

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

MINUTES  
Cone Meeting Room  
Tuesday, October 14, 2014

Committee

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

Board: Michael Mason, BET Chairman; John Blankley, William Finger, Sean Goldrick, Arthur Norton, Nancy Weissler

Staff: Peter Mynarski, Comptroller; Roland Gieger, Budget Director; Peter J. Siecienski, Fire Chief; Robert Kick, Assistant Fire Chief; Jim Heavey, Chief of Police; Mark Kordick, Captain of Detective Division; John Thorne, CIO Supervisor; Denise Savageau, Conservation Director

Selectmen: Peter Tesei, First Selectman; Drew Marzullo

Other: Sandy Kornberg, Glenville Volunteer Chief; Allen William, President, Northwest Greenwich Association

The meeting was called to order at 6:34 P.M.

Mr. Johnson welcomed attendees and the public prior to beginning the Agenda.

**Requests for Budget Adjustments**

<u>PD-1</u>	<u>Police</u>	<u>Approval to Use</u>
\$ 36,000	F21714 51100, 57050, 53550	OT, Benefits, Mechanical Supplies

Chief Heavey explained that the Police Department was in receipt of funds resulting from a DOT FY2014 grant for a High Risk Rural Roads – Speed Enforcement Program effective July 25, 2014 through September 30, 2014. Acknowledgement of TOG’s eligibility to participate, submission of documentation and grant award are completed. During the program, 292 speeding tickets were written and 29 other violations were ticketed.

Upon a motion by Ms. Tarkington, seconded by Mr. Ramer, the Committee voted 4-0-0 to approve the application and forward it to the Board of Estimate & Taxation as a Routine Application.

<u>PD-2</u>	<u>Police</u>	<u>Transfer</u>
\$6,000	F2131 53950	Canine Purchase

Chief Heavey and Captain Thorne requested funds be transferred from the Federal Asset Forfeiture Account to purchase a Police K-9 to replace the current canine that will be retired on

training the dog and his handler. The purchase will ensure that the Department does not go without a Canine Team.

Upon a motion by Ms. Tarkington, seconded by Mr. Ramer, the Committee voted 4-0-0 to approve the application and forward it to the Board of Estimate & Taxation as a Routine Application.

PD-3	Police	Approval to Use
\$7,000	N/A	Donation

Chief Heavey requested permission to accept an in-kind donation from the Northwest Greenwich Association of four (4) Speed Sentry Detection/Display signs intended for speed management and data collection use. He noted that these additional signs would double Greenwich's current inventory.

Upon a motion by Ms. Tarkington, seconded by Mr. Ramer, the Committee voted 4-0-0 to approve the application and forward it to the Board of Estimate & Taxation as a Routine Application.

PD-4	Police	Approval to Use
\$126,800	F2139 53070, 53550, 52360	Acquire & Install computer Hardware & software

Chief Heavey and Captain Kordick advised the Committee that state grant money was available to acquire, install and optimize several pieces of electronic equipment and computer hardware to facilitate completion of several Information Technology and Technical Communications upgrades.

Upon a motion by Ms. Tarkington, seconded by Mr. Ramer, the Committee voted 4-0-0 to approve the application and forward it to the Board of Estimate & Taxation as a Routine Application.

FD-1	Fire	Release of Conditions
\$ 457,080	A 205 51100	Overtime

Fire Chief Siecienski, Ass't Chief Kick and Volunteer Chief Kornberg updated the Committee on progress and unresolved areas for reaching acceptance of the MOU between the Fire Administration, career and volunteer firefighters. A meeting of the Volunteer Association to further discuss the issues is scheduled for 10/27/14. Mr. Johnson requested that a spreadsheet be prepared that lists accomplishments and outstanding issues for each initiative.

Upon a motion by Mr. Ramer, seconded by Ms. Tarkington, the Committee voted 4-0-0 to approve the application and forward it to the Board of Estimate & Taxation as a Non Routine Application.

