1. BET Budget Comm. Dept. Reviews Day 3 Documents

   Documents:
   
   SUB_TO_APP_BET_BUDGET_COMM_DEPT_REVIEWS_DAY_3_02-08-16.PDF
   APPROVED_BET_BUDGET_DEPT_REVIEWS_DAY_3_02-08-16.PDF
Present:

Committee: James A. Lash, Chairman; Mary Lee A. Kiernan, Jeffrey S. Ramer, Leslie L. Tarkington

Staff: Peter Mynarski, Comptroller; Roland Gieger, Budget Director; Ben Branyan, Town Administrator; Melissa Jones, Senior Business Analyst; Angela Gencarelli, Finance Department; Lauren Elliot, Tax Assessor

Board: John Blankley, William Drake, Beth Krumeich, Michael Mason, Leslie Moriarty, Art Norton, Jill Oberlander, Nancy Weissler

Selectmen: John Toner, Selectman

Others: Steve Warzoha, RTM Member; Lucia Jansen, RTM Member and BOC; William Galvin, RTM Member, Rebecca Steinfeld, Ken Borsuk, Greenwich Time Reporter

Mr. Lash called the meeting to order at 9:05 A.M.

SPEAKERS

FINANCE DEPARTMENT: Fixed Charges and Revenue Presentations

Mr. Mynarski provided an overview of the Fixed Charges budget ($162,175,581) with the projected increases for Healthcare Costs, Debt Service, and contribution to Nathaniel Witherell and the Risk Fund totaling an additional $16,421,000. He noted that the Capital Tax Levy is projected to increase by $3 million. He observed the potential impact of lowering the rate of return assumption from 7% and inflation rate from 3% on Retirement Fund and OPEB ARC funding would cause a shortfall in the First Selectman’s planned Budget. Mr. Mynarski also commented on opportunities for lowering budgeted costs such as FICA, which is conservatively budgeted. He noted that the Town’s insurance broker, Frankel, would be in later in the week to discuss the Town’s insurance policies coverage and costs.

Mr. Mynarski noted that Risk Management Department had negotiated favorable insurance premiums that were supported by efforts by the Safety Analyst, the First Selectman’s Safety Council and the initiative to charge each department’s budget to incentivize proactive accident prevention. Ms. Tarkington suggested that there might be revenue opportunities from charging sewer tax on leased Town properties (as documented in their leases) and additionally noted that Greenwich’s 501c3 non-public schools busing costs in fixed charges exceed public school
busing costs and perhaps Greenwich might emulate other towns by requesting the schools to make contributions in lieu of taxes. The question of Sewer Maintenance becoming a bonding item for major infrastructure projects rather than pay-as-you-go was considered.

Ms. Elliot spoke about ReVal revenue expectations of the late February finalized Grand List changes, and that the ReVal increase must be ignored for purposes of planning the mill rate increase. Also, she reminded the Committee that there had been 1,065 informal taxpayer hearings that could cause the Board of Assessment Appeals to reduce revenues during their hearings. She commented that a revenue contribution might be sought from outstanding real estate, property and business tax receivables which were classified currently as uncollectables. Mr. Mynarski added that revenue from both Operating and Capital encumbered funds not yet closed out would also contribute to unbudgeted income.

Mr. Lash and Mr. Mynarski agreed that intentional under-budgeting that could be over taxing residents or over-budgeting with the intention of growing the Fund Balance would be scrutinized by credit rating agencies.

CAPITAL Project Appropriation Statement

The Committee examined each department’s requests in detail. Mr. Gieger was asked to follow up with Mr. Branyan on the Trunked Radio System project and what Parks & Recreation open project budgets might be closed out immediately rather than later in FY16. Questions about DPW projects would be discussed with Ms. Seibert and Mr. Monelli on Wednesday, February 17th. The sequence of planning the costs of Cardinal Stadium, re-turfing the other artificial turf fields, and BOE interim modular units to house New Lebanon students during construction needed further explanation.

In reviewing the Town’s 15 Year Capital Plan, it was questioned whether the Capital Plan was being distorted by using the full appropriation for projects instead of actual bonded amounts. The Committee also analyzed any disadvantages of funding piecemeal contracts on major projects in the future. Discussion as to whether some expenses should be re-categorized as operation costs or capital costs was postponed to a future Hearing Day agenda.

The meeting adjourned at 4:51 P.M.

Respectfully submitted,

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Catherine Sidor, Recording Secretary

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