

**Citizen's Budget Review and Advisory Committee
Fiscal Year 2020/21
Budget Review and Recommendations
For the Budget Adopted April 2020**

This report is presented to the Garden City Board of Trustees and
Joint Conference Committee
by the Citizens Budget Review & Advisory Committee

2019 CBRAC Committee

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METHODOLOGY AND REPORT CONTENTS

The Citizens Budget Review & Advisory Committee (“CBRAC” or the “Committee”) is a volunteer committee comprised of Garden City residents from each of the four Property Owners Associations (“POAs”). This Committee is appointed by the Joint Conference Committee (“JCC”), which consists of the Presidents and Vice Presidents from the POA’s, and tasked with the objective of analyzing and evaluating the current fiscal year budget, and providing strategic and specific recommendations to the Board of Trustees (“BOT”), as well as reporting its recommendations to the JCC.

Other than the inherent conflicts of interest associated with living in the Village of Garden City and making recommendations that may or may not affect each or some of the Committee members, it is assumed that the CBRAC operates with no conflicts of interest or financial gain to its members from its recommendations.

ACKNOWLEDGEMENT

The members of the 2019 CBRAC would first like to express their appreciation for the high level of cooperation we received from the Irene Woo, the Village Treasurer, Ralph Suzzo, Village Administration and the various team members in the various Village departments. Everyone was very forthcoming with information and the rationale for their budget items and willing to answer our questions. We thank them for their time and support in our efforts.

To the extent possible Budget Work Sessions were attended either in person or due to the COVID-19 as part of a Zoom meeting, when possible.

Nevertheless, a good sense of the Village's Proposed 20/21 Budget, was ascertained from the meetings and presentations provided. However due to the late start of the budget review process, there was no opportunity to obtain and review any detailed data or explore the underlying rationale for the Proposed 20/21 Budget with respective Department Heads.

SPECIFIC BUDGET ISSUES and RECOMENDATIONS

While a review of the budget process was attempted within the context of the information provided, comments about select specific issues that were considered of interest or need further study are offered below. These suggestions and recommendations to selected budgets that follow are offered with the idea to suggest ways that the budget process and resulting budgets might be enhanced. Additionally, given the reality of Covid-19, the Village should attempt to manage expectations, budgets, and forecasts accordingly.

Police Department Staffing and Overtime

Essentially the Police Departments \$10.1M budget is predicated upon headcount driven by the desire to provide appropriate protection and safety for the Village Community. Like other departmental budgets, this budget appears to be created by using historical costs and existing work requirements to develop the Proposed 20/21 Budget. It seems that the underlying support for proposed departmental expenses were based upon recurring work requirements, as well as historical and anecdotal data. Although additional underlying information was requested this information was not readily available due to the current COVID-19 situation and the late start for the CBRAC.

For example, when the subject of overtime was discussed questions as the need for the \$825,000 request was supported with the statement that Officers have to go to court or incur overtime due to incidents and arrests. No study or analysis of overtime was offered in support of the proposed funding. In response to a suggestion that overtime be cut some thought simply cutting overtime would not be good idea. It was stated that the overtime issue is one that remains an open question from previous budget discussions.

In addition, the question of incurring overtime for recurring events such as Friday Night Promenade was discussed. Some felt this was necessary for security and others felt with a planned event scheduling could be adjusted so as not to incur overtime. The Police department was asked to take a look at this aspect.

Also, the use of other police staff for code enforcement, notably parking, was discussed. Hereto, the discussion was general in nature and no cost-benefit analysis was offered in support of the notion of using part-time or other police staff for non-law enforcement matters.

Previously, the Police Department prepared an annual reports and activity analysis that was available on the Village Web Site, but these are no longer provided. To some extent were a report available for the 2019 it would have been helpful in understand the department budget request.

It is suggested that a department budget be developed using a model that identifies work requirements and then forecasts the necessary staffing to meet the identified assignments. To that an estimate of cost be applied to develop a forecasted budget by work function. Additional expense for contracted services and other administrative requirements would then be added to arrive at functional operation budget. As part of this process, a formal staffing study and overtime analysis be conducted to help develop ways to better understand and perhaps reduce recurring overtime.

Technology

Technology, like all other budget aspects, were developed by Department. While there was some suggestion that Technology might be cared for by an outside contractor, it was not clear if this was limited to Administration or something that was to be coordinated for the Village as a whole. Essentially, technology, other than specific technology used by Fire and Police, is the purview of each individual department.

For example, a lengthy discussion was had about the use and type of to be used in the Library. Also, currently the Library has someone who has knack for technology that cares of most day-today issues. This “brake and fix” method was in-house and if needed, outside support could be contracted for.

Other non-profit and municipal organizations have successfully used a “shared service”¹ model for things like technology. It is suggested that the Village look into a way to centralize the capital and expense aspects of Village technology needs so to provide a comprehensive and cost effective solution for individual departmental technology needs.

Bonding and the Cost of Money

A discussion about increasing the number of capital projects to take advantage of the current low cost of money versus the impact increasing the amount of borrowing on the Village budget and credit rating.

¹ Shared service is a capability that is centralized within an organization or group that provides for a common operational strategy designed to – reduce costs by eliminating repetition of effort and – allows the organization to optimize and standardize its scale

There are a number of factors to be considered such as debt service, the level of budgeting for a credit level standpoint and the impact on the proposed and subsequent year current tax levies. The village Trustees requested a study of this aspect.

Essentially, unlike prior years, two Capital Planning Scenarios (Scenario 1 and Scenario 2) were created. In both Scenarios the operating budget changes were the same, however, in Scenario 1 a more conservative Capital Plan relied on more cash purchase of assets while in Scenario 2 less cash and more bonding of assets would occur for a larger Capital Plan. In both Scenarios the Tax Cap was lowered to the CPI of 1.78 vs. the maximum allowable Tax Cap of 2.28 presented in the original Tentative Budget of early March.

Other Considerations

Detailed information and data about departmental (i.e. DPW, Water, Parks & Rec) performance is not readily available. A community dashboard with specific details and techniques presently utilized by others should be explored. The dashboard and underlying department details would provide municipal metrics and explanations of what a municipality is doing to improve in needed areas. Moreover, it provides the opportunity to tell citizens that they are heard and the Village is working on the changes they are eager to see.

Also, a community dashboard shows citizens how a municipality is performing, the municipality's long-term goals and how the municipality is tracking and measuring those goals to ensure they are achieved. Online community dashboards benefit both citizens and local governments in many ways, such as: -- keeping a government accountable for serving its citizens, and -- instilling confidence in citizens that the government is focused on the right areas and -- it allows citizens to stay up to date with their government's goals and projects

Parks and Recreation:

It is noted that the proposed budget for Parks and Recreation is based on the assumption of a full opening once the emergency orders from New York State due to Covid-19 are lifted. It is CBRAC's position that the Parks and Recreation Department err on the side of caution and consider modelling and forecasting a scenario where there is a certain amount of closure to the Pool, Tennis Courts, and Miniature Golf as well all public playgrounds for the full Fiscal Year 20-21. These closures for the remainder of 2020 and potentially going through Spring of 2021 shall realize significant cost reductions which can be utilized towards essential services within the Department and throughout the Village.

The Parks and Recreation department's request to increase full headcount from 35 to 39 should be rejected. CBRAC recommends a hiring freeze to be implemented immediately until the full impact of Covid-19 is assessed. This assessment will potentially lead to 2021 as that a second wave of cases should be expected in the Fall-Winter of 20-21.

The Parks and Recreation Dept. forecasts over \$ 1,625,000 in revenue due to pool fees to cover the fixed costs in salary and maintenance with a June 2020 opening. However, this projection is unrealistic in that even with the lifting of the quarantine, it is highly unlikely residents of this Village will engage in the same behavior as last year and commit to joining the pool in the same numbers. It is prudent for the Board to consider full closure for this season and if a decision is made to open the pool, expectations should be lowered to 20% to 60% of membership fees from 2019 numbers with 20% being the worst case scenario and 60% being the best case.

By keeping the Pool closed this season, the Village stands to save \$ 638,019 on salary costs as well as an additional \$ 595,550 in materials and supplies resulting in a net \$ 1,233,569 in total savings. Discussion of a June opening is unrealistic and potentially can further the spread of Covid-2019 through the Village resulting in a local health-care crisis. Savings of the pool closure for the season can be allocated to removal of the asbestos in the St. Paul's building which is necessary to maintain a healthy environment for future construction work as well as neighboring children playing in the fields once they reopen.

Covid-19 impact on the Tennis Courts is predicted to be not as drastic as its impact on the pool as long as proper social distancing guidelines are maintained. It will be prudent for the department to lower its estimates on income revenue to reflect the uncertainty of Covid-19 impact.

CBRAC again urges for the Department to look into the ability to generate incremental revenue from rental of the pool parking lot in the off-season to 3rd parties including Adelphi and private companies.

CBRAC recommends that the Village Board prioritize the maintenance and stabilization of St. Paul's to alleviate the dangerous conditions including broken windows, loose bricks, and asbestos. CBRAC encourages the Village to fully fund the stabilization of the current structures along with implementation of immediate asbestos abatement throughout the facility.

Department of Public Works:

It is noted that the Department of Public Works engages in essential services such as snow removal, sanitation, and street care. These services are fixed and thus cost savings is limited. In fact, due to the essential nature of this Department and the precautions necessary for all its employees to work safely amid the Covid-19 pandemic, variable costs might increase to ensure proper masks, gloves and other PPE equipment is provided.

DPW has allocated \$ 150,000 in snow removal for the 19-20 season which turns out to be a mild one snow-wise with only one day of more than 1" snowfall. DPW further requests an additional \$ 130,000 for snow removal in the 20-21 season. Although we cannot predict the weather in the upcoming winter season, CBRAC requests that DPW carry forward the cost savings from the mild 19-21 season to the 20-21 season and thus remove the \$ 130,000 requested on the Proposed Budget.

It is also noted that DPW is requesting an additional 21% for employee salaries concerning Sewer Overtime. CBRAC would like the DPW to devise a plan to limit overtime without hiring full time staff to bring this cost down. Suggestions range from hiring 3rd party contractors to clean the sewer in a regular time frame.

CBRAC commends DPW in reducing overtime in Sanitation by 13% and reducing part time help by over 20%. However, items under Other Payouts have increased by over 280% and is of concern. DPW is requesting to double part-time help from 6 to 12 employees. CBRAC favors increasing part-time help over full-time help due to the cost-savings associated with part-time help. However, CBRAC cautions on increasing overall headcount due to the financial implications of Covid-19 on the Villages finances.

No changes are recommended for Recycling in that due to residents being quarantined, it is expected that the toll on this departments resources will increase.

In general, Street Cleaning expenses should be lowered than projected through the foreseeable future in that 7th street festivities will most likely be canceled due to pandemic concerns. All savings should be carried forward to next years budget.

CBRAC notes that the Department of Public Works is requesting an increase in headcount from 75 to 78. Due to the financial implication of Covid-19 on the Villages' finances, CBRAC recommends an immediate hiring freeze for the Department of Works until further notice.

Water Enterprise Fund:

In general, due to the financial implications of Covid-19, CBRAC recommends that the Water Enterprise Fund freeze all employee headcount to the current 15 for full-time employees and 2 for part time employees. The Water Enterprise Fund is requesting an additional 3 full time employees which should be denied. The open positions are for Water Plant Operator for the Purification system. Although CBRAC acknowledges the importance of purifying the Villages water from toxins, this cost should be spread out over multiple years using the Department's current resources and staff.

Fire Department:

The biggest expense facing the Fire Department at this time is the project of updating the West Fire House. Given this large project we would advise against adding the new Fire Engine pumper at this time. We would prefer to see the fire house reconstructed to fit the new truck before making the purchase. The operating budget for the Fire Department is forecast to be down 6% mostly reflecting salary reductions as a result of headcount reduction. CBRAC supports the reliance on an all-volunteer force as this results in significant savings for the Village. Expenses for Village Fire Hydrant Rentals are expected to increase This is primarily driven by the Village Water Fund increasing their rental rates to be comparable to other utility agencies in the area.

Library:

The CBRAC reviewed the proposed Library budget. While there has been much discussion about the roof and the HVAC at the Library, CRAC believe that these two projects should be a priority for the Village when deciding on capital projects. The roof is already well beyond its expected life of 20 years, currently being 28 years old. There have also been several malfunctions of the HVAC system that has left the Library without AC for extended periods of time. It is our opinion that both of these projects should be done simultaneously as to not have one or the other potentially damage newly installed equipment and or the roof. As far as the construction on the children's space it seems to be important to move forward at this time in order to receive the currently expected state grants. If we do not use this money it will be lost. As it relates to the new cameras requested, it is easy to understand why so many cameras would be necessary in and around the library. The very nature of the inside of a Library is to create numerous spots where people can have privacy and quite to complete work. It is this design coupled with the high bookshelves that block a camera's view that make it difficult to have only a few cameras cover all areas. Building with long hallways and no obstacles make for much easier spaces to cover with fewer cameras. However, at this time we still believe that the additional 11 cameras requested can be delayed until after the construction on the children's room. Post this construction, the need for camera's should be reevaluated. Some of the existing camera's may be able to be moved or used to cover other spaces. The addition of the security firm should help to keep the public safe in the interim.