



# CITY OF ANSONIA BOARD OF ALDERMEN Special Meeting – August 27, 2013

---

## ***Call to Order***

The Special Meeting of the Ansonia Board of Aldermen was called to order at 7 p.m. by Aldermanic President Gene Sharkey. All those present rose and pledged allegiance to the Flag of the United States of America.

## ***Moment of Silence***

A moment of silence was observed in honor of the passing of Ansonia resident George Thomas.

## ***Roll Call***

The secretary called the roll:

Edward Adamowski, D1- present  
Peter Marcinko, D1 - present  
Charles Stowe, R2 - present  
Philip Tripp, R2 - present  
Kevin Mott, D3- present  
Joseph Jeanette, D3 - present  
Jerome Fainer, D4 - present

Anthony DeLucia, D4 - present  
Howard Madigosky, D5 - present  
Joan Radin, R5 - present  
Scott Nihill, D6-present  
John Marini, R7 - present  
David Knapp, D7 - present  
Gene Sharkey, D6 - present

President Sharkey declared a quorum of 14 present, 0 absent.

## ***To accept the revised draft report and to discuss and act upon recommendations of the Charter Revision Commission***

Alderman Fainer MOVED to accept the call of the meeting; SECONDED by Alderman Nihill. A voice vote was taken and the MOTION PASSED 14-0.

President Sharkey stated, as it states on our agenda, we accept the revised draft report, discuss and act upon recommendations of the Charter Revision Commission. You have before you a Draft Report that was submitted.

Alderman Tripp MOVED to accept the Draft Report; SECONDED by Alderman Jeanette. A voice vote was taken and the MOTION PASSED 14-0.

## Discussion:

Alderman Marini stated, about a week ago we had a meeting on the first version of the Draft Report. Some changes were recommended and they were taken under consideration by the Charter Revision Commission. We had a very productive meeting involving not only members of the Charter Revision Commission but yourself, our Assistant Comptroller Richard Bshara, and Rick Sturges, the President of the Board of Apportionment and Taxation. We discussed how to best make those changes and make this proposal more accurate. Out of that comes what is now our new final Draft Report. The big change you will see since last meeting - originally we said that the threshold was going to be 1.5 or greater increase to the total budget. That has now been refined and the threshold is looking at the net taxes to be collected. A 3 percent or more of an increase in net taxes to be collected from the previous year will trigger a referendum. Very simply what that means, our total budget as we know it consists not only of money we're spending from our taxpayers, but money that's been cycled through the budget in the form of grants coming in from the State, from local, State, Federal money. We don't want that counted toward our threshold. So total budget minus outside income equals the net taxes to be collected. That is the best indicator of what we're asking taxpayers to pay in our budget. That explains why we are going with that number. Why 3 percent? Three percent is basically equivalent to 1.5 percent of the total budget. So if you're talking about a threshold amount, really it's unchanged. Now we have a more accurate. If you take a look at the past years, the past six years, if we were using this system for the past six years we would have gone to referendum 3 out of the last six budget years. This past year with 7 percent increase in net taxes, the year before that was 6 percent increase in net taxes, and back in [inaudible] was a 10 percent increase in net taxes. The other three years would have come under that 3 percent. That's the major change that you're going to see.

The other change is timing. We wanted to make sure that there would be enough time to fit in the maximum amount of referendums after the Board of A&T approves the budget, before we meet the deadline of having to get tax bills out. Of course under most referendum systems including this one, if we're not able to approve the budget by a deadline, we have to start putting assessments out based on the previous year's taxes. Here the cutoff will be June 20. So we have between the third Monday in May and June 20<sup>th</sup> to get as many referendums in that are needed to approve the budget before having to put out the special assessments. So we've done away with minimum requirements to wait, we've fine-tuned it so the Board of A&T will have about three calendar days to meet after a budget is rejected. So now you could fit in about four or five referendums within that time period.

Those are the substantial changes that we made. In terms of other changes we tweaked the attendance policy so that we're referring to "regularly scheduled meetings of Alderman-appointed boards and commissions." We wanted to make sure we are not talking about boards and commissions that are elected.

We're also talking not about special meetings as the point was made that we as the Board of Aldermen have had five meetings in the last month, this is only regular scheduled meetings that are set forth at the organizational meetings of the boards and commissions.

I think we have a good proposal that's been made even better. It zeroes in on exactly what we were intending to request. I would advise that we make the decision tonight to move all four items under recommended Charter Revisions to the ballot so the voters can have a say this November.

