

1. BET Budget Comm. Dept. Review Day 2 Documents

Documents:

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**TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
BUDGET COMMITTEE
DEPARTMENTAL REVIEW DAY TWO FOR FY12 BUDGET
MINUTES
Cone Room, 2nd Floor – 10:30 A.M.
Friday, February 25, 2011**

Present:

Committee: Michael S. Mason, Chairman; William Finger, Laurence B. Simon,
Leslie L. Tarkington

Staff: Peter Mynarski, Comptroller; Roland Gieger, Budget Director; John Crary, Town
Administrator; Peter Tesei, First Selectman; Maureen Kast, Director of Human
Resources, Alison Graham, Employee Benefits Manager, Genny Krob, RTM
Member, Steve Warzoha, RTM Member, Allen Brown, Executive Director The
Nathaniel Witherell (TNW), Ray Augustine, Director of Financial Operations
TNW, Lloyd Bankson, TNW Board, David Ormsby, TNW Board, Diane Fox,
Planning and Zoning Director, Police Chief David Ridberg, Police Captain Mark
Kordick, Police Captain James Heavey, Greg Hannigan, Director of Police
General Services Division, Drew Marzullo, Selectman

Board: Nancy Barton, Randall Huffman, Art Norton, Jeff Ramer

Mr. Mason called the meeting to order at 10:34 A.M.

SPEAKERS

Healthcare Discussion – There were opening remarks from Ms. Kast to discuss the Town's healthcare budget with a handout provided.

Ms. Kast and Ms. Graham proceeded to walk through a presentation prepared by Ms. Graham. Highlights of the presentation were as follows:

- The Town is currently 8 months into a negotiated 18 month contract with Anthem as our only medical provider.
- The FY 2011-2012 Healthcare budget is for \$45.5 million with a 9% increase over the current year.
- There are 6 medical options with Anthem with a goal of streamlining these choices through Collective Bargaining.
- On January 1, 2010, approximately 400 employees moved to Health Savings Account (HSA) plans.
- Under the HSA, the first six months were favorable. Once employees met their deductible the premiums to claims paid rose sharply to about 125% of premium.
- The Town and Board of Education have 2,335 healthcare eligible employees with 2,118 currently covered under our medical plans. The 2,118 covered employees translate to 5,384 lives when the other family members (spouses and children) are factored in.
- A slide with current enrollment figures was distributed.
- A slide with employee premium cost sharing by bargaining unit was distributed.
- The GEA contract for teachers will begin negotiations in May 2011. The Teamsters are beginning negotiations currently and the GMEA, LIUNA and Silver Shield are in the middle of negotiations right now. Healthcare options will be part of the negotiations.
- The Town is determining whether the HSA is the right direction to go.

- The Town is continuing movement to HAS plans, eliminating the Preferred Provider Option, design changes to level costs and looking at self-insured versus full insured.
- The Town will put our medical plans out to bid this spring for both fully and self-insured options.
- Ms. Graham offered the advantages of self-insured as being; no state premium tax, saving 1.75% of the medical cost, reduced profit and reserves, saving 2 to 4% of the medical cost and reduced administrative fees, saving 1 to 2% of the medical cost.
- Ms. Graham countered with the disadvantages of self-insured is that it is risky until the Town understood the costs trends of the population and also the premiums to claims are currently performing poorly. The poor performance could be offset with positive changes to the plan design.
- Ms. Graham stated that if the fully insured premium is substantial with high retention and reserve costs; then self funding will make more sense. However, keeping these components low will make the fully insured option more attractive.
- Ms. Graham informed the Committee the Town is participating in the Early Retirement Reinsurance Program (ERRP) which will provide reimbursements to the Town.
- Ms. Graham also talked briefly about Wellness Programs the Town is trying to implement through discussions with the Town' unions.
- Ms. Graham concluded her presentation by summarizing the following drivers for the Town healthcare cost containment as; plan design changes (deductible, co pays, etc.), collective bargaining changes, Healthcare reform and the offering of Wellness Programs.

BET Human Resources Committee Report on New Positions and Salaries –

Mr. Mason presented a report prepared by BET Human Resources Chairman, Jim Campbell, that contained the following highlights:

- There was a discussion on the DPW Civil Engineer 1, Nathaniel Witherell Social Services and Health Department Public Health Emergency Preparedness Coordinator positions.
- Management/Confidential (MC) salaries were recommended to increase by 1.75%, on average and an increase in the grid was discussed but not acted on.
- The salary for the First Selectman was voted to increase to \$126,400 and then \$128,300 over a two year period. A short discussion ensued about the origin of the commonly referred to statement that elected officials could not receive raises during their terms in office.
- The Selectman would receive raises that were 10% of the above noted figures.
- The Town Clerk and Tax Collector positions would be approved for future raises to \$91,000 and \$92,350.
- No raises were offered to the Registrar of Voter positions due to the fact that they were current and not in line with the other elected officials regarding timing.

Planning and Zoning Department 161 Zoning Enforcement Discussion – Diane Fox, Planning and Zoning Director, appeared to discuss the Zoning Enforcement Officer positions. Ms. Fox offered that the positions were required to be staffed in Planning and Zoning by Connecticut State Statute. Ms. Fox informed the Committee that the positions basically enforce zoning regulations, mainly during the permitting process.

