



SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Planning for Our Region's Future

Bethany Branford East Haven Guilford Hamden Madison Meriden Milford
New Haven North Branford North Haven Orange Wallingford West Haven Woodbridge

Carl J. Amento, Executive Director

EXECUTIVE COMMITTEE
SPECIAL MEETING NOTICE & AGENDA
Wednesday January 31, 2018 – 9:00A.M.

Location: 127 Washington Avenue, 4th Floor West
North Haven, CT 06473

Full agenda materials can be found at our website – www.scrcog.org

1. Call to order- Mayor Toni Harp, *Chairwoman*
2. Adopt Minutes of November 15, 2017 Executive Committee Meeting-
Mayor Toni Harp, *Chairwoman* Pages 2,3
3. Review of SCRCOG FY 2017-2018 Budget Amendment #1 Pages 4,5
4. Discussion of UPWP Consultant Priorities Pages 6,7
5. Report on SCRCOG Fund Balance Pages 8-10
6. Other Business
7. Adjournment

The agenda and attachments for this meeting are available on our website at www.scrcog.org. Please contact SCRCOG for copy of agenda in a language other than English. Auxiliary aids/services and limited English proficiency translators will be provided with two week's notice.
“Necesidades especiales: a las personas con discapacidad auditiva se les proveerá con medios auditivos y/o intérpretes de signos. Igualmente intérpretes para personas que hablan poco inglés, pero será preciso avisar con dos semanas de antelación. Se puede solicitar la agenda en otro idioma que no sea inglés comunicándose con SCRCOG”.

127 Washington Avenue, 4th Floor West, North Haven, CT 06473

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Carl J. Amento, Executive Director

TO: SCRCOG Executive Committee
FROM: First Selectman James Cosgrove, Secretary
DATE: January 23, 2018
SUBJECT: SCRCOG Executive Committee Minutes of November 15, 2017

Present:

Branford First Selectman James Cosgrove, *Secretary*
Guilford First Selectman Joseph Mazza, *Vice Chairman*
Madison First Selectman Thomas Banisch
Milford Mayor Benjamin Blake, *Immediate Past Chairman*
New Haven Mayor Toni Harp, *Chairwoman*
North Haven First Selectman Michael Freda
Wallingford Mayor William Dickinson
West Haven Mayor Edward O'Brien, *Treasurer*

SCRCOG Staff Carl Amento, *Executive Director*, Stephen Dudley, *Deputy Director and Transportation Director*; Albert Ruggiero, *Finance Director*, Christopher Rappa, *Financial Manager*

Other guests Brian Borgerson, *CPA*; Matthew Nemerson, *City of New Haven*; Barbara Malmberg, *REX Development*

1. **Call to order**

The Executive Committee meeting was called to order at 9:10 a.m. by Chairwoman Harp.

2. **Adopt Minutes of May 24, 2017 Executive Committee Meeting**

First Selectman Cosgrove presented the minutes of the May 24, 2017 Executive Committee meeting, which is on Pages 2-3 of the agenda packet. First Selectman Cosgrove moved for their acceptance. First Selectman Banisch seconded. All were in favor of acceptance of the minutes.

3. **Review and Accept Audit Report for FY 2016-2017**

SCRCOG's Auditor Brian Borgerson, CPA, SCRCOG Executive Director Amento and Finance Director Ruggiero reviewed the FY 2016-2017 SCRCOG Financial Audit, which was attached to the meeting agenda. The Auditor indicated that it was a "clean audit" with "no findings". There was a \$34,130 surplus, with the SCRCOG combined fund balance increasing from \$800,076 to \$834,206. Revenues and expenditures were within budgeted amounts. SCRCOG received significant awards of grants in recent years which affected the past year's budget. The overhead rate was decreased from 1.3899 to 1.3089. Municipal dues assessed at \$.29/person (based on municipal population) make up 7.2% of total revenue.

