

**TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
BUDGET COMMITTEE**

**DEPARTMENTAL REVIEW DAY THREE FOR FY15 BUDGET
MINUTES**

**Town Hall Meeting Room – 9:30 A.M.
Wednesday, February 12, 2014**

Present:

Committee: Marc V. Johnson, Chairman; Mary Lee Kiernan, Jeffrey S. Ramer, Leslie L. Tarkington

Staff: Peter Mynarski, Comptroller, Roland Gieger, Budget Director, Maureen Tracy, Financial Analyst, John Crary, Town Administrator

Board: John Blankley, Bill Drake, William Finger, Sean Goldrick, Randall Huffman, Michael Mason, Art Norton

Others: Joseph Siciliano, Director of Parks and Recreation, Thomas Greco, Assistant Director of Parks and Recreation, Jeffrey Freidag, Superintendent of Marine and Facility Operations Division, Susan Snyder, Recreation Division Supervisor, Diane Fox, Director of Planning and Zoning and Town Planner, Katie Blankley, Deputy Director of Planning and Zoning and Assistant Town Planner, Don Heller, Chairman of the Planning and Zoning Board, Michael Chambers, Director of Inland Wetlands and Watercourses Agency, Denise M. Savageau, Director of Conservation, Jodi Couture, Zoning Enforcement Officer, Allen Brown, Executive Director Nathaniel Witherell, Ray Augustine, Director of Financial Operations Nathaniel Witherell, Lloyd Bankson, Nathaniel Witherell Board, David Ormsby, Nathaniel Witherell Board Chairman

Mr. Johnson called the meeting to order at 9:30 A.M.

SPEAKERS

Nathaniel Witherell (TNW)

Mr. Bankson, Nathaniel Witherell Board Member, began the Nathaniel Witherell budget presentation. He told the Committee that there are three basic drivers of TNW revenues. They are 1) census, 2) the mix of the census, and 3) acuity. Mr. Bankson said that Project Renew is entering its final stages of completion and it is expected to be finished in the late spring or early summer. He said that the construction at the facilities has affected the census, or occupancy rate. Ms. Bankson said that the budget presented for 2014-2015 is clearly reflective of that with a \$4,232,090, or 19.2% increase in revenues when TNW gets back up to higher occupancy levels. He stated that mix of the census at TNW has an effect on revenues. Ms. Bankson said the number of Medicaid beds is up to a 62% rate and they need to reduce that rate to increase revenue levels. Finally, Mr. Bankson told the Committee that acuity is a factor in revenues. He

explained that acuity is the degree or severity of need to care for certain patients. The severity of the illness has an impact on the costs to care for the patients.

TNW officials explained a positive adjustment in debt service projected for FY '15 in the amount of \$116,292. TNW officials explained that the debt portion of Project Renew's financing consisted of one year of BANS followed by a sale of 20 year bonds at 2.97% in January 2014, when a 20 year rate of 3.25% had been assumed in previous budgets.

Mr. Bankson then turned the presentation over to Mr. Brown and Mr. Augustine. Highlights of the remaining session were as follows:

- Mr. Augustine reiterated Mr. Bankson comments on the revenues being up 19.2%, basically returning to normal levels with the completion of Project Renew. However, he added that the expenditures will return to normal levels with a reciprocating increase in the budget request.
- Ms. Kiernan asked TNW officials to explain the cost allocation figures displayed in the budget request. Mr. Augustine explained that a number of years ago TNW officials worked with the Town's Finance Department and McGladrey and Pullen to develop an accurate method to account for the fringe benefits and in kind services that should be allocated to TNW operations. He added that Finance wanted to create an allocation that was acceptable to the State of Connecticut for Medicare and Medicaid reimbursements. Mr. Augustine told the Committee that they enlisted the services of Vincent Ruocco, Certified Public Accountant, to assist them. TNW was using Mr. Ruocco to assist for State reimbursements at that time. Mr. Augustine stated that the figures currently come from the Finance Department on a quarterly basis, with figures prepared by Mr. Gieger and Ms. Maureen Tracy. TNW officials acknowledged that the cost allocation negotiation took two years and it would be prudent to initiate another review soon.
- Mr. Ramer asked TNW officials how the fund raising was going from the Friends of Nathaniel Witherell. Mr. Ormsby responded that they have raised about \$3.4 million to date with \$1 million contributed to TNW last June 30, 2013. He said that the \$2 million contribution in the current year budget will be contributed around June 30, 2014.
- The Committee asked about the \$1,381,029 Fund Balance projected for June 30, 2015. Mr. Gieger told the Committee that there is an existing Budget Resolution that addresses the issue of fund balance at TNW. He said that it would have an impact on the Contribution from the General Fund, meaning they would not need the full \$2.5 million.
- There was a discussion about the application to the State Historic Preservation Office (SHPO) located within the Department of Economic and Community Development for certification and reservation of tax credits for TNW. Mr. Bankson told the Committee that TNW has been approved and a tax credit reserve for \$4,490,918 is potentially available to the Town. Mr. Bankson cautioned that this amount is based on receipt of a Certificate of Occupancy and a cost certification from an independent accounting firm. Mr. Goldrick asked Mr. Mynarski what the Town can do with those receipts. Mr. Mynarski responded that he wanted to verify with the State of Connecticut that there are no restrictions on the use of those proceeds. However, Mr. Mynarski stated that Project Renew has already been fully bonded and there are potentially two options. Mr. Mynarski said that the Town can either repurpose the bond proceeds already received or pay down the debt service