Ms. Fox offered that they started charging permitting fees by the enforcement officers and had generated a total of about \$19,000 for the months of January and February 2011.

Mr. Mason asked Ms. Fox which departments she was responsible for budget oversight. Ms. Fox answered three; Planning and Zoning, Zoning Enforcement and Land Use divisions.

The Committee recessed at 12:50P.M. for lunch and reconvened at 1:31 P.M.

Police Department – The Police Department was represented by the appearances of Chief Ridberg, Captains Kordick and Heavey and Mr. Hannigan.

Mr. Mason informed Chief Ridberg that the Budget Committee had discussions with the Parks and Recreation Trees Division and the matter of high police costs was an issue on Town wide tree maintenance. Chief Ridberg responded that he was aware of the matter and was in discussions with Parks and Recreation officials over possible reductions in costs.

The first item for discussions was the Police Department reorganization. Chief Ridberg passed out a proposed organizational chart and reiterated his preference for Majors instead of Captains and informed the Committee that the Town Charter requires the presence of a Deputy Chief position. Mr. Simon asked Mr. Gieger to adjust the budget page 59 to properly reflect the current organizational chart.

Ms. Tarkington asked about the usage of rental cars for undercover purposes. Led by Mr. Hannigan, the Police Department strongly supported the program for two cars rented in an annual program. The Chief stated that there have been 100 narcotics arrests since beginning the program. The Chief also used the terminology of "burning" the cars once an arrest has been made. He stated that the cars are immediately turned in once they are recognized as undercover vehicles.

Ms. Tarkington asked about the cost to retrofit the rental cars. Chief Ridberg responded that retrofitting is very minimal because they can't include any identifiable features that may cause them to look like police cars.

Mr. Hannigan offered that due to the success of the program they will renew the contract.

Ms. Tarkington asked why the "Rental-Data/Work Processing" account doubled. Mr. Hannigan and Captain Kordick explained that the figure was improperly budgeted low, due to the new public safety facility. Captain Kordick referred the Committee to the prior year which was more in align with the proper costs and Mr. Hannigan referred to the line above that reflected a 55.3% decrease in budget request.

Mr. Simon asked why the Department 212 – Public Safety Dispatch coding was created. Chief Ridberg responded that the coding was implemented at the recommendation of an audit done by Ron Lalli, Special Projects Coordinator. Mr. Art Norton, BET Audit Committee Chairman, concurred with the audit recommendation.

Mr. Simon led the Committee with a series of questions about the number of radios and the compatibility of the radios if the current police communication infrastructure was replaced in a couple of years. Captain Kordick stated that the goal was for every police officer to have a radio and mentioned that there many occasions that they are working special duty or side job assignments and communications are important.

Mr. Finger further inquired about the replacement of the communications system and its associated costs. Captain Kordick stated they are considering replacing the system completely from top to bottom. Captain Kordick informed the Committee they would be moving from the 800 megahertz to the 700 megahertz spectrum.

Ms. Tarkington asked about the impact of replacing the communications system on the Greenwich High School multi-dimensional antenna. Chief Ridberg stated there would be no impact.

Ms. Tarkington asked if having each officer have a computer and cell phones would create redundancies. Chief Ridberg said no and also the computers are only located in the public safety building. Chief Ridberg cited an example that more than twenty detectives were previously utilizing one computer and it was a deterrent to the efficient utilization of email.

Based on a question by Mr. Simon, there was a short discussion on the police marine division boat purchased in 2002.

Mr. Simon asked how much it cost to outfit a new police car. Mr. Hannigan stated it cost about \$16,500 to outfit a new police car which costs about \$21,000 to purchase new.

Mr. Simon asked how the license plate scanners were working. Chief Ridberg responded that they are working well and provide unlimited capacities to scan plates and gave a few examples of their potential capabilities.

Nathaniel Witherell Discussion – The Nathaniel Witherell was represented by Msrs. Ormsby, Bankson, Brown and Augustine.

Mr. Mason asked about the accuracy of the position listing on TNW page #4 in the budget book. Mr. Ormsby led a discussion about the different positions.

Mr. Mason asked about the accuracy of the fund balance number in the budget book. Mr. Augustine passed out an updated version of the fund balance projection. Based upon the discussion that ensued, it was decided to update the budget book to reflect a more accurate fund balance projection for Nathaniel Witherell.

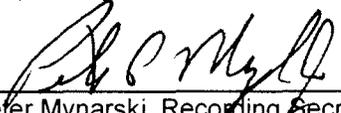
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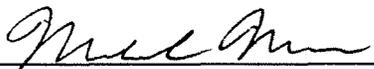
Ms. Tarkington asked about the user tax. Mr. Brown offered an explanation on the tax that was implemented in 2006.

Chairman Mason went over open items to be discussed on Consolidation Day on Monday, February 28th. Mr. Mynarski offered to provide a listing of revenue adjustments and Mr. Gieger was assigned the task of itemizing budget adjustments.

The meeting adjourned at 2:55 P.M.

Respectfully submitted,


Peter Mynarski, Recording Secretary


Michael S. Mason, Chairman

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