PR-1	P&R	Release of Conditions
\$433,000	Z822 98300 15186	Greenwich Commons Upgrade

Mr. Siciliano advised the Committee that the Greenwich Commons project had met all the conditions and received all departments' approvals to proceed. He indicated that one-half of the donations paying for 60% of the project had been received and that he was awaiting the

disbursement of the second donation which had been confirmed by email. Mr. Siciliano projected that the park would be ready for opening on May 1, 2015. Ms. Tarkington requested that Mr. Lalli review any liability issues with the park's wrought iron entry archways and proposed materials for the pathway, which runs between Town Hall and four Town Buildings on or near Greenwich Avenue. Ms. Tarkington noted that the condition included a plan for the Havemeyer streetscape, which was also included in the POCD Downtown Committee's summary recommendations for the Greenwich Common. Mr. Ramer proposed the approval of the application subject to condition of receipt of the second half of the donation by the Finance Department.

Upon a motion by Mr. Ramer, seconded by Ms. Kiernan, the Committee voted 3-0-1 to approve the application, subject to condition that the final donation be received by the Finance Office, and forward it to the Board of Estimate & Taxation as a Non Routine Application.

Upon a motion by Ms. Tarkington, seconded by Mr. Ramer, the Committee voted 4-0-0 to add PR-2 item to the agenda.

PR-2	P&R	Additional Appropriation
\$ 75,000	Z816 59300	Ice Skating Rink Compressor Unit

Mr. Siciliano explained that during maintenance in September it was discovered that the older of two air compressors was experiencing mechanical problems. A new compressor is needed immediately to prevent a possible three week to two month delay opening the skating rink in November. He mentioned that there were plans to replace the older compressor in the FY16 capital plan. Mr. Johnson asked if it were possible to delay a FY15 project into FY16 to use existing funds. Mr. Siciliano said he could look into that.

Upon a motion by Mr. Ramer, seconded by Ms. Tarkington, the Committee voted 4-0-0 to approve the application and forward it to the Board of Estimate & Taxation as a Non Routine Application.

**Old Business**

- **Hazard Mitigation Grant** - Ms. Savageau, Director of Conservation, distributed a list of 25 Greenwich residents who applied for Superstorm Sandy FEMA funds to elevate their homes. Federal funds as passed through the state to Greenwich for management and distribution to applicants. Applicants must sign a contract containing the grant's terms and conditions. Rather than approve each disbursement separately, the Committee authorized the Conservation Commission to receive the funds, deposit them with TOG's Finance Department and upon the Finance Department's satisfaction with the applicant documentation, disburse the funds to the contracted applicant.

Upon a motion by Ms. Kiernan, seconded by Ms. Tarkington, the Committee voted 4-0-0 to approve 24 applications for a total of \$2,503,813 and forward it to the Board of Estimate & Taxation as a Non Routine Application.

- **Budget Guidelines FY 2015 – 2016** – Mr. Johnson reviewed the steps and consultations involved in revising the Guideline's draft and thanked the Committee for their effort, comments

and suggestions. Mr. Johnson offered the following highlights:

- The Guidelines assume the FY16 budget will be consistent with the past 3 years and the mill rate increase be kept to 3% or less. He said it is important to communicate an overall target to the First Selectman, BOE, RTM and taxpayers.
- That all TOG department operating budgets be held to a 2% increase over FY15.
- That no new net positions be added to TOG, BET and Appointing Authority departments.
- That departments should seek to improve services through consolidation of functions and technological efficiencies.
- On the capital side, the Town must be mindful that MISA, soil remediation and Central Fire Station are current projects that may need additional appropriations.

Mr. Ramer suggested that it was aspirational to look forward to a 4-0-0 vote by the Budget Committee and a BET vote of 12-0-0, but noted that the hard cap of 3% mill rate and departmental budget increases of 2% despite the potential outcomes of union salary negotiations might lead to a 2-2-0 vote that did not portray the collegial efforts invested in the process to date.