in the first two years. He added that paying down the debt service would be favorable to the Town, by reducing TNW budget request for next year.

- Mr. Ramer asked about two budget variance increases, Account #51090 (Standby) and Account 35110 (Overtime). Mr. Augustine responded that the increases here and throughout the entire revenue and expenditure requests are reflective of returning to normal operations with the completion of Project Renew this summer. Mr. Ramer also inquired about Account #51300 (Temporary Salaries). Mr. Brown told the Committee they would be up 4.4 Full-Time-Equivalent positions. This prompted a question from Ms. Tarkington about staffing levels and requests for new positions. Mr. Johnson said this would be a good time to discuss the staffing requests already vetted by the BET Human Resources Committee. Mr. Brown, in response to Ms. Tarkington's question, said that the staffing requests by TNW were detailed in the Health Dimension Group study on the Nathaniel Witherell Long Range Financial Plan Review. Mr. Brown went on further to say that not only were additional staffing requests needed, that actually the requests are less than what were detailed in the study.

Land Use

Ms. Diane Fox opened up the presentation for the Land Use agencies by discussing the Planning and Zoning budget – Department #171. She said that the bulk of the increase was attributed to Account #51440 (Professional Services-Consultants) to do a flood study for the Old Greenwich-Riverside areas. In response to Account #51010 (Regular Salaries), Ms. Fox said the increases are contractual.

Ms. Fox also presented the Board of Appeals and Zoning budget. She stated that the budget was up 6.3% mainly because of the staff increase request for an Administrative Staff Assistant 2. Mr. Johnson noted this request was covered by the BET HR Committee previously. Ms. Fox said this increase is reflected in Account #51980 (New Positions). The Committee asked Ms. Fox about the decrease in Account #52950 (Miscellaneous Services). Ms. Fox said that there was a request in the current year for one substantial nuisance abatement case and they no longer needed the same amount of money for nuisance abatement in the 2014-2015 budget request.

Ms. Tarkington said that she wanted to return to Department 171 – Planning and Zoning. Ms. Tarkington told Ms. Fox that when they interviewed the Fire Chief during their budget presentation Chief Siecienski noted that his recommendation would be for Planning and Zoning to address adding cisterns to developments during their plan reviews. Ms. Fox said she was aware of such issues, but however it was determined to not be feasible and would be too restrictive on the homeowners.

Ms. Tarkington asked about coordination between Planning and Zoning and the Assessor's office during revaluations and if there was any. Ms. Fox responded that they work well with the Assessor and they already coordinate their efforts during revaluations.

The Committee asked about how well CityView was working. Ms. Blankley responded by saying they have been working with CityView since 2006 along with the implementation of the digital imaging project. Ms. Blankley stated the office has been greatly improved with CityView and it has been an excellent experience. Ms. Fox concurred with Ms. Blankley's comments.

Concluding remarks came from Mr. Heller, Chairman of the Planning and Zoning Commission. Mr. Heller conveyed his support for a full time position previously denied by the BET HR Committee and asked the BET to further review the zoning enforcement function.

Mr. Michael Chambers, Director of the Inland Wetlands & Watercourses Agency, presented the Department #173 budget. Mr. Chambers started by offering some initial comments. He told the Committee that his agency has worked with Chief Siecienski to identify and resolve water shortage issues in backcountry Greenwich. Mr. Chambers also wanted to bring the Committee up to date on some of the projects Inland Wetlands was working on. He said that the Agency and staff have held numerous strategic planning sessions dealing with hot button items. He said one current hot topic is dealing with pesticides and herbicides in ponds. Secondly, Mr. Chambers told the Committee that they have expanded their web space with enhancements. Specifically they are scanning electronically and have provided a portal on the web page to access Inland Wetlands documents.

