

1. APPROVED Minutes BET Budget Comm. Consolidation Day

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TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
BUDGET COMMITTEE
CONSOLIDATION DAY
MINUTES
Cone Room
February 9, 2006

Present:

Committee: Stephen Walko, Chairman
Edward Krumeich, Michael Mason, Larry Simon

Staff: Peter Mynarski, Comptroller; Roland Gieger, Budget Director; Ed Gomeau, Town Administrator

Board: Alma Rutgers, Leslie Tarkington, Peter Tesei

Board Ex Officio: James A. Lash, First Selectman

Mr. Walko called the meeting to order at 1:10 P.M.

1. FINANCING SCHEDULE FOR THE 10 YEAR CAPITAL PLAN

There are three scenarios:

\$7.5 million with a \$2 million annual increase, the maximum outstanding is \$33 million in 2009-10; \$17 million negative at the end of ten years.

\$7.5 million with a \$3 million annual increase, the maximum outstanding is \$29.2 million; \$33 million positive at the end of ten years.

\$9 million with a \$3 million annual increase, the maximum outstanding is \$57 million; non negative any where in the last 2 years, surplus of \$49 million.

The key point for each scenario is maximum short term borrowing.

On February 14, Decision Day, there will be discussion whether to include TNW in this plan. Mr. Simon would like to see further clarification on the funding source of the \$3 million. One of the arguments for its inclusion was that it has an interim appropriation, and could not be spread out. The costs could be spread out to reflect PAYG.

Mr. Walko will contact Fred DiCaro, who has some notion of subject to release.

2. TAX SETTLEMENT ESTIMATE FROM LAW DEPARTMENT

This information was provided. Although showing less than \$500,000 in total, the Budget Committee kept this number in the budget as part of its fiscally conservative practices.

3. CONSOLIDATED SAFE ROUTES

Robert Kalm, Dave Thompson, and Lloyd Hubbs from DPW attended for the following discussion.

Mr. Simon asked if the sidewalk at North Mianus would be designed, surveyed, inspected and constructed in one fiscal year. A list of current projects and their status indicated that it would be. The Mallard Drive sidewalk has been a high priority for the safety committee for the past few years.

Mr. Thompson began with the results from 2004-05, where \$140,000 total was appropriated and all of it expended. He explained that there are traffic division items, such as crosswalks signage, shoulder stripping and miscellaneous items that can be done by those town employees.

There are also construction items, which had \$140,000 budgeted, included work at the intersection of Strickland and Putnam Avenue, a sidewalk improvement at the cemetery near the firehouse, a raised intersection at Rinaldi's Deli, a crosswalk at Bible Street, and speed humps at Suburban Avenue and Lockwood. The only project that was not done was the painting of the raised crosswalks and the island at Rinaldi's, due to cold weather, but will be done in the spring. There is a \$20,000 balance, which will be diminished by journal voucher entries for police traffic control.

The results from 2005-06 include Cos Cob Phase III. The amount is \$260,000 in areas including speed humps, and there is still ongoing discussion with residents there. Design is in progress, and the process is to design in the winter, bid in the spring, and begin work in June or July. \$225,000 is requested for construction in 2006-07.

Mr. Walko wanted to know if, before going into Phase VI, DPW will wait and see how Phase III is implemented and how it's working. Mr. Thompson said that the next phase is different neighborhoods, and different projects that were identified in the plan.

Whether the projects could be completed within the year was questioned.

Mr. Simon pointed out that of the \$763,000, \$40,000 has been spent. \$140,000 has been encumbered, and \$582,000 is unencumbered. When questioned at what rate the money can effectively be spent. Mr. Thompson responded many of the items, such as traffic engineering studies at \$70,000, can be easily encumbered. The other \$50,000 is for jobs that traffic division employees can do themselves, as opposed to being bid out. This money is for materials only, no labor. Construction items need to be put out to bid. Temporary speed humps are installed before the permanent ones are installed in order to get feedback from neighborhood residents.

Mr. Simon still saw a DPW managerial capacity problem. He stated that as more projects and schools have projects that need to be completed and as neighborhood involvement increases, DPW will have to attend more neighborhood meetings and overall progress will slow down.

Mr. Thompson discussed the sidewalk on Indian Field, and stated that it will be more than \$160,000. It is a BOE driven project, and some public resistance is expected. There are some easement issues and the road may need to be shifted slightly because the property line is very close to the road.

Mr. Simon suggested that the 3 projects be consolidated into one program, make it PAYG and come back with a new schedule. Mr. Walko was in agreement.

The sidewalk maintenance line and the highway maintenance line will be combined as there is no rationale in keeping them separate.

4. DISCUSS WHERE BANK FEES SHOULD BE BUDGETED-CHOICES

Currently the bank fees are debited from the account. The interest earned on the compensated balances shows as a credit on the statements and the charges for the processing is a debit to the statement. The net is booked to the interest income account, so it's an offset to the interest income, or a revenue account.

Another choice would be to appropriate for bank fees and the bank fees would then be charged to an expense line item.

The amount of bank fees is approximately \$110,000, which was calculated a year ago and tied into treasury rates. It is likely less than that now. The projected interest is \$4.8 million.

