

CITY COUNCIL WORK SESSION

Preliminary Budget Review Committee of the Whole

November 27, 2006 - 6:30 p.m.

Council Chambers

City Council Present: Mayor Marchand, Assistant Mayor Ferrini (6:55 p.m.), Councilors Grasso, Dwyer, Raynolds, Pantelakos, Whitehouse, Smith and Hynes

School Board Present: Ann Walker, Nancy Clayburgh, John Lyons, Jr., Henry Hayward, Sheri Garrity, Kent LaPage, Carson Smith, Brendan Ristaino, and Mitchell Shuldman

Fire Commission Present: Michael Hughes, Richard Gamester and Paul Wentworth

Police Commission Present: John Kelley, Gerald Howe and John Russo

Officials Present: John P. Bohenko, City Manager; Judie Belanger, Finance Director; Andrew Purgiel, Controller; Dianna Fogarty, Human Resources Director; Tracy Freeman, Fire Department; Dr. Robert Lister, Superintendent; Stephen Bartlett, School Business Administrator; Steve Zadravec, Assistant Superintendent; Christopher LeClaire, Fire Chief; Steve Achilles, Assistant Fire Chief; Michael Magnant, Police Chief; Karen Senecal, Police Department; and Kelli L. Barnaby, City Clerk

I. Call to Order

Mayor Marchand called the meeting to order at 6:35 p.m. Mayor Marchand announced this meeting is a preliminary review of the budget and that the Committee of the Whole replaces the Joint Budget Committee.

II. Review of Budget Schedule

III. Review of Budget Projections for FY 08

IV. Discussion of Guidelines FY08

City Manager Bohenko spoke to the three documents provided to the Committee which include the FY 2008 budget schedule, preliminary FY08 budget figures, and background information concerning salaries, health insurance, retirement, and workers compensation. He reported that the budget schedule will be posted on the website. City Manager Bohenko advised the Committee that all departments must submit their budget to the Finance Department by Friday, February 16, 2007.

City Manager Bohenko reviewed the preliminary FY08 budget figures and advised the City Council that the figures are based on a 4% assumption for a cola adjustment however; the figure will not come out until December 15, 2006. He reported that it is projected that 30% of the employees will receive a 5% step increase. City Manager Bohenko advised the City Council that the figures represent a 6.4% increase for operating and non-operating budget.

Councilor Whitehouse expressed concern with increases in the county budget. City Manager Bohenko advised Councilor Whitehouse that we are not aware of the total increase to the county budget however; we use the numbers provided last year for a starting point.

City Manager Bohenko reviewed the final document which outlines the history of salaries, health insurance, retirement and workers compensation costs. He advised the City Council that the retirement costs will be increasing 29% this year.

Mayor Marchand said that these figures do not represent any new positions and the increases in the budget are based on health insurance and retirement increases. It is important for the Council to remember that 83% of the budget is salaries and benefits and municipal budgets are driven by people.

Councilor Reynolds said that the retirement fund has not been funded properly at the state level and now municipalities have to play catch up. City Manager Bohenko said unless there are changes made at the legislative level you will continue to see increases.

City Manager Bohenko reported that we will complete another analysis on the cost of utilities and include those numbers as we get closer to preparing the budgets. School Board member Brendan Ristaino asked if the school buildings will be included as part of the study. City Manager Bohenko advised Mr. Ristaino that we would work with School Business Administrator Bartlett on this matter.

Assistant Mayor Ferrini spoke regarding the collective bargaining process and stressed the importance of everyone working together on these matters.

Fire Commissioner Gamester said that the Joint Budget Committee did a great deal of work last year and somewhere near the end of the process all the work was put aside and a percentage increase was brought forward. He said it would be a shame to see that happen this year. He stressed the importance of letting the process work.

Councilor Pantelakos said that there needs to be open discussion on the budget. She advised the City Council that she wants to see a reasonable budget brought forward.

Councilor Reynolds said he wants to make sure that we follow the process and we are making a commitment to each other and the taxpayers.

Assistant Mayor Ferrini said it would be helpful for departments to provide what the impact to their budgets would be at different percentages.

Councilor Smith said he would like the Committee to be made aware as to whether there would be any new positions or programs in department's budgets. Superintendent Lister said he would prefer to have a meeting with the School Board before providing that information to the Committee. He feels it is premature at this time and he is not prepared to discuss it this evening. Fire Chief LeClaire said that the Fire Department will once again seek to have two additional positions for Fire Prevention. He advised Councilor Smith that this funding was requested last year and removed from the budget. Police Chief Magnant said that the Police Commission has not had a budget meeting to prepare data so they are not able to answer the question posed by Councilor Smith.

City Manager Bohenko reported that a revised document will be provided to the Committee on December 15, 2006 with new figures. He said that we will try to adhere to no new positions in the budget.

V. Adjournment

At 7:45 p.m., Mayor Marchand closed the meeting.

Respectfully submitted by:

Kelli L. Barnaby, CMC
City Clerk