First Selectman Mazza moved to accept the Audit Report. Mayor O'Brien seconded his motion. All present were in favor.

4. **Discussion and Recommendation re Preliminary Dues for FY 2018-2019**

Deputy Director Dudley reviewed a memorandum on this subject found at Pages 4-6 of the agenda packet. The Memorandum detailed reduced CTDOT funding to match federal transportation funding for SCRCOG, as well as reduced state funding for the Regional Services Grant. A dues increase of \$.05 was recommended to cushion against continued erosion of state funding for SCRCOG. There was a discussion of the status of SCRCOG's reserves (fund balance). It was the consensus of the Executive Committee that SCRCOG staff should prepare an analysis of SCRCOG's fund balance and a cash flow needs analysis to be presented at the Executive Committee meeting in January. First Selectman Banisch moved that a preliminary dues increase limited to no more than \$.05 be recommended to the SCRCOG Board for consideration. Mayor Dickinson seconded the motion, which was approved unanimously.

5. **Discussion of State Budget's Effect upon SCRCOG Budget and Work Program**

Deputy Director Dudley reviewed the options facing SCRCOG given the lack of state funding match for federal transportation projects and studies, the need for funding for transportation match funds and non-transportation projects, and the need for a hedge against further state financial cuts. After discussion, the Executive Committee asked that the SCRCOG staff keep monitoring the situation, honing the options, presenting the options to the Transportation Committee, and returning with proposed solutions for vetting at the January meeting.

6. **Other Business**

None.

7. **Adjournment**

First Selectman Cosgrove moved to adjourn the meeting, First Selectman Banisch seconded, and all were in favor. The meeting adjourned at 9:55 am.

Respectfully submitted,

First Selectman James Cosgrove, *Secretary*

FY 2017-18 Budget Revision # 1

Budget Revision #1 adds to the adopted FY 17/18 budget funds from multi-year grants not utilized in FY 17, but remain available this fiscal year. These grants and projects include Regional GIS Program (\$1,500), CIRCA – Municipal Resilience Grant (\$22,140), Regional Open Space Inventory (\$10,000), Coastal Resilience Planning (\$2,300), and FEMA – Regional Hazard Mitigation Plan (\$10,000).

This budget revision also accounts for reductions to a portion of the FY 16/17 Regional Services Grant (-\$6,200), which was planned for use this fiscal year, as well as the FY 17/18 Regional Services Grant (-\$107,500). Regional Services Grant cuts were a result of the State Budget.

Actual line item revisions are below, followed by a resolution authorizing Budget Revision #1.

<i>Revenue</i>	<i>Current Budget</i>	<i>Proposed Change</i>	<i>Revised Budget</i>
Municipal Contribution			
Municipal Contribution - Dues	165,000		165,000
Municipal Contribution - Special Projects	62,500		62,500
REX Development Contribution	10,000		10,000
Transportation Planning			
U.S. DOT - FY 2017-2018	942,779		942,779
U.S. DOT - Carryover	486,026		486,026
U.S. DOT - Mobility Management	90,676	223	90,899
CTDOT - FY 2017-2018	89,564		89,564
CTDOT - Carryover	-		-
CTDOT - Mobility Management	22,669	56	22,725
CTDOT - LOTCIP	225,571		225,571
Regional Planning			
CT OPM - Regional Services Grant (RSG)	360,000	(107,496)	252,504
CT OPM - RSG - Carryover (Previous FY)	22,500	(6,231)	16,269
Regional GIS Program	28,500	1,500	30,000
CT Secretary of the State - Regional Election Monitoring	11,111		11,111
CIRCA - Municipal Resilience Grants	25,000	22,140	47,140
Regional Open Space Inventory	64,228	10,000	74,228
Coastal Resilience Planning Grant			
NFWF - Coastal Resilience Planning Grant	-	2,300	2,300
Regional Hazard Mitigation Plan			
Federal Emergