain, this 3rd day of June 2009.

Timothy T. Stewart, Mayor

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## **COMMITTEE ON ADMINISTRATION, FINANCE AND LAW**

**30550-2**

**30551-2**

**30552-2 RE: MAYOR'S PROPOSED GENERAL FUND BUDGET FOR FISCAL YEAR 2009-2010; SPECIAL REVENUE FUNDS AND ENTERPRISE FUND BUDGET FOR FISCAL YEAR 2009-2010; BUDGET APPROPRIATION FOR CAPITAL IMPROVEMENTS PROJECTS 2009-2014 (LOCIP)**

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

The Committee on Administration, Finance and Law held a special meeting on Friday evening, June 5, 2009 at 8:15 p.m. in the Council Chambers to which was referred the matter of the following: Item #30550-1 – Mayor's Proposed General Fund Budget for Fiscal Year 2009-2010; Item #30551-1; Special Revenue Funds and Enterprise Fund Budget for Fiscal Year 2009-2010 and Item #30552-1; Budget Appropriation for Capital Improvement Projects 2009-2014 (LoCIP) respectfully begs leave to recommend that said items be removed from the table and be referred back to the Common Council with a neutral recommendation.

Alderwoman Tonilynn Collins

Alderman Trueworthy moved to accept, seconded by Ald. Bielinski. So voted. Approved June 8, 2009 by Mayor Timothy T. Stewart.

## **CONSOLIDATED COMMITTEE**

**30550-3**

**30551-3**

**30552-3 RE: MAYOR'S PROPOSED GENERAL FUND BUDGET FOR FISCAL YEAR 2009-2010; SPECIAL REVENUE FUNDS AND ENTERPRISE FUND BUDGET FOR FISCAL YEAR 2009-2010; BUDGET APPROPRIATION FOR CAPITAL IMPROVEMENT PROJECTS 2009-2014 (LOCIP)**

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

The Consolidated Committee at a special meeting held on Wednesday evening, June 3, 2009 at 7:10 p.m. in the Council Chambers to which was referred the matter of the following: Item #30550-1 – Mayor's Proposed General Fund Budget for Fiscal Year 2009-2010; Item #30551-1 – Special Revenue Funds and Enterprise Fund Budget for Fiscal Year 2009-2010; Item #30552-1 – Budget Appropriation for Capital Improvement Projects 2009-2014 (LoCIP) respectfully begs leave to recommend that said items be removed from the table and be referred back to the Common council with a neutral recommendation.

Alderman Paul D. Catanzaro, Chair

Ald. Trueworthy moved to accept, seconded by Ald. Catanzaro. So voted. Approved June 8, 2009 by Mayor Timothy T. Stewart.

## COMMITTEE ON PLANNING, ZONING AND HOUSING

30550-4

30551-4

30552-4 RE: **MAYOR'S PROPOSED GENERAL FUND BUDGET FOR FISCAL YEAR 2009-2010; SPECIAL REVENUE FUNDS AND ENTERPRISE FUND BUDGET FOR FISCAL YEAR 2009-2010; BUDGET APPROPRIATION FOR CAPITAL IMPROVEMENT PROJECTS 2009-2014 (LOCIP)**

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

The Committee on Planning, Zoning, and Housing at a regular meeting held on Tuesday evening, June 2, 2009 at 7:00 pm in the Council Chambers to which was referred the matter of the following: Item #30550-1 – Mayor's Proposed General Fund Budget for Fiscal Year 2009- 2010; Item #30551-1 – Special Revenue Funds and Enterprise Fund Budget for Fiscal Year 2009-2010; and Item #30552 –1- Budget Appropriation for Capital Improvement Projects 2009-2014 (LoCIP) respectfully begs leave to recommend that said items be removed from the table and be referred back to the Common Council with a neutral recommendation.