5. RESOLUTION CHANGES

Mr. Mason reported that the Law Committee met and went through each resolution, defining which resolutions were administrative, actions, or direct from statutes, and discussed whether they were necessary to tell the First Selectman he could do something he was already allowed by statute. Some are unneeded RTM directives, some are policy and some are applications and agreements, and are key directives that need to stay. The revised list of resolutions showing the proposed deletions was provided to the Committee. There are still three more resolutions that have not been added to this list. A complete list will be ready for Decision Day. The town attorney will examine the resolutions and the statutes and offer advice.

6. PAY PLAN IN/OUT OF BUDGET

Mr. Simon wanted to know if the Pay Plan was going to be part of the budget. The Law Department will assist in this decision.

7. MALLARD DRIVE SIDEWALK

There is an error in the amount shown in the budget. The amount shown is \$60,000, and it should be updated to \$460,000. Mr. Simon's recommendation is to adjust it to \$460,000, spread it over five years in PAYG and have a separate discussion whether to consolidate the three Safe Routes projects into one Safe Route Capital Project, which will break down by school (area), and then reduce the total number to evaluate year one. Mr. Lash said that they would have to see where that \$400,000 came from. The Safe Routes request that came in was for \$1.4 million. The initial idea was to see a first year number of \$100,000; a second and third year number a number of \$400-\$500,000; then if there is a fourth or fifth year, a number tapering back off.

Mr. Walko is concerned that there is no measure of success for this program, and that perhaps the next phase, North Mianus, is not started until they've looked at the other schools.

Mr. Lash stated that there is feedback from the Cos Cob site about speed bumps and the Strickland Road intersection. Missing information includes information about raised crosswalks and some re-configured roadways.

8. PARKING FUND NEW PRO-FORMA AND DISCUSSION

Discussion will occur on February 14, Decision Day, with respect to whether or not the parking garage will be included in the budget, and if yes how it should be funded. Mr. Lash encouraged the Committee to leave it in the budget, let it move forward to the RTM, and let them vote on it. The public would like to see more parking in the downtown area. The five year Parking Fund projection contains an appropriation for the structure and the current meter and permit utilization rates. Permit increases are projected to increase 10% per year.

9. CAPITAL PROJECTS WHOSE APPROPRIATION HAS LAPSED

A 1994 project for GHS for \$381,682 was questioned. There was an issue of the permanent C.O. pending the state audit of the reimbursement, and Mr. Gieger reported that this would be going away after a discussion with the BOE.

The oldest project is the Valley Road Bridge Reconstruction from 1993. There is no money available, but there is an encumbrance of \$6,493. The question of encumbrance for contractual obligations or encumbering for anticipated cost was raised.

Projects with lapsed appropriations are an issue that will be visited by the BET and the Budget Committee apart from the budget process sometime in the coming months.

10. OVERALL SUMMARY

Mr. Gieger will produce a new summary sheet. The current summary sheet with the \$41.5 million reduction in Health Care shows a total of negative \$1.62million. \$1.5 million of this will be added to the Capital and Non-Recurring fund.

11. HR BUDGET IN CONNECTION WITH DEPARTMENT OF SOCIAL SERVICES

This will be discussed in more detail on Decision Day. The anticipation is that based on a reorganization there will be a reduction in the DSS headcount by as many as five people, and there is further consolidation planned that will eliminate another four, bringing the total to nine. This is after a recommendation by a consultant. This was not made clear in the DSS presentation to the Budget Committee.

12. DSS PLANS FOR PROGRAMS

Mr. Walko asked if DSS had a full grasp of their programs and their own staff to make programmatic changes at this time. Assuming the answer is no, there could be a subject to release on a quarterly basis. The first report is expected in September 2006 or October 2006 after the new Commissioner is hired in May.

13. MC COMPENSATION PLAN MIGRATION

Mr. Walko had concern that there were an unusually large number of individuals moving from LIUNA to the Managerial Plan. Mr. Lash explained that reclassification of department heads has been done over the last few years. Mr. Simon suggested that the

HR Committee or the Budget Committee should go back and re-visit the compensation plan implementation and open items.

14. GEMS 401K PLAN

GEMS was scheduled to meet this night to discuss this as one of their topics. Ultimately, the town does not want to fund a 401K plan that is significantly different than the town plan. The requested appropriation for the additional 401(k) benefits is \$120,000. \$264,000 is budgeted to fund the 401K plan.

The current plan is 3-7% GEMS' contribution with no match. An employee working for GEMS after 1 year and up to 6 years receives a 3% contribution. After 7 years, they get a 7% contribution. No contribution by the employee required.

15. NEW MOC FOR CONSULTANTS

The rationale behind this was people were using consulting money for salaries. This issue was deferred to the next fiscal year.

16. BOE SECURITY CAMERAS

The BOE still needs to get back to the Committee about this item and how it will be funded. There was a BOE meeting after the BOE Budget Presentation to the Committee, but there was no indication that a vote was held.

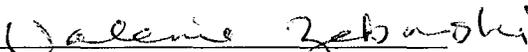
Conditions should be brought to the next meeting in writing.

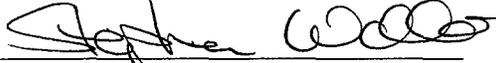
Any comments by Committee members or members of the BET to be added to the budget message should also be brought to the next meeting.

There was discussion as to the timing of RTM receipt of the final budget and the publication of the legal notice. It was decided that the budget books would go out, and the budget message would be sent separately.

The meeting adjourned at 4:00 P.M.

Respectfully submitted,


Valerie Zebrowski, Recording Secretary


Stephen Walko, Chairman