Alderman Stowe asked, what is the net tax value?

President Sharkey replied, it's approximately \$34 million.

Alderman Stowe asked, what would that make the number be?

President Sharkey replied approximately \$900,000 to \$1 million. The other way they were talking was your total budget last year was approximately \$60 million or \$61 million in that range, and if you were 1.5 percent there you probably were at the same amount of money. The amount of money didn't change; the big change as John was talking about and it was raised here by several people during the public hearing last Tuesday that if you received grant money from the State, that in effect could trigger a referendum. Or in fact if you received it after you had approved the budget what do you do to it then. It's a better way of doing it. It was about a 45-minute discussion on this - what to do with the percentages. The entire Charter Revision Commission - I don't wish to speak for them this is only an observation - I got the opinion after several speakers spoke about it - it was the right thing to do.

Also, there was discussion to revise the solicitation of bids and proposals from \$5,000 to \$25,000. The legality of that was discussed at length that night. I requested an opinion from Corporation Counsel and based upon the theory of home rule, yes, we can do that. It cannot be done by Ordinance; it has to be done by Charter.

Alderman Stowe stated, the 1.5 percent at \$61 million was \$916,296 and at \$34 million net tax, 3 percent is \$1,020,000. It's close enough. There was a member from the public who asked Mr. Knapp and I a question about the net taxes that neither of us was able to answer.

Alderman Knapp stated, is there a line item in the budget that has the net taxes in it? I wasn't sure with all the numbers going back and forth; I didn't want to say for sure.

Alderman Marini stated, that is exactly why we went with this number. It is right there, it's called "Net Taxes to be Collected," so it is very identifiable in

any budget you've ever done. You'll see that number and you can see the track of increases year to year.

Alderman Marcinko stated, you said last year was a 7 percent increase, right?

Alderman Marini stated, and 6 percent the previous year, and 10 percent in 2008. In between there was a 2.3 percent increase, a 1.9 percent increase, and actually before that a negative .3 percent decrease. Practically speaking, in the last six years you'd have gone to referendum 3 out of 6 times. Three times it was above the threshold. It actually encourages long-term planning so what you don't have is those [inaudible] You have one year where there's no increase or a very small increase, and then the next year, boom, it goes up 6 or 7 percent. That is probably the most devastating to households. Nobody wants to be surprised by a big tax increase. This system at the very least encourages us to think long-term and to avoid those surprising high sputts that really throw taxpayers for a loop.

Alderman Marcinko stated, you don't think this might lead to departments planning ahead to the point where they're expending money that they don't feel they need to, as opposed to people trying to keep the budget as low as possible and they say, I'm not going to be able to get as much money as I need next year but I might want to start something this year. Essentially instead of having the negative or the smaller, always being at 2.9 percent just to keep the status quo moving? We're looking to maintain a 3 percent increase each year?

Alderman Marini replied no, that's not at all what the system does. It allows taxpayers to give approval for a high increase and also puts pressure on departments to look ahead and say, "what are my needs going to be five years from now, six years from now?" There still are the gatekeepers here - the Board of Aldermen, the Board of A&T. They need to look also at the big picture so it's not a matter of grab it while you can. We have a system now where nothing goes to referendum. It's going to the people. If that's the worst it could be then great. You want that approval. This is going to be an opportunity to fine-tune things as they go on, as we see how it works. We also have benefitted from towns with referendum systems that have run into problems. We are actually using their experiences to craft this better system.

Alderman Adamowski asked, as Finance Committee Chairman I'm pretty confident there is no money set aside for a referendum next year. I know there's not even a line item in the budget for it. If we need to go for referendum next year, where are we going to get the money from? And, how often are we going to go? Four or five times? I think that should be considered too.

Alderman Marini stated, the way the system is set up, you have to go to the Board of A&T.

President Sharkey stated, another change here was the position of the questions. The idea of the referendum on the budget was number 4 and was

moved to number 1. When you accept this draft report tonight you not only will have the changes that were already mentioned you will have a change in the order and position they are in.

Alderman Marini MOVED to place the recommended revisions 1, 2, 3 and 4 on the ballot in November; SECONDED by Alderman Stowe. A voice vote was taken and the MOTION PASSED 14-0.

*Adjournment*

**Alderman Radin MOVED to adjourn; SECONDED by Alderman Knapp. A voice vote was taken and the MOTION PASSED 14-0.**

The meeting adjourned at approximately 7:20 p.m.

Respectfully submitted,

Patricia M. Bruder, Secretary  
Ansonia Board of Aldermen