Mr. Chambers took the opportunity to summarize a cut to the Inland Wetlands budget. He said that the First Selectman's budget cut of \$3,000 from Account #51440 (Professional Services – Consultants) would have a negative impact on their budget. He asked the BET to restore the consultant funding for another \$3,000, previously cut from his request.

Mr. Chambers detailed the Inland Wetlands Table of Organization for the Committee and told them they share an Applications Coordinator with the other Land Use Departments and it is budgeted in the Department 174 budget.

Mr. Johnson asked Mr. Chambers for his opinion on working with the CityView product. Mr. Chambers started by saying that the current software they use is not working and is not supported by the Town's Information Technology Department. In addition, the Inland Wetlands software is not compatible with CityView. Mr. Chambers strongly commented that CityView is not working for the Inland Wetlands Department and it doesn't deliver. He said they need a database to support the department. Mr. Chambers also summarized the process of file digitization in his department by outsourcing the scanning of files into digital format. He stated that microfiching of IWWA files was not required by regulations.

Ms. Savageau presented the Conservation Commission budget. She clarified that the Conservation Commission is an advisory commission dealing with a variety of environmental, conservation, coastal resiliency/weather adaptation, emergency response, open space, drinking water protection, watershed management, wildlife and preservation issues, as well as strategic planning and grant-writing for the Town in all these areas. Ms. Savageau detailed a number of additional assignments that have been added to her operations in recent years, including the long-term recovery efforts from storm Sandy, the FEMA Hazard Mitigation Grant program, the dune restoration effort at Greenwich Point, Conservation's growing role in the Emergency Operations Center, review of all of the increased applications that come through P&Z, and providing conservation support and expertise to several other Town departments such as DPW and Parks & Recreation. Ms. Savageau reviewed the increase of a current part-time position to the full-time position proposed in the First Selectman's budget. Mr. Johnson noted that the Human Resources Committee previously voted 2-2 on this proposed increase.

The Committee recessed for lunch at 12:36 P.M. and continued at 1:06 P.M.

Parks and Recreation

The Parks and Recreation budget presentation was led by Joseph Siciliano, Director of Parks and Recreation, and Tom Greco, Assistant Director of Parks and Recreation. They began their presentation by distributing a 2014 – 2015 Parks and Recreation Budget Summary and telling the Committee about the Parks and Recreation Community First initiative noted on the document. Community First is an overall initiative of the First Selectman to improve customer service in Greenwich. As part of Phase II of Community First, Parks and Recreation had to identify a project that improved customer service relative to their operations. Mr. Greco said that Parks and Recreation had previously did a survey, whereas they mailed out 8,300 questionnaires asking the public to comment on what they would like to see change or to voice a complaint about Parks and Recreation operations. Mr. Greco stated that the top three complaints were about 1) a lack of cleanliness in the restrooms in the Town's parks and beaches, 2) summer camp programs being offered, and 3) garbage pickup in the Town's parks and beaches. As a result of this survey Mr. Siciliano and Mr. Greco picked this project to improve overall customer service in the parks and beaches.

Mr. Siciliano said they wanted to concentrate on cleaning the Town's restrooms and picking up the garbage in Town's parks and beaches. Mr. Greco said there are 58 public restrooms and 600 garbage receptacles in the parks and beaches. Mr. Greco said it would take 7,000 cleaning cycles per year and the purchase of three new vans, power washers and Honda Generators plus the additional labor to make improvements. Mr. Greco said the labor portion amounted to \$73,889 and was included in the operating budget. The equipment purchases of \$89,230 are detailed and requested in the capital budget.

Subsequent to the opening remarks dealing with the Community First initiative, Mr. Greco and Mr. Siciliano said they would take any questions on the overall Parks and Recreation budget. Mr. Siciliano reminded the Committee that the Parks and Recreation budget was holding at 101 positions since they had budget cuts and layoffs during the 2009-2010 budget.

Ms. Kiernan asked about the progress of the 311 rollout. Mr. Greco responded that they have one dedicated position, Customer Service Representative, to the 311 project. He added that this person does not spend all of her time on the 311 project, but has other duties. Mr. Greco said that the 311 project is still in the startup stage and they are trying to get the bugs out.

Mr. Johnson asked about how the new payroll system will impact their operations. Both Mr. Greco and Mr. Siciliano expressed concerns. They collectively stated that they may need another person to take on the additional payroll responsibilities to conform to the new system. Mr. Greco said that right now they have a part time person dedicating 25 hours per week to payroll. He said that person will not be able to handle the additional duties of the new payroll system and it would probably require the request for another position.