Alderman Roy Centeno, Vice Chair

Ald. Trueworthy moved to accept, seconded by Ald. Bielinski. So voted. Approved June 8, 2009 by Mayor Timothy T. Stewart.

## RESOLUTIONS

Ald. Trueworthy moved to present a strike- all amendment to resolution 30550-5, seconded by Ald. Bielinski. So voted.

**30550-5 RE: GENERAL FUND BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2010**

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, by the Common Council of the City of New Britain, upon recommendation of the Mayor, the attached estimates of revenue and expenditures, as amended by the Common Council, with all supporting data be the same as hereby made, and for the purpose of meeting said appropriation, a tax of 34.98 mills on the dollar be computed on the basis of a collection rate of 96.6% and the same is hereby laid on the Grand List of October 1, 2008 on all rateable 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, 2010 excluding motor vehicle and personal property which shall be paid on July 1, 2009 and real property taxes shall be due and payable in equal semi-annual installments on the first day of July 2009 and the first day of January 2010 except that any tax of less than Two-Hundred dollars shall be due and payable in full on the first day of July 2009.

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

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such tax at the time when the first installment shall be payable and nothing herein shall preclude the payment of the January 1, 2010 installment prior to said 1st due date.

Alderman Michael Trueworthy  
Council Majority Leader

Ald. Trueworthy moved to accept and adopt, seconded by Ald. Bielinski. Roll call vote – 13 yes, 0 no. Voting yes: Ald. Trueworthy, Rocha, Sherwood, Magnuszewski, Platosz, Gerratana, Centeno, Black, Cruz, Collins, Catanzaro, Bernacki and Bielinski. RESOLUTION ADOPTED. Vetoed in part by Mayor Timothy T. Stewart on June 8, 2009.

### **MAYOR'S PARTIAL VETO OF RESOLUTION 30550-5**

June 8, 2009

The Honorable Peter Denuzze  
Town and City Clerk  
27 West Main Street  
New Britain, CT 06051

Dear Mr. Denuzze:

The City of New Britain, like cities and towns across Connecticut and across America, is facing some of the most challenging economic times since the great Depression. The decision before us is whether the city's leaders make the difficult decisions necessary to maintain a sound financial structure, or whether we ignore the economic thunderclouds around us and continue with business as usual.

Our taxpayers have their own economic uncertainties as many are facing reduced income, loss of jobs or foreclosure on their homes. When I submitted my proposed budget to the Common Council on April 9th, I stated that I would not add to that uncertainty and loss of hope by raising property taxes. I am glad to see that the Council agreed with me and kept the mill rate flat.

However, I take great exception to how the Council has chosen to arrive at that mill rate. The Council budget as adopted last Friday uses a mixture of gimmicks such as inflated revenue estimates to increase appropriations for politically popular causes, some of which will not reap actual benefits from the Council's pandering for votes in an election year.

The most onerous of these gimmicks is the Council's arbitrary raising of the tax collection rate from the rate recommended in both the Board of Finance and Taxation (BFT) and the Mayor's budget. The rate in the BFT and Mayor's recommended budgets was based on the actual audited rates as of June 30, 2008 (latest available) which was a 95.7% collection rate. The BFT lowered that rate to 95.3% given the economic downturn and rise in foreclosure rates that had taken place since June 30, 2008 and I concurred with that conservative approach.

Instead of keeping the fiscally prudent approach of using actual collection experience, the Council has thrown caution to the wind by picking the 10 year average collection rate of 96.60%. Ignoring the worst economic slump since the great Depression, the Council is closing its eyes and putting in a rate that, as the word average implies, takes into account good years with high collection rates as well as bad years, such as we find ourselves in now. While this wishful thinking may seem harmless to some and beneficial to others as a way to restore funding to programs, it will be seen as fiscal lunacy by bond rating agencies that could lead to a downgrading of the City's bond rating that we have fought so hard to maintain. A downgrade will in turn lead to higher debt service and interest costs. In addition, if the downturn continues through a significant portion of the fiscal year, the City will face a significant deficit in June 2010.