Ms. Kiernan seconded Mr. Ramer's comments. Further, Ms. Kiernan summarized the risks of identifying a mill rate with incomplete performance data and without departmental budget information. She also expressed concern that no agreement could be reached to date on a range concept for the mill rate, despite the fact that the BET unanimously agreed to a range on the mill rate for about a dozen years in the past. Ms. Kiernan also explained the importance of situational customization in operating budgets, and advocated for holding most departments to 2 %, but a slightly larger increase for the BOE.

- 1) Mr. Ramer proposed striking the last sentence in the second paragraph on page 1 which in part read, "our tax mill rate has increased a modest 2.75% over each of the last three years"; Ms. Kiernan added that no historical reference was necessary. Ms. Tarkington differed saying it supplied context and sent a message to appointing authorities; she indicated that she could accept substituting the word "consistent" for "modest", but that the 2.75% number should be included. Mr. Johnson felt that the sentence expressed facts and did not require change.

Upon a motion by Mr. Ramer, seconded by Ms. Kiernan, the Committee voted 2-2 for the proposed deletion. Motion failed. (Opposed: Johnson, Tarkington)

- 2) In the third paragraph on page 1, Ms. Kiernan proposed changing the phrase "70% of TOG's Operating budget" to clarifying that it was closer to 78%, which would also be consistent with the Operating Budget figures and commentary on page 3 of the draft. The Committee settled on substituting the phrase suggested by Ms. Tarkington "over three-quarters of the budget". In the next sentence, Ms. Kiernan suggested that "22% or less" be substituted with "approximately one-quarter," and that insertion of the phrase "by department heads" after the word "reviewed" would provide clarity.

Upon a motion by Ms. Kiernan, seconded by Mr. Ramer, the Committee voted 4-0-0 for the proposed changes.

- 3) Mr. Ramer suggested deleting the word “actuarial” and Mr. Johnson instead proposed inserting “assumed” in the second bullet point on page 2.

Upon a motion by Mr. Johnson, seconded by Mr. Ramer, the Committee voted 4-0-0 for the substitution.

- 4) In bullet point four on page 2 Ms. Kiernan suggested “by more than \$220,000” be eliminated.

Upon a motion by Ms. Kiernan, seconded by Mr. Ramer, the Committee voted 4-0-0 for the proposed substitution.

- 5) Ms. Kiernan suggested that the number “\$450,000” was incorrect and after discussion with the Committee proposed replacing “\$450,000” with “\$423,000” in the fourth bullet point on page 2.

Upon a motion by Ms. Kiernan, seconded by Mr. Ramer, the Committee voted 4-0-0 for the proposed substitution.

- 6) In bullet point four on page 2, Ms. Kiernan proposed that the phrase “to break even in FY 16” after “\$450,000” be deleted.

Upon a motion by Ms. Kiernan, seconded by Mr. Ramer, the Committee voted 2-2-0 for the proposed deletion. Motion failed. (Opposed: Johnson, Tarkington)

- 7) Mr. Ramer proposed deleting the word “further” in the seventh bullet point on page 2.

Upon a motion by Mr. Ramer, seconded by Ms. Kiernan, the Committee voted 2-2 for the proposed deletion. Motion failed. (Opposed: Johnson, Tarkington)

- 8) Mr. Ramer proposed replacing the three sentences at the top of page 3 under “Guidelines” that assumes an overall mill rate tax increase of “3% or less”. His proposed copy included a discussion of setting the mill rate after more information is available on March.

Upon a motion by Mr. Ramer, seconded by Ms. Kiernan, the Committee voted 2-2 for the proposed deletion. Motion failed. (Opposed: Johnson, Tarkington)

- 9) Ms. Kiernan distributed and proposed compromise language that combined both Mr. Johnson’s mill rate concept of “3% or less” with the mill rate range concept agreed to by the full BET for many years, modified to a 2.5-3.5% range. Ms. Tarkington replied that the BET considered ranges at a time of high inflation and interest rate uncertainties not prevalent today. She also thought the lower range should be lowered by 50 basis points. Ms. Kiernan noted that interest rates were also higher during this same period of time, and if the BET is now changing one inflation-related assumption in the budget model, the BET should look at the assumptions related to interest rates and capital financing in the rest of the model. In addition, she noted

that many of the other assumptions built into the operating budget and capital model were predicated on economic conditions that no longer exist and before the Town faced constraints such as \$200 million in off balance sheet liabilities, escalating debt service and unforeseen costs such as remediation. She also proposed additional language changes for the middle and bottom of page 3 that were consistent with a mill rate range concept.

Upon a motion by Ms. Kiernan, seconded by Mr. Ramer, the Committee voted 2-2 for the proposed changes. Motion failed. (Opposed: Johnson, Tarkington)

- 10) Mr. Ramer proposed changing bullet-point 2 on page 4 by adding "without clear justification" to the sentence "It is expected that no new net positions...." He withdrew his motion with the agreement of Ms. Kiernan and made a new motion to replace "expected" with "assumed" in the first sentence.

Upon a motion by Mr. Ramer, seconded by Ms. Kiernan, the Committee voted 4-0-0 for the proposed substitution.

- 11) Mr. Ramer proposed that the inflation rate be revised to 1.3% in the third bullet point on page 5.

Upon a motion by Mr. Ramer, seconded by Ms. Tarkington, the Committee voted 4-0-0 to accept the proposed change.

- 12) Ms. Kiernan proposed in the third bullet point that the BOE be held to a separate operating budget increase of 2.3%.

Upon a motion by Ms. Kiernan, seconded by Mr. Ramer, the Committee voted 2-2 for the proposed changes. Motion failed. (Opposed: Johnson, Tarkington)

- 13) Ms. Kiernan noted that department heads had expressed confusion about the proposed capital project ranking language and asked whether the effort to change this language was complete. Mr. Johnson commented that he had a discussion with the First Selectman who agreed that the CIP Committee should clarify project priorities. Mr. Johnson proposed that the last sentence of the fourth bullet point on page 5 be eliminated.

Upon a motion by Mr. Johnson, seconded by Mr. Ramer, the Committee voted 4-0-0 to accept the proposed change.

- 14) Mr. Ramer proposed that the list of BET members on the Budget Guidelines be listed in alphabetical order.

Upon a motion by Mr. Ramer, seconded by Ms. Kiernan, the Committee voted 4-0-0 to accept the proposed change.

- 15) Mr. Johnson called for a vote on the original motion now that discussion had ended and changes approved by all committee members had been inserted into the document. He asked the Committee approve the Budget Guidelines draft as

amended.

Upon a motion by Mr. Johnson, seconded by Ms. Tarkington, the Committee voted 2-2 for the proposed changes. Motion failed. (Opposed: Kiernan, Ramer)

### **New Business**

● **Report – Status of Current Economic Conditions** – Mr. Gieger reported that spending was in line with the 2014-2015 Budget. He pointed out that the Conveyance taxes dropped by more than \$450k during September but that building permit fees remained steady. 2015-2016 expenses were higher due to higher pension liability of \$2.9 million.

### **September 16, 2014 – Regular BET Budget Committee Meeting Minutes**

Upon a motion by Mr. Ramer, seconded by Ms. Tarkington, the Committee voted 4-0-0 to approve the Minutes of September 16, 2014 Regular Monthly BET Budget Committee.

Upon a motion by Mr. Ramer, seconded by Ms. Tarkington, the Committee voted 4-0-0 to add approval of the BET Budget Committee Workshop Minutes of September 29, 2014 to the Agenda.

### **September 29, 2014 – BET Budget Committee Workshop Minutes**

Upon a motion by Mr. Ramer, seconded by Ms. Tarkington, the Committee voted 4-0-0 to approve the BET Budget Committee Workshop Minutes of September 29, 2014.

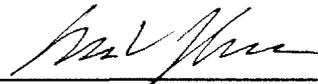
There being no further business before the Committee, the meeting was adjourned at 9:48 P.M. upon a motion by Mr. Ramer, seconded by Ms. Tarkington, by a vote of 4-0-0.

The next meeting will be Thursday, November 13, 2014 at 6:30 P.M. in the Cone Room.

Respectfully submitted, \



Catherine Sidor, Recording Secretary



Marc V. Johnson, Chairman