Mr. Johnson asked about the change in Park Gardner positions in the Parks and Trees Division. Mr. Siciliano responded that they were promoted. He said it is normal when they reach a certain degree of capability.

The Committee decided to go through the budget division by division and the highlights of the discussion are as follows:

801 – Parks and Recreation Administration – Mr. Siciliano explained that Account #51300 (Temporary Salaries) is increasing because of the processing of an additional 8,000 beach cards. He clarified his remark by saying that they put beach card renewals on line and that the seniors were on a 3 year cycle. This means that the senior applicants will have to reapply instead of having their renewals roll over electronically. There was a question about Account #52030 (Bank Fees). Mr. Greco said they started allowing applicants to use credit cards. He said the usage is up and there is a 2% processing fee.

811 – Parks and Recreation – Supervisor – Mr. Siciliano introduced Ms. Susan Snyder, Recreation Supervisor, and said that she is basically the whole budget in this cost center and has been working for the Town for about one year replacing a long-standing supervisor.

812 – Recreation – Organized Recreation – Mr. Siciliano explained that this is where the camp programs are budgeted. Ms. Snyder further explained that in Account #51490 (Professional and Other Services), they budget monies to pay for out-of-town trips for the camp programs such as; the Bronx Zoo, the Norwalk Maritime Center, etc. Mr. Greco was quick to point out that they capture these out-of-town trip costs as part of the price to attend the camp programs and they show up in the revenues. He said these programs are self-sustaining.

814 – Eastern Civic Center – Mr. Ramer asked if the facility usage was on the increase, due to recent repairs to the roof and other parts of the building and what are the future plans for the facility. Mr. Siciliano said that they have lost a lot of the business from the trade shows but usage has gotten better. He specified as an example that the trade shows went to the Hyatt, which is a more attractive facility. Regarding the future of the facility, Mr. Greco reminded the Committee that there have been three studies on the future of the Eastern Civic Center. There was a study done by the local community groups, one done by the Parks and Recreation Commission and one done by a First Selectman's Group, led by First Selectman Thomas Ragland. Mr. Siciliano and Mr. Greco commented that they didn't know if there was still an interest in the community to renovate the building through fund raising efforts but there is a new initiative underway led by Mr. Gary D'ellabate to explore the future uses of the building.

815 – Community Centers – The Committee inquired about this cost center. Mr. Siciliano told them that this is funding for Community Centers in the Pemberwick Park and in Cos Cob.

816 – Ice Skating Rink – The Committee asked about Account #51300 (Temporary Salaries). Mr. Siciliano explained these are the seasonal employees needed to run the facility. Supervisory costs are budgeted in other divisions. Mr. Johnson asked if they had purchased a new Zamboni machine that was listed in the current year budget. Mr. Siciliano said no, they repaired the existing Zamboni.

822 – Parks and Trees – Parks Playing Fields – Mr. Greco explained this is where Community First labor increases are budgeted and are located in Account #51300 (Temporary Salaries). He noted a 41.7% increase to this account.

Ms. Kiernan asked if this is where the Parks and Recreation maintenance of Board of Education facilities is budgeted, and Mr. Siciliano replied yes. The Budget Committee asked Mr. Siciliano to summarize a recent tour of the grounds around the schools requested by the

BOE because the BOE was unhappy with the quality of maintenance. Mr. Ben Branyan, Dr. Bill McKersie, First Selectman Peter Tesei and Mr. Siciliano toured these facilities in August. Mr. Siciliano stated that Parks and Recreation is down 8 positions since 2009. He conceded that with this decrease in labor force they are forced to ramp up for different areas at different times of the year. Mr. Siciliano said it was all a matter of timing. The Parks and Recreation labor force is dedicated to maintaining the beaches and parks during the summer and they devote their efforts to the BOE grounds when they can free up the seasonal work force.

Mr. Johnson asked Mr. Siciliano and Mr. Greco if they can compile the total costs for Community First for the Wednesday, February 19th Budget Community meeting.

829 – Parks and Trees – Mr. Siciliano gave the Committee an explanation on how the Town tree outsourcing program works.

The Committee had a quick review of the Griffith E. Harris Golf Course budget. Mr. Siciliano explained that there was a reduction in headcount at the facility. He said they reduced the Park Gardner 2 positions from 3 to 2. This would reduce the overall headcount for full-time employees at the golf course from 9 to 8 positions.

The meeting adjourned at 2:30 P.M.

SUBJECT TO APPROVAL

Respectfully submitted,

Peter Mynarski, Recording Secretary

Marc V. Johnson, Chairman