



TOWN OF GREENWICH

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Peter J. Tesei
First Selectman

MEMORANDUM

TO: All Appointing Authorities and Department Heads

FROM: Peter J. Tesei, First Selectman

SUBJECT: Budget Plan for 2010/11

DATE: July 20, 2009

I want to personally thank all appointing authorities and department heads for their cooperation and assistance in making the 2009/10 budget a success. Given the condition that our State and National economy was in last fall it was clear that we needed to take swift action to rebalance our budget and take those necessary steps that were required to recognize the new economic realities. You did your part and the citizens of Greenwich appreciate our working together to make this process as seamless as possible.

The economic problems of our Nation, State and Region are however, not resolved and are likely to be a continuing concern for a number of years. With your continued help we will manage this economic crisis for the foreseeable future. As I have previously reported we face a shortfall in the 2010/11 budget of approximately \$10 million dollars for our Defined Benefit Pension contribution. We should also assume that other financial shortfalls or overages will appear in the future that are not now apparent. We must be prepared to respond to any number of unknowns that may confront us as the year progresses. We have begun to address these problems through our agreements and understandings with our staff. Thanks to our non-represented Managerial and Confidential staff and our new agreements with the Teamsters, GEMA, and LIUNA, we now have wage freezes for 2009/10 and new health insurance plans that will help to decrease our budgeted costs. We also hope to negotiate similar agreements with all of our labor groups to achieve the full financial benefits that we will need to meet the challenges that are ahead.

Another element of our plan to reduce costs was our early retirement incentive program. June 30th was the last day for our employees to take advantage of this initiative. We will now begin the process of deciding how many of the positions affected will be permanently eliminated. These reductions will not be easy but are needed to reduce our long term operating costs. I will work with each of you to assure that those reductions that are made are based on minimizing the reduction or elimination of services that affect our citizens.

While all of the actions we have taken to date have been critical in navigating through the economic problems that we face, more is still needed. We must continue many of the steps we instituted last year to assure that in 2010/11 our budget will be adopted and the services that we provide will be what our residents have come to expect. Therefore, I am reiterating the following budget directions for 2009/10:

- **All vacancies that occur during the year will continue to undergo a reauthorization process. This will also include all Permanent Part Time, Temporary and Seasonal vacancies that may be created.** All requests to fill vacancies will be reviewed by the First Selectman's Office. Each department will be asked to show what will be the impact on operations or programs if the position is not filled or eliminated. Vacancies that are approved may also be asked to be delayed to provide some savings on the interim salary and benefits.
- During the 2009/10 fiscal year each department will be expected to retain a minimum of **5% of their non salary accounts.** We will monitor these savings on a regular basis with the members of the BET to assure that we meet our budget goals for the year.
- **Out of state travel for conferences and/or training** will continue to be limited to only those programs required for professional certification or responsibilities that are of critical importance to the interests of the Town. All such request for travel should be submitted with justification to the First Selectman's Office, prior to commitment.
- **Overtime** will only be approved for public safety requirements and/or such circumstances where the needs of the Town would be significantly harmed if staff were not so assigned. The First Selectman's Office will expect that each department will be able to provide appropriate justification for all such use.
- All departments are expected to again review the **revenues** generated by their department to determine whether it is appropriate to raise or modify any of the fees and charges that they administer. Fees and charges should be set whenever possible to cover the cost of providing the particular service you provide. If you decide that a change is appropriate please communicate with Roland Geiger and John Crary on the timing and when your proposal will take affect.
- **Capital projects** for the 2010/11 budget are likely to again be limited to the maintenance of existing assets. Most new initiatives will be deferred until the 2011/12 budget. Exceptions will of course be made if a compelling reason exists such as: public safety, new revenues that will be generated or some similar type rationale.

Should you have any questions please contact me or make an appointment. My door is open to you. Thank you for your support and you can be sure that I will work with each of you to meet our mutual mission of serving our citizens and our community to the best of our ability.