Consolidation Process

Mr. Lash began the meeting with an overview of comments received from the community in emails since Departmental Hearings had begun. He asked members of the Budget Committee and BET members if they too had been receiving comments on topics being considered during the Hearings. Mr. Lash asked Mr. Geiger to update the Committee on how the budget-in-progress compared to the First Selectman's Proposed Budget.

TOPICS

BOARD OF EDUCATION - Mr. Hricay explained the most recent TOO adjustments made by Dr. Corda to the BOE Budget subsequent to BOE's Departmental Hearing on Day One. He indicated that the BOE will budget now for a partial implementation of the EVOLVE Program in which the BOE will eliminate 9 paraprofessional staff positions which will be replaced by 3 Special Education teachers. This is a response to the Budget Committee's headcount request by Ms. Tarkington to meet the Budget Guidelines goal of no headcount increase. Members of the Committee observed that the addition of 3 teacher's packages of salary and benefits is offset by the reduction of 9 salary and benefit packages for paraprofessionals; however, the total salary budget will not change.

OPERATING BUDGET
REVENUE
General Government – Mr. Geiger provided an updated review of the impact of potential changes to the FY18 Budget including: POSITIVES - Higher Grand List Revenue, $1,620,000, and Lower Expenses, ($992,000); NEGATIVES – Revenue, ($36,000), and Expenses, ($32,500), with a NET improvement to the budget of $2,543,500. Mr. Lash added that an additional $2,000,000 in savings might be achieved if the Public Safety employees move to the State Health Care Partnership Plan.

Mr. Lash pointed out that the savings could be used to: produce a Lower Mill Rate, Increase the Capital Tax Levy, or Reduce use of Fund Balance. Mr. Lash cautioned that the uncertainty of State taxing proposals and potential unfunded mandates added some complexity to this year’s budget decisions since the State budget may not be known when the RTM approves the Town budget and the BET sets the Mill Rate. He indicated the choices are whether Greenwich’s taxpayers would be better served by (1) a significantly higher Mill Rate or an aggressive cut in staff and services in FY19 assuming that the FY18 budget uses all available budget reductions to lower the Mill Rate in FY18, or (2) continuing stable and predictable tax rates which means a higher FY18 Mill Rate to create additional tax revenue to deal with possible increases in State obligations. Mr. Blankley recommended that the Budget Committee take a two-year perspective of Mill Rate fluctuation. Mr. Mason asked that the reaction of the rating agencies and auditor be considered as choices were being made; he recommended a smoothing of the Mill Rate from FY17 of 2.89% to 2% for FY18.

The Committee began a page-by-page review of the FY18 Operating Budget topics that would be the subject of Decision Day voting.

Ins & Outs Menu

The Budget Committee then discussed the possibilities for Budget changes raised by one or the other of the Committee members.

Economic Development Initiative - $30,000 Mr. Branyan suggested supporting the initiative which could have its funding conditioned. Mr. Lash recommended transferring the item to the OFS Budget in response to Mr. Ramer’s concern for project oversight; Ms. Tarkington suggested a Mission Statement was needed to clarify the public relations program’s goals. Mr. Blankley expressed support for branding the Town’s public image.

Office of the First Selectman – There was a discussion of adding $25,000 to continue the Lean Six Sigma training to support departmental efficiencies and service improvements.

Administrative Services – ($210,000) savings from Consolidation of TOG and BOE Print Shops.

Tax Collector’s Office – ($50,000) staff reduction of one employee to get to the FY17 salary budget. Additional cuts would need to be made if the budget were lowered another $50,000.

Risk Management - $115,000 – a cost-neutral transfer from Fixed Charges to Operating Charges: $35,000 to Police Department; $55,000 to Fire Department; and, $25,000 to Public Works. Allocating a portion of the cost of insurance to departments’ operation budgets as an incentive to reduce accidents had a positive effect during the initial trial of the practice in the Parks & Recreation Department’s budget.
Fire Department Overtime – ($4,012) cost neutral transfer reducing Fire Department overtime to offset adding $1,212 to increase Round Hill Fire Station budget by BET Budget Guideline of 2% from $60,605 to $61,817; adding $2,800 to increase Banks Ville Fire Station budget by Budget Guideline of 2% from $140,000 to $142,800. Ben Branyan indicated the budgets were set with no increase as there had been no request by either of the companies for a 2% increase. Ms. Tarkington observed that the overtime budget was increased in the 2012-2013 budget to fund a 4th firefighter at Glenville to enhance firefighting support in the back country; however, the staffing model has changed so that the overtime funds are no longer being used for the intended purpose, and the proposal would use $4,012 of the funds for back country fire support.

Police – Staffing table includes 3 captains, one of which position has been vacant for over a year. There was a discussion about whether the department needs this position since it has been vacant for so long, and a Department consulting study is moving forward.

External Entities – TAG ($18,000) One item was the possible reduction of budget allocation by the elimination of the cost of the Safe Rides program. Another item was to limit contribution to a 2% increase, which TAG exceeds when all the individual charges to other departments are totaled.

External Entities – Channel 79 To condition release of Channel 79 budget based on timely submission of application in May (and mid-year) to the Cable Council for maximum grants for operating and equipment funding.

External Entities -- YWCA - $60,000 – Relationship Abuse Program for middle and high school students: should it be funded and if so should it be transferred to the Department of Social Services.

External Entities – Safe Rides Should the Town fund this effort and, if so, should it be moved to the Department of Social Services.

External Entities -- Teen Talk - Should this be added to Department of Social Services.

External Entities – GEMS There should be a condition to have them provide a mid-year report as GEMS will have both a new Chairman and a new Executive Director.

Social Services – There was a concern expressed that the budget for this department exceeds the 2% guidelines.

BOE – Possible considerations should be tying Cabinet salary changes to the M&C plan guideline, considering BOE budget changes to compensate for loss of State revenue targeted to schools. A separate effort will be to determine if Cabinet positions should be added as M&C positions.

REVOLVING FUNDS and OTHER

School Lunch Fund – although a debt (negative) fund balance of approximately $100,000 is anticipated to continue through FY18, progress is being made to reduce the debt (negative) fund balance to zero (0) by FY19.
Sewer Maintenance Fund – despite the size of the projects, high costs of the work, and the amount of available cash in the Fund in excess of $20 million, the Sewer Maintenance Fund Mill Rate is expected to increase in excess of 5%.

The Nathaniel Witherell – TNW Strategic Working Group has not yet reported on its findings and conclusions. Mr. Geiger remarked to the Committee that revenues were slightly higher in FY17. Mr. Simon’s requests for a review and accounting adjustment of TNW’s debt formula calculation will modify its re-payments from $995,000 to $925,000. The Town’s contribution will increase from $2.6 million to $2.7 million.

OPEB/Retirement System – an estimated cost of $2.5 million for the services of professional money management of the Retirement System assets is anticipated, but the service cost will be absorbed by the Retirement Fund. Mr. Drake requested that once the Retirement Board reviewed the Purchasing Department’s selection of three finalists resulting from the RFP responses, the Investment Advisory Committee also wished to review the finalists.

Salary Schedules – The question of whether BOE Cabinet salaries would follow the M&C guidelines was discussed; it was confirmed that the BOE had agreed to follow the BET Guideline of a 2% pay-for-performance as an increase policy for the Superintendent’s Cabinet for this year. Salary levels for Elected Officials are not yet decided.

CAPITAL BUDGET

Capital Schedule - Mr. Drake proposed that the Committee consider adjusting the Capital schedule to clarify anticipated borrowing needs more accurately in the out-years. Mr. Geiger was asked to change the presentation using the revised proposed capital spending estimates that looked at the average spending in years 1-5.

Soil Remediation – Ms. Tarkington suggested considering an additional CIP project of up to $5 million for GHS and Western Middle School soils remediation so some work can begin as soon as DEEP and EPA approval is received. It was not included because the amount is not yet known, but it may be appropriate to estimate some activity.

Sewer Maintenance Projects – Ms. Tarkington expressed concern about the ability to execute the new projects given the $20 million of unspent balance on open appropriations and encumbrances.

Paving – Consideration should be given to increasing the paving budget from $4 million (up from $3 million in FY17) to $5 million.

Fire Study, Fire Station Rehabilitation and GEMS Projects – There was discussion about the sequence of the 4 proposed and existing projects – Fire Services Study, Byram Fire Station renovation, Round Hill Fire Station renovation, GEMS Station #4.

Mr. Lash asked Mr. Geiger to make the adjustments that the Committee discussed in both the Capital Budget and the Operating Budget for Thursday’s Decision Day meeting and present them in comparison to the OFS FY18 Budget.

All of the aforementioned comments and proposals were for discussion purposes only. There were no motions made and no votes taken on any item discussed at this meeting.
The meeting adjourned at 4:30 P.M.

Respectfully submitted,

Catherine Sidor, Recording Secretary

James A. Lash, Chairman