

BUDGET OVERVIEW COMMITTEE MEETING MINUTES

April 26, 2017

Officers

Lucia Jansen	Chairman	District 7
Danyal Ozizmir	Vice Chair	District 5
Robert Allen	Secretary	District 3

Members

District	Delegate	Present or Absent	1 st Alternate	Present or Absent	2 nd Alternate	Present Or Absent
1	James Vaughn	P	Grant Perkins	A		
2	Nancy Burke	P	Donald Conway	A		
3	Robert Allen	P	Rosalind Nicaastro	P		
4	Romulo Samaniego	P	Brian O'Connor	A		
5	Dan Ozizmir	P	Jason Auerbach	P	Andy Duus	P
6	Hans Thalheim	A	George Sorenson	P		
7	Lucia Jansen	P	Bill Galvin	P		
8	Joe Solari	P	Thomas McGarrity	P		
9	Carol Zarilli	P	Thomas Eagan	A		
10	Bertram Metter	A	Alan Small	P		
11	Robert Maddux	A	Gregory Zorthian	P		
12	El-Shaffei Dada	P	Thomas Agresta	A		

VISITORS: 24 people

Office of First Selectman: Peter Tesei, Ben Branyan
BET: Michael Mason, Nancy Weissler, Beth Krumeich, Jill Oberlander, Leslie Moriarty, Jeff Ramer, Leslie Tarkington, Anthony Turner
BOE/Schools: Peter Sherr, Salvatore Corda, Barbara O'Neill, Jennifer Dayton, Steve Walko, Janet McGuigan (PTA), Claire Killgane (New Lebanon Building Committee)
Town Dept: Joseph Siciliano (P&R), Thomas Greco (P&R), Peter Siecienski (Fire), Robert Kick (Fire), Matt Brooks (Fire)
RTM: Phil Dodson (D8), John Dolan (D7), Horst Tebbe (D6)

The Budget Overview Committee (BOC) meeting was called to order at 7:35 PM by Chairman, Lucia Jansen. There were 12 voting members, 9 delegates and 3 alternates.

Limit Discussion

Motion was made and seconded to limit discussion to 5 minutes per person. Motion PASSED 12-0-0

BOC Motions to Reduce or Cut Fiscal 2017-18 TOG Budget

- **Motion #1** to reduce the **Health Care Premium Fixed Costs** account by \$2 million for public safety and nurses personnel who joined the State health care plan after the BET approved budget. **Motion PASSED 11-1-0.**
- **Motion #2** to reduce **Nathaniel Witherell Overtime** by \$214,395. **Motion PASSED 9-0-3.** **Motion #3** was a reduction in TNW Town contribution that corresponds to the cut. **Motion PASSED 8-2-2**
- **Motion #4** to reduce **BOE M&C & Cabinet Employees Over 2.5% Wage Increase** in Schools Administration by \$31,000 the amount represented as the differential over and beyond. **Motion PASSED 12-0-0**
- **Motion #5** to reduce **Class Size Differential** Costs in Schools Administration by the salary account MOC 620 by \$270,270 representing two teachers for the additional class size. **Motion PASSED 8-4-0**
- **Motion #6** to delete \$30k for the **Town Public Relations New initiative.** **Motion FAILED 6-6-0**
- **Motion #7** to delete the \$100k **Fire Services Study.** **Motion PASSED 9-2-1.**
- **Motion #8** to delete \$2,250,000 for **Oneida Bridge .** **Motion PASSED 4-2-6**
- **Motion #9** to delete the \$600k amount for **Steamboat Landing Pier** until all information is well known and costs identified and described. **Motion PASSED 11-1-0**

New Lebanon Modular Appropriation Update

Steve Walko, Chairman of the New Lebanon Building Committee spoke earlier than scheduled on the agenda since he was leaving for another meeting. The Chair gave a quick update with the probability of NL passage still very positive. Grant will likely be 60% instead of 80%. The funds earmarked for modular buildings will now be used for “stay in place” features totaling \$1.4 million and on the construction of the project. There will be no shovel in the ground until there is cash in the hand. Peter Sherr confirmed BOE commitment with “no cash-no build.” BOC member, D8, Joe Solari, felt the project will not solve the Racial Diversity Achievement Gap issue and vigorously opposed the project on the false premise and the proven fact that the district has over 900 class seats of excess capacity.

OPERATING BUDGET

1. Public Safety and Nurses Health Care Premium Costs Reduction

After the BET FY 2017-18 budget approval, safety personnel and nurses bargaining units expected to join the State Health Care plan further reducing the cost of health care premium. The BET passed the budget before the Police and Nurses bargaining units were known to be converted. The current fund balance is healthy and prepared for uncertainty ahead with state budget actions. The Fund Balance is not designed or funded to be the long term solution to the address the size of costs that may be impacting the budget with the Teacher pension allocation by the state. The BET added \$3 million Capital Tax Levy to First Selectman’s Proposed Budget to address the possible State actions. There is only one remaining bargaining unit to enter the exchange and that is the Fire department. It is expected that the fire department will join July 1---however, Mr. Matt Brooks of the fire department, indicated that issues remain to be

discussed with the Town. The BOC including the fire personnel in motion due to positive conversations with other town leaders, present company excluded.

Motion #1 made and seconded to reduce the Health Care Premium Fixed Costs account by \$2 million for public safety and nurses personnel who joined the State health care plan after the BET approved budget. Motion PASSED 11-1-0.
D10 opposed.

2. Nathaniel Witherell (Part I and II)

In fiscal year, 2016-17, the RTM approved 9 Full Time Equivalent (FTE) positions with the understanding that the following year would be a significant reduction in overtime. The overtime issue was discussed and solution delivered during the FY 17 BET Dept Hearings. The strategic direction to add 9 FTE positions was verbal and no documentation was developed and distributed to the RTM with measurable outcomes---but the overtime was to decrease.

Now, a year later in FY 18, the TNW budget once more depicts a 31.2% increase (excluding holiday pay) in overtime despite last year's 9 FTE headcount increase. During the BET Dept Hearing deliberations, like the previous year, it was mentioned extemporaneously that to address the excessive overtime once more, 5 more new FTE employees could be added. The BET did not approve more FTE headcount, but did allow for the 31.2% increase in overtime. Based on RTM book the TNW overtime since 2011-12 has grown on average 13% per year and actual versus budget has been missed \$524k or 11% over budget.

Nathaniel Witherell employees are largely covered under the Teamster contract. The RTM rejected this contract among other reasons, on the grounds of low productivity, particularly, the low 37 1/2 work week for all employees except LPN and CPN's. The BOC with this reduction wants to send a message that its imperative the management team at TNW accelerate their reforms in process redesign of their business operations to work within the constraint of the union workforce rules. The BOC reduction is not punitive but certainly a call to action for the TNW management team to immediately address this chronic area of overruns.

With reduction in TNW overtime account, the Town contribution should correspondingly decrease.

Motion #2 made and seconded to reduce Nathaniel Witherell overtime by \$214,395. Motion PASSED 9-0-2
Motion #3 was a reduction in TNW Town contribution that corresponds to the cut. Motion PASSED 8-2-2

3. BOE Management Salary Increases

The BOE took no action to correct the actions made by the previous Superintendent to increase wages to BOE Cabinet and BOE M&C employees higher than the Town's M&C employees of 2.5% increase. The BOC wanted to send a message that the RTM disapproves of this action and want the BOE to be proactive for it not to reoccur. The BOC recognizes the State statute that allows the BOE to reduce at its own discretion the area of the budget.

Motion #4 made and seconded to reduce BOE M&C & Cabinet Employees Over 2.5% Wage Increase in Schools Administration by \$31,000 the amount represented as the differential over and beyond. Motion PASSED 12-0-0

4. Class Size Equity Differential

The current BOE class size policy is to have consistent class sizes across the district, except for one school. Many years ago, at least 10 years, the BOE at the time, established for purposes of Racial Balance Plan, one school, Hamilton Avenue School, to offer smaller class sizes, among other features (Suzuki violin playing another) to attract students with other racial backgrounds to Hamilton. The BOC met with the BOE and Acting Superintendent and confirmed that the

recruitment effort did not change the Racial Balance at the school with students of different races from other parts of Town. Further, the BOE could not answer if the reduction in class size increased achievement since that was never the goal of the smaller class size and therefore not measured or data gathered. In this particular case there were 8 families on the wait list for this school who could have been accommodated with the same class size in the rest of the district. The amount is equivalent to 2.5 teachers, not including fixed costs. The BOC identified the item but knows that the BOE has discretion on where it reduces.

Motion #5 made and seconded to reduce Class Size Differential Costs in Schools Administration in the salary account MOC 620 by \$270,270. Motion PASSED 8-4-0. Districts 4,10,11,15 abstained

5. Youth Services Coordinator (YSC)

Last fiscal year, in 2016-17, the Town added the YSC position as a contract employee. Formally, the position was funded by the United Way who no longer were going to fund the program. The position was partially funded by two state grants. The BOC was not questioning the service itself to the community, but rather the change from a contract to LIUNA union employee status. Further, the position change includes a new Town funding contribution of \$15k to Kids N Crisis that was formally no charge that had no analysis or public discussion among Town leaders or RTM. The BOC supports the position as a contract employee but did not know the mechanics on how to return the position back to contract employee status.

6. GEMS

The BOC simply noted and recognized that other RTM Committees had a Motion to reduce partial funding of the external entity.

7. Land Use

The BOC had a larger discussion about the many meetings that took place over the year between the BOC, BET, and First Selectman regarding the lack of efficiency and productivity among the land use departments, some of which are appointing authorities. At one point a BOC motion was made to cut one of the departments, but after further discussion and review, it was withdrawn until further information was collected on the best approach to address this issue.

8. First Selectman's Public Relations Advertising Campaign

The First Selectman has proposed a new initiative that funds for an indeterminate amount of time an outside group to initiate a formal public relations effort. The first year Town contribution is \$30k and the outside group will contribute \$70k. Subsequent years is unknown on costs or Town contribution. The BOC discussed that this position is a core function of the office and should not require funding an outside entity. Coordination could be done with many interested volunteers with expertise in this area. Others felt the First Selectman should have the discretion to fund the request given that he met the original BET Guidelines.

Motion #6 was made and seconded to delete \$30k for the Town Public Relations New Initiative. Motion FAILED 6-6-0
District 1,3,4,6,10,11 opposed.

CAPITAL BUDGET

9. Fire Services Study

The BET itself had a vote to cut the Fire Study. The Vote failed 5-7. In the BET minutes the reasons for the cut were described as follows: “Delete Fire Study funding: The Town has made decisions towards Fire Fighting Services over the past 3 budgets: 1) not to fund a new NW Station; 2) not to add additional Career Staff. The Town has had initiatives requested by the Fire Chief that have been approved and were to improve Volunteer recruitment, retention and participation. The implementation has been minimal. The Town Fire Fighting force is well equipped. The Town spends more than peer communities on Fire Fighting equipment. There are known areas without the study that could be addressed that will add to the current knowledge pool, ie a system that accurately measures attendance, arrival time etc. For fire Personnel at calls, drills, etc.”

The BOC also felt the RTM should vote to delete for the same reasons as the BET narrative stated above. The BET then placed Conditions on the Item to satisfy certain opposing BET members. The Conditions are insufficient for the RTM for the following reasons:

1. The proposed Condition describing the post Labor Contract Arbitration award process does not mean the RTM has a vote to define the scope of the Fire Services Study. As all BET Conditions, the RTM can offer input but that is the extent of the authority since BET Conditions are satisfied purely at the discretion of the BET members.
2. The Fire Chief and Deputy Fire Chief are sufficient to create new more efficient operational plans. They are high-category M&C employees and it is their responsibility.
3. The Town recently rolled out a 3-man station policy. There should be some time to determine the efficiency and effectiveness of the rollout ---and that would impact the future outcome of the study.
4. The proposed Condition describes a specific RTM committee and it is not the discretion of the RTM who is on the committee as it sees best to include in the BET special committee.
5. Postponing until next year would not materially impact quality of fire services.

Motion #7 was made and seconded to delete the \$100k Fire Services Study. Motion PASSED 9-2-1. District 4 and 10 opposed. District 1 abstained.

10. New Lebanon Modular Cost Replacement with Stay-in-Place Option

The BOC picked up the discussion again about the cost differences between the BOE approved documents showing modular vs stay in place options. One was higher and the other lower. The proposed accounting change with the new appropriation in the FY 18 budget required more information and analysis before moving forward.

11. Fleet

The BOC discussed the proposed total fleet budget. The BOC needed more information and analysis on the fleet request.

12. Oneida Bridge

Intent was to postpone project for one year given CT fiscal crisis. There are 4 required easements from property owners. These legal documents have not been approved although conversations have taken place with the owners. Three of the owners have given verbal consent, one has not, and is still under negotiation. The Commissioner noted

how difficult easements can be. Design is 60% complete. Permits are required from CT DEEP, IWWA, LWRD, and ACOE after reaching 70% design. State reimbursement is 15% of project cost. An idea was introduced to have the Indian Point Association explore a private ownership as has been done in other parts of town with private associations. Emergency safety access could be an issue with the idea.

Motion #8 made and seconded to delete \$2,250,000, Oneida Bridge . Motion PASSED 4-2-6. District 3 and 10 opposed. District 1,2,4,9,11,12 abstained.

13. Steamboat Landing Pier

From the outset, years ago, when the project kicked off, there was controversy and different points of view on the future design, use, and associated costs with the pier. In fact, the DPW Project Worksheet documents the different uses and that depending on the use it could impact cost and scope of the project. The Project Worksheet explicitly states when requesting A&E approvals from the BET and RTM that these different uses and associated costs will be presented as options in the delivery of the design. The A&E design deliverable has only one design and one cost option--unlike what was originally stated would be the deliverable. As expected, at the BET Public Hearing and through many email and calls---many residents expressed differing views on the different usage from fishing, pedestrian usage, and nearby boating. Documentation exists that implies Steamboat Road Pier is an extension of the road and therefore DPW has purview of the project versus P&R, which is usually involved for piers, docks, jetty type projects. Others see it as a mini park with active and passive users. In fact, currently, the Town has listed the Pier under Parks. The intent of the motion was for this policy debate to take place and, if necessary, an associated Ordinance be specified with a description of future use. The Risk Assessment report was released last week that confirmed what was already known that the pier is currently unsafe. However, the assessment went further by recommending the Town close the pier in its current state. Further, the report states that new features should be added to the current design that shields potential harm to people from the fisherman use. Those design features are currently not in place nor is it known the associated costs. It is unclear what happens to the unsightly port a john, dumpster, and consequences if removed. No needed permits are in place, including CT DEEP, IWWA, P&Z, and ACOE. The BOC is taking this issue up further to consider adding a statement for an interim approval once the future use, associated policy, and design is complete so that no time is lost with the project.

The BOC was frustrated that given CT's fiscal crisis, a project of this size and scope should have been better presented with all the policy and safety issues to understand the true cost impact to the taxpayer. The project worksheet stated those deliverable and they were not included.

Motion #9 was made and seconded to delete the \$600k amount for Steamboat Landing Pier until all safety and future use information is well known and costs identified as described in the original A&E DPW Capital Project worksheet. Motion PASSED 11-1-0 District 10 abstained.

With no further business, the meeting of the BOC adjourned at 11:35 PM.

Submitted by Robert Allen, Secretary