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Another questionable decision by the Council was to continue to appropriate money for a Senior Citizen tax relief program that does not exist. It does not exist because despite continually talking about it, the Council has not put forward the ordinances necessary by state statute to enact a senior tax freeze program.

The Council's budget cancels a \$745,000 transfer from this phantom program into the general fund, where it could provide some tax relief for all New Britain taxpayers. The budget also puts another \$255,000 aside, to make it an even million dollars, not because that is what the program, if ever enacted by the slow moving Council, would cost, but because a million dollars for senior citizen tax relief looks great on a campaign brochure.

Even more disingenuous is the fact that the Council, in particular Majority Leader Michael Trueworthy, know full well that the senior tax freeze cannot take effect for the 2010 fiscal year because the state statutory deadline for seniors to apply is May 15th. So for the sake of political grandstanding, one million dollars appropriation will be sitting doing no one – not seniors, not anybody – any good.

The Council is applying a similar sleight of hand to a revenue item entitled, "blight assessment". Connecticut General Statutes Sec. 7-148ff allows municipalities to adopt an ordinance to impose a special assessment on blighted properties. While I am fully in support of anything that will assist the City in enforcing our blight ordinances, this revenue amount is being used as a budget balancer rather than for the intended purpose of the program, blight mitigation.

First, how is the \$250,000 derived? If the assessment parameters have not been defined, how does the Council know how many properties will be assessed and at what amount? Second, the state statute indicates (in part) that any assessments collected must "be deposited in a special fund or account maintained by the municipality which shall be dedicated for expenses of the municipality related to enforcement of ordinances regarding blight". Therefore, any revenue received would not go into the general fund, but a special revenue fund. Third, a large proportion of these assessments would likely go uncollected, necessitating a lien on the property, so revenue would not be received in the year of assessment, but in subsequent years when the property is sold or transferred.

Another implausible revenue item is the \$100,000 in additional parking ticket revenue proposed by the Council. The Council is confusing budgeted revenue with collection rate. Filling the vacant parking meter attendant position would enhance collections, but it would not create new sources of revenue. The amounts that the City could collect with the efforts of two full time parking monitors was already reflected in the Mayor's proposed budget.

The cumulative result of these poor budgetary choices is that the City will be facing a deficit of over \$1.6 million dollars, not even taking into consideration any unforeseen expenditures or shortfalls in revenue. Take that in conjunction with the possibility that the state legislature will not meet state grant estimates from the Governor's budget, and you truly have a fiscal perfect storm.

Given the economic climate, New Britain cannot afford wishful thinking or pie in the sky estimates. While I would prefer to veto the entire Council budget, I will not as that would result in a loss of some of the 5% reductions developed by city department heads. I will therefore veto this budget in part to at least mitigate some of the potential revenue shortfalls that the Council has built into their budget.

While this partial veto may be little more than symbolic, I felt it was important to call to taxpayers' attention the fact that this budget has increased city spending over the Mayor's proposed budget by close to one million dollars. This is cause for concern when the revenue behind this spending increase is based on fictitious projections.

And to those on the Council who feel that the Mayor's proposed budget and its 5% across the board cuts was an abdication of responsibility, I remind you that the Mayor has the 24/7 responsibility of implementing whatever budget the Council adopts. Weekly if not daily, I review the budget line by line, particularly those dealing with personnel. The FY 2010 budget that the Council has adopted with its shaky tax collection estimates will mean that the hiring freeze begun last year will remain in effect, along with other cost

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saving measures that were implemented at my initiative. I take very seriously my responsibility to keep a tight rein on city finances, not just for a few weeks at budget time, but throughout the year.

For the above reasons, and with all due respect to the Council, I hereby veto in part as outlined in the attached line item detail, Resolution #30550-5 of the June 5, 2009 special meeting of the New Britain Common Council. This veto is done to protect city taxpayers with the hope that the Council majority can put aside its partisanship to work together to face the tough economic realities facing the City of New Britain.

Sincerely,  
Timothy T. Stewart  
Mayor, City of New Britain

cc: Common Council  
Robert Curry, Finance Director

Ald. Trueworthy moved to present a strike-all amendment to resolution 30551-5, seconded by Ald. Bielinski. So voted.

**30551-5 RE: SPECIAL FUNDS BUDGET AND ENTERPRISE FUND BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2010**

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 Common Council of the City of New Britain, upon recommendation of the Mayor, as amended by the Common Council, estimates that the attached listing of income and expenditures for each Special Revenue and Enterprise Fund, as further amended by the Common Council, be adopted for the Fiscal Year 2009-2010 as follows:

**Special Revenue Funds**

Stanley Golf Course Operating Fund #201	\$ 1,884,172
Stanley Golf Course Driving Range #201	105,000
Chesley Cell Towers # 203	70,000
Cemetery Operating Fund #204	471,251
Dog Fund #205	145,512
Sewer Operating Fund #208	7,463,489
Youth Service Bureau #278	306,228
Donations Account #283	30,000
Terrific Toys Program #284	35,000
Medical Self Insurance Fund #702	31,599,725
W/C Self Insurance Fund #703	2,745,695
Liability Insurance Fund #704	201,000

**Enterprise Funds**

Water Department	\$12,734,788
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Alderman Michael Trueworthy  
Council Majority Leader

Ald. Trueworthy moved to accept and adopt, seconded by Ald. Bielinski. Roll call vote – 13 yes, 0 no. Voting yes: Ald. Trueworthy, Rocha, Sherwood, Magnuszewski, Platosz, Gerratana, Centeno, Black, Cruz, Collins, Catanzaro, Bernacki and Bielinski. RESOLUTION ADOPTED. Approved June 8, 2009 by Mayor Timothy T. Stewart.

Ald. Trueworthy moved to present a strike-all amendment to resolution 30552-5, seconded by Ald. Bielinski. So voted.

**30552-5 RE: CAPITAL IMPROVEMENT PROGRAM BUDGET FOR FISCAL YEAR 2009-2010**

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:

**RESOLUTION SUMMARY**

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 2009-2010, the State of Connecticut allocated \$922,234 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 XVII. 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:

<b>Project</b>	<b>Budget</b>
HVAC Upgrade	\$ 35,000
Window Replacement	21,000
Veteran’s Stadium – Concrete Seats	170,000
Beehive – Chainlink Fence	40,000
Chesley – Lifeguard Chairs	25,000
Veteran’s Stadium – Reroof West Side	60,000
Martha Hart Lights	170,000
Stanley Golf Course Driving Range Lights	45,000
Traffic Signal – Corbin and Clinton	170,000
Street and Sidewalk Improvement	156,234
Washington Park Review Study	<u>30,000</u>
	<b>\$922,234</b>

RESOLVED, Timothy T. Stewart, 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,

RESOLVED, the sum of \$922,234 be appropriated within the Special Revenue Fund, LoCIP Fund #213, for the projects specified with the individual expenditure and revenue accounts established for Entitlement XX grant proceeds.

Ald. Michael Trueworthy  
Council Majority Leader

Ald. Trueworthy moved to accept and adopt, seconded by Ald. Bielinski. Roll call vote – 13 yes, 0 no. Voting yes: Ald. Trueworthy, Rocha, Sherwood, Magnuszewski, Platosz, Gerratana, Centeno, Black, Cruz, Collins, Catanzaro, Bernacki and Bielinski. RESOLUTION ADOPTED. Approved June 8, 2009 by Mayor Timothy T. Stewart.

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Ald. Bielinski moved to adjourn, seconded by Ald. Trueworthy. So voted. Meeting adjourned at 10:35 p.m.

ATTEST: Peter J. Denuzze, City Clerk

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