

VALLEY COUNCIL OF GOVERNMENTS

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MEETING NOTICE

Regular Meeting Valley Council of Governments

Wednesday, May 13, 2009

11:30 a.m.

VCOG Offices

AGENDA

(Pledge of Allegiance)

1. **Public Session**
2. **Acceptance of Minutes of 4/15/09 Regular Meeting** *(Enc.)*
3. **Treasurer's Report** *(Enc.)*
4. **Presentation of Draft VCOG Budget for FY 2010** *(To be emailed)*
 - (a) **For Discussion: Draft Resolution Concerning the State Budget** *(Enc.)*
 - (b) **For Discussion and Possible Action: Draft Letter to Gov. Rell re: Proposed Elimination of RPO Operating Funds** *(Enc.)*
5. **Appointment of Committee to Conduct Executive Director's Performance Review**
6. **Approval of VCOG 2010 Holiday Schedule** *(Enc.)*

Note: A light lunch will be provided at 11:30 a.m.

**MINUTES OF REGULAR MEETING
VALLEY COUNCIL OF GOVERNMENTS
Wednesday, May 13, 2009
at VCOG Offices**

Persons Present:

Mayor James Della Volpe, Ansonia
Mayor Anthony Staffieri, Derby
Mayor Mark Lauretti, Shelton
Rick Dunne, VCOG Staff
Clare Falcha "
David Elder "
Matt Fulda "
Jan Jadach "

In the absence of Chairman Koskelowski, Vice-Chairman Della Volpe called the meeting to order at 12:10 p.m. The Pledge of Allegiance was said. The Chairman then asked if anyone wished to speak during the public session. No one spoke and the public session was closed.

Minutes - *The minutes of the 4/15/09 VCOG regular meeting were accepted.*

Motion: *By Anthony Staffieri; Second: Mark Lauretti; Vote: Unanimous*

Treasurer's Report - *Rick Dunne indicated there was a Treasurer's Report in the packets that were mailed. We are running a cash surplus through April of \$7,620. We expect to maintain this even though we projected a balanced budget. This stems mainly from the additional work that salaried employees do more than the number of office hours, working on special projects like Route 8, Route 34, Route 67 and Exit 11. Clare Falcha indicated that she expects it to hold until the end of the year at that level. She continued that anything that is over the budget amount is because it will get directly reimbursed by a program. Rick continued that legal fees are way over but that has to do with the reimbursement of closing the brownfields grants so that comes out of the brownfields proceeds. We have not actually spent more than \$1,000 on regular legal fees. There was no further discussion*

Presentation of Draft VCOG Budget for FY 2010 - *Rick Dunne handed out the preliminary budget for y/e 6/30/10. He indicated that the big thing on this proposed budget is the State Grant-in-Aid. On this proposed budget, we are not anticipating any income from SGIA. The Governor deleted it out of her budget proposal. The majority, in their budget proposal which they have not voted on, had it at \$200,000, down from a million. At \$200,000, we would get roughly \$10,000. Right now, we are keeping it at zero because that is the Governor's proposal. That is a \$53,000 loss of income for us. It has implications for programs that we run. We used \$29,000 of that money to do our local non-federal match for the federal transportation planning. There will be more money coming out of the local dues that the towns pay to cover PL match. We are not asking for an increase. This is the 5th year of a five year freeze on local dues. It also means that we are not going to have money to do any land use planning, any plans of conservation updates, anything like that.*

Rick then discussed the expense side of the budget. There wasn't much we could deal with as far as cuts. We have a projected increase in the fringe benefits for medical. That has mainly to do with one employee who is covered otherwise and is now coming on our insurance, plus a projected increase of 12% in our medical premium. The office cleaning service has been eliminated. Under utilities, we are reflecting a conservative savings over last year. Most of the other items are reimbursable from other programs. We are maintaining our computer repair and supply account. Rick noted that at this point, we are looking at a \$15,000 deficit. We won't ask the CEOs to adopt the budget until June when we may have a better idea of the state budget. Rick continued that there are no raises in this budget, except for his which is contractually obligated and which he is going to waive. He indicated it is not fair that he should get a raise when no one else is getting one. We are looking at re-allocating some dollars from some town activities that we normally do to meet that match for planning. Lastly, we will look at more serious cuts in the fringe benefits if we have to.

Mayor Lauretti then asked how much it would cost for a small pay increase. Clare said it would be about a \$5,000 impact to the budget for a 2% increase. Mayor Lauretti continued that, all in all, we would need \$20,000 if we decided that we wanted to put a small raise in the budget for everyone. He asked what was left in our surplus. Rick said we have rebuilt the reserve account over the last couple of years and we have what we think is probably around \$70,000 unrestricted cash. It's hard to tell. We were trying to actually work it out from the financial statements as far as what is unrestricted cash as opposed to other fund balance assets. Clare noted that some of it is tied up in deferred revenue. Rick said given that this is a two-year budget from the state, we probably could cover the deficit by appropriating from our fund balance for two years and then take another look at the state when the next budget comes up. Mayor Lauretti asked if there are any administrative fees that we could charge to the stimulus money. Rick said no, we don't get the stimulus money, the towns get it directly. It won't pass through here. It will go from the state to the towns. Right now, we are charging our highway planning contract for any of the time we spend working on the stimulus projects. Mayor Lauretti wondered if it was possible for each town to kick in \$5,000 from their stimulus funds to balance the budget. He didn't know if it could be done. Rick said that strictly speaking, we can't allocate federal stimulus money to our planning activities. Only construction and inspection activities are eligible for reimbursement. It would really require the towns to come up with a separate allocation from their own budget. It would amount to an increase in local dues.

