

**TOWN OF GREENWICH  
BOARD OF ESTIMATE AND TAXATION BUDGET COMMITTEE  
DEPARTMENTAL REVIEW DAY FOUR FOR FY17-18 BUDGET**

**Town Hall Meeting Room  
Wednesday, February 8, 2017 – 9:00 A.M.**

Present:

Committee: James A. Lash, Chairman; Leslie Moriarty, Jeffrey S. Ramer,  
Leslie L. Tarkington

Staff: Peter Mynarski, Comptroller; Roland Gieger, Budget Director; Ben Branyan,  
Town Administrator; Angela Gencarelli, Finance Department; Tod Laudonia, Tax  
Collector; Lauren Elliott, Assessor; Amy Seibert, Commissioner, Public Works;  
James Michel, Assistant Commissioner, Public Works; Alan Monelli,  
Superintendent, Buildings & Construction; Joseph Siciliano, Director, Parks &  
Recreation; Bruce Spaman, Superintendent, Parks & Trees; Jeff Freidag,  
Superintendent, Marine & Facilities Operation; Jay Domeseck, Director, Fleet  
Department; Barbara Ormerod-Glynn, Director, Greenwich Library; Joseph  
Williams, Deputy Director, Greenwich Library

Board: John Blankley, William Drake, Beth Krumeich, Michael Mason, Arthur Norton, Jill  
Oberlander, Anthony Turner, Nancy Weissler

Selectmen: Peter Tesei, First Selectman; John Toner, Selectman; Drew Marzullo, Selectman

RTM: Lucia Jansen, RTM D-7, BOC; John Dolan, RTM D-7, Finance, Rebecca  
Steinfeld, RTM D-11, Finance; William Galvin, RTM D-7, BOC; Roz Nicastro,  
RTM D- 3, BOC; Ajit Laroia, RTM D-11

Public: James Aiello, MAC Advisors, LLC, Chair, EAC; Tamara Ketler, TKM Sports  
Marketing, EAC member; Sabine Schoenberg, Principal, Primesites Inc. EAC  
member; Robin Kencel, Broker, Stevens Kencel Group, EAC member; Ken  
Borsuk, Reporter, *Greenwich Time*

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

**SPEAKERS**

**Tax Collector** – Mr. Lash asked Mr. Laudonia what kind of budget adjustments had been made in the FY18 budget to reflect RTM and BET reductions to his department's FY17 budget. Mr. Laudonia responded that the FY17 Budget salary line reduction was impossible to work with and that he was in discussion with the HR and Law Departments currently and could not provide more specifics about his department's FY17 plan. In asking about the current fiscal year, Mr. Ramer expressed concern that at the current spend-rate, the office would run out of funding in early May before June tax bills needed to be sent out to taxpayers; he added that the proposed Tax Collector departmental FY18 budget showed an increase of 3.7% in the salary line over the previous year.

The response from the Tax Collector was that on the advice of his legal counsel, he was unwilling to discuss his proposed handling of this Budget shortfall in salaries in the current fiscal year. Ms. Tarkington asked that Mr. Laudonia schedule a return visit during an upcoming Departmental Hearing to provide materials supporting his plan for the balance of FY17 spending and explain his FY18 budget. Mr. Laudonia indicated that he would be addressing his staffing model at the BET Human Resources Committee on March 9. Mr. Laudonia indicated that more than \$350 million was collected by check, from walk-ins, by bank mortgage transfers, and \$10 million was processed on credit cards producing a total average annual collection rate of 99.3%. Mr. Lash opined that TOG spends too much money to collect taxes.

**Fixed Charges** - Mr. Mynarski provided an overview of the Fixed Charges budget (\$151,540,766) which is lower than FY17B by \$14,437,633. The primary reason is the reduction in Healthcare Costs and HAS Contributions of \$8,625,000. There is also a reduction in the contribution to Nathaniel Witherell's Revolving Fund of \$5 million. Other reductions are in OPEB Annual Contribution, Workers' Compensation Payments, contribution to Capital Projects, and contribution to Risk Fund.

He noted that the Actuary's recommended contribution to TOG's Retirement Fund is \$21,932,000, a decrease of \$89,000 over the previous year. Ms. Moriarty asked if the Retirement Board is considering lowering its projected investment rate-of-return from 6.75%. Mr. Mynarski responded that the Actuary did not recommend this course of action; however, if the rate-of-return were lowered to 6.5%, TOG's contribution would increase by \$1 million.

A review of TOG additional Fixed Charges included remarks about: contributions to employees' benefits in both Defined Contribution and Defined Benefit plans; Sick & Vacation Payouts (a fund for payments beyond what Departments could absorb within their budget); FICA contribution to Social Security; Health Savings Account Contribution (estimated to be reduced 84% due to employee migration to the State's Partnership Health Plan); Employee Group Life Insurance; OPEB contribution; 401k Match; Workers' Compensation payments; Unemployment Insurance; other Insurance policies overseen by Risk Management; Insurance Claims Administration; Debt; and Transfers From/To Other Funds.

Mr. Mynarski gave additional details on the positive direction in Workers' Compensation Hospital and Medical payout management pointing out that CIRMA's involvement in case management and supplementing its service with a legal firm that specialized in settlement of employee benefit claims, plus the First Selectman's Safety Committee initiative and the HR Department's Safety Analyst's investigation and education programs supported controlling these expenses. He added comments to expenditures such as BOE's Bus Contract and their study on private school routes, debt policy target guidelines, Nathaniel Witherell's impact on rating agency reviews, and the School Lunch Program. He cautioned that TOG should anticipate potential future changes in light of the State's Budget announcement of further cutback amounts in Education Cost-Sharing, taxation of hospitals, contribution to Teachers' Retirement funding, and Sales Tax Revenue Sharing.

**OFS Initiative** - Proposed Economic Development Public Relations Branding Program – First Selectman Tesei introduced members of his Economic Advisory Committee who expanded on their previous presentation with additional details about the proposed public/private partnership marketing project. Speaking from their various industry experiences, EAC members reviewed the initiative's branding objective modeled on public relations campaigns conducted for Santa Barbara, Charleston, Fairfield and New Haven. The EAC proposed adding an Advisory Board that would include the Assessor, Town Planner and BOE Public Relations staffer, as well as an RTM

representative, to contribute input to the plan's RFP. EAC presented an overview of its proposed strategy, and price range; and structure as a 501(c)(3), were provided. There was a discussion about the development of the program's goals, assessment mechanism for the value of this type of investment, and structure to insure alignment of the outside group goals with Town goals. The conversation closed with the Committee's request for distribution of the presentation package to the full BET. Mr. Lash's commented that since it was presented as an OFS initiative, it merited further consideration.

**Grand List** - Mr. Mynarski directed the Committee's attention to the First Selectman's expectation of a mill rate increase of 1.79% over the previous year, but reduced the mill rate increase to 1.33% using the current increase in the Grand List assuming no reductions by the Board of Assessment Appeals. MS. Elliot commented that the State estimated Greenwich's Equalized Grand List value for the 2014 GL at \$35 billion. The ENGL for the 2015 Grand List is estimated at a lesser amount of \$32.5 billion. She explained that the State OPM equalization is very simplistic as all residential real estate is equalized at the same rate with no distinction made for varying value of the Town's distinctive neighborhoods. Also, Ms. Elliott pointed out that the real estate sales data in the charts presented by the First Selectman's Economic Advisory Committee was not consistent with the Assessor's Office data base, which reflected Assessments based on Revaluations in both 2010 and 2015.

**Finance Department: Revenue Presentation** - Mr. Mynarski suggested areas where the revenues budget may be conservative: including conveyance taxes; volume of building permits; taxation of local hospital properties (requires State action); cancellation of encumbrances; revision of BET Fund Balance policy; and increasing Parking fines.

## **CAPITAL BUDGET (continuation from prior day)**

**Public Works Department Capital Requests** - Ms. Siebert listed Dam & Bridge repair (a portion of expenditure reimbursable); Storm Water Drainage projects which might return excess contingency to the General Fund; Steamboat Road Landing railing requirement only valid if Landing used as fishing pier; 100% Federal Grant for Congestion Mitigation and Air Quality Improvement for renovation of Glenville intersection; Holly Hill Pond Sedimentation Project; ongoing Town Hall space re-organization; Senior Center relocation of kitchen, dining room and installation of handicapped access ramp on south-side of Building (possibly to be underwritten by bequest now in Probate Court); Baldwin Park outdoor electrical equipment upgrade.

**Fleet Department Capital Budget** - Mr. Branyan commented that for better Departmental oversight, vehicle purchase would be in departmental budgets and not centralized under the Fleet Department. Under Fleet's 15 Year Plan, monthly utilization, mileage hours on engines, and discontinued/inefficient vehicle models are tracked to determine replacement schedule. Mr. Ramer noted that the Department's Operating Budget showed a 6.5% increase for professional fees; in response, Mr. Domeseck responded that the Department's Parts Inventory had been outsourced rather than capitalized. Ms. Tarkington requested a detailed spreadsheet aggregating all TOG vehicles and their condition for comparison of longevity and repair costs, and to compare vehicles by Department against those in the Department's fleet ten years ago (or a shorter timeframe, if necessary). Mr. Domeseck requested the installation of a propane fuel filling station. The Committee requested that the Fire and Police Departments return to provide context to their requests for the purchase of new vehicles listed in Fleet's inventory.

**Greenwich Library Capital Requests** - Ms. Ormerod-Glynn requested \$55,000 to replace flooring at the Cos Cob Library; replacement of the Perrot Library roof; interior and exterior

painting at the Byram Library; emergency lighting, sequential roof section replacement and new roof air conditioning units for the main library. Parking lot resurfacing, curb replacement and Police traffic control for that project were also requested. The substitution of less expensive flag men, rather than a uniformed Police Officer, to direct traffic during resurfacing was recommended. Ms. Krumeich asked if Parking lot traffic flow could be redesigned during the resurfacing project to reduce frequency of Parking lot accidents. Ms. Ormerod-Glynn was asked for a copy of the Peterson Foundation's most recent Audit. Mr. Mynarski was asked to review the Perrot Library Agreement to identify who is responsible for Perrot Library capital improvement projects.

**Parks & Recreation Capital Requests** - Mr. Siciliano requested the replacement of a tractor, trailer and aerator used in its School playing field Turf Program. He reminded the Committee that only license plated vehicles were purchased through the Fleet Department. The acquisition of 2 new lawn mowers was requested. Other items in the P&R work plan included: expansion of organic turf management to all Town fields; repair and upgrade of Hamilton Avenue school playground (requested by the BOE as an interim); lighting and artificial turf installation at Teufel Field; replacement of Pemberwick Park playground; ongoing playground inspection program; and ongoing tennis and basketball court program. The Committee requested a better cost estimate for lighting system upgrades and all-weather surface installations and for replacing "fall zone" matting around playground equipment throughout Greenwich's parks and playing fields. Mr. Freidag requested new outboard motors for the mini landing-craft and commercial-grade utility carts and trailers for Marine Division use.

Mr. Siciliano explained the Coast Guard mandate that either Indian Harbor ferry's steel deck be replaced in sections or produce evidence that a new ferry boat was being purchased. He added that with a new shallow-draft boat, ferry service to Greenwich's islands could be performed with better speed and increased capacity in two boats rather than the current 3 boats. An additional request was made for the installation of a generator unit for the caretaker cottage on Island Beach; LED lighting at Byram Marina; Byram Marina and channel sediment dredging and towing charges for sediment removal to Stamford; expansion reconfiguration of Byram Marina to increase docking capacity to 200 slips; expansion of docking capacity at Grass Island Marina.

**Sewer Maintenance Capital Requests** - Ms. Seibert described sewer rehabilitation repair metrics that provided information about whether new pipe replacement or pipe lining was needed. The Committee questioned whether the cost for sewer pump stations or forced main rehabilitation should be allocated to the pay-as-you go Sewer Maintenance Fund, which is the current requirement, or to the Sewer Improvement Fund used for sewer plant improvements. Under FEMA guidelines Pump Stations needed to be raised to be flood-proof. If the Pump Stations or the forced main rehabilitations were financed in the Sewer Improvement Fund they be financed by 20-year bonds issued as funds were spent. Ms. Tarkington commented that the Sewer Maintenance Fund has \$20.7 million of projects previously approved, but with encumbered or unspent funds, of which 54% has been fully taxed.

Mr. Lash suggested scheduling of the following interviews for Wednesday, February 15, 2017's Hearing Agenda: The Nathaniel Witherell; Police and Fire Departments' new equipment requests; Sewer cost allocation policy; increasing volume of improvements to Holly Hill; and the Bruce Museum capital funding request. Additionally, he requested an update on the changes to the FY18 Budget and an update on the resulting impact on projections for the FY19 Budget.

The meeting adjourned at 6:06 P.M.

Respectfully submitted,

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Catherine Sidor, Recording Secretary

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James A. Lash, Chairman

SUBJECT TO APPROVAL