Rick said that we certainly all appreciate the offer. We will work on a couple of scenarios for the Mayors by June and have a better idea if we are getting any SGIA. He said we actually think we may get \$10,000 out of the SGIA. Mayor Lauretti said if that is the case, then perhaps we could take \$10,000 out of the fund balance. Rick agreed that we could use our unrestricted cash fund balance if it's \$10,000 for one year, and then we can look at a real dues increase next year or the following year. That will get us through the two years and then we can reassess what we are dealing with in the next state budget. He doesn't know what the federal planning dollars for transportation will be. Likely they will increase. We will not increase staff; we will likely just increase activities and compensation. We won't know that until after October when the federal fiscal year starts. Rick said we think we may get some Homeland Security money in here this year because of the GIS work. Those may allow us to adjust the bottom line. If we have a gap when we adopt the budget, his recommendation is to appropriate from the fund balance to the extent of \$10,000 - \$20,000, depending on what the SGIA number is, and then look at a municipal dues increase next year. The three Mayors agreed that staff should proceed with a budget containing a 2% salary increase for staff and cuts as presented which will result in a deficit budget. There were no other comments on the draft budget.

(a) For Discussion: Draft Resolution Concerning the State Budget - Rick indicated that this type of resolution is being adopted by most of the regions in the state this year. It has to do with the cut in SGIA funds. It says that if that cut comes to fruition, the Valley Council of Governments may have to reduce current mandated activities performed under this grant and must decline to respond to newly required statutory referrals and regional initiatives as they may be approved by the General Assembly to be effective after July 1, 2009. Rick continued that there are several bills that would require additional unfunded mandates on the RPOs even though they are cutting our funding down to zero. We look at unfunded mandates on the RPOs as mandates on the towns. Ultimately, we want to express through a resolution to the state that we will not take on additional unfunded mandates and may not be able to continue the current mandates for which funding is being cut. Rick indicated that he just wanted to present this resolution for discussion. He is not asking for action by the COG today. We can deal with it when the budget is actually set. There were no questions on the draft resolution.

(b) For Discussion and Possible Action: Draft Letter to Governor Rell re: Proposed Elimination of RPO Operating Funds - Rick said he drafted this letter some weeks ago. It is a request for the Governor to support restoring the operating funds to RPOs. This is the \$53,000 that was cut from our budget. This is a draft letter he is presenting for their discussion and potential approval. Mayor Staffieri said he had some notes on this letter. He suggested it be toned down a little. He then read his notes and suggestions for the letter. Mayor Lauretti wondered what we would accomplish by sending this letter to Gov. Rell. For all intents and purposes, her budget is done. Assuming the administration won't change their mind about this mind, Rick said it would accomplish nothing other than getting it on the record. Mayor Lauretti suggested sending it to

the legislative leadership and modifying the letter to talk about the effect that the elimination of any funding or majority funding would have on all of the RPOs around the state. The Mayor continued that you could reference the Governor's position about regional cooperation. That is a good point. Rick said clearly the administration has moved away from the regional cooperation policy. The Mayor said that this lack of funding or no funding would lead you to believe that they are moving away from that position. Rick said OPM has not been a party to this. They have been the Governor's right hand when it comes to fiscal matters. They were not involved in the decision to cut this funding and were against it internally. He continued that the Governor has a bill out there that is not going anywhere. It has assembled all the power in the state under the Commissioner of DECD--everything from the State Historical Commission to Regional Planning to vetoes over transportation dollars. It sets up a de facto veto over DOT and DEP. It's not going anywhere as the legislature won't pass the bill. Rick went on to say there is clearly an effort to consolidate planning away from OPM and put it into DECD. For the record, DECD got a \$79 million operating increase in this year's budget.

Mayor Della Volpe then indicated that staff should make the changes to the letter as suggested here and send it to the Mayors to review it before it goes out.

Appointment of Committee to Conduct Executive Director's Performance Review -

Rick Dunne informed the Mayors that his contract indicates that his performance review is due this year. Mayor Della Volpe appointed himself and Mayor Lauretti as the committee to conduct this review. Rick said that technically it should be done by June 30 but he doesn't think it is all that urgent as long as we get it done this year.

Approval of VCOG 2010 Holiday Schedule - Rick indicated that the only change to the holiday schedule is that the day we would take for Lincoln's Birthday and Presidents' Day are the same date this year, leaving us an extra holiday which we will take at Christmas.

Motion: By Mark Lauretti; To approve the holiday schedule as submitted; ***Second:*** Anthony Staffieri; ***Vote:*** Unanimous.

Rick then said he had one more piece of information. He passed out a letter to Congresswoman DeLauro from him and indicated that this is just advisory. They are requiring a letter of support from the agency for our request for Route 8, Phase III improvements. This is a huge, \$80 million project, Interchange 16, extension of Pershing Drive. The Congresswoman has contacted us and informed us that she intends to submit \$20 million for Transportation Reauthorization towards the \$80 million. This is for final design and construction of Phase III. Rick said we will have only spent around \$700,000 for design of all three phases by the time it's done. There is \$2 million appropriated. We spent about \$400,000 getting us to the design of entrance ramp 18. The dollars are appropriated for the construction of entrance ramp 18 and Derby received two earmarks for the reconstruction of Route 34, Main Street. That's the \$10 million--design and construction of those, preliminary design of the whole three-exit project. The only thing that is not funded right now is final design of interchange 16 and the construction of that. With the \$20 million, we are going to break down and try and stage Phase III. The plan basically consists of establishing a northbound entrance ramp, reconfiguring the southbound exit ramps and extending Pershing Drive to Main Street in Derby. Rick reiterated that he is just advising the Mayors that he is sending this letter to Congresswoman DeLauro on behalf of the COG.

There being no further business, the meeting was adjourned at 12:40 p.m.

Respectfully submitted,

*Mark A. Lauretti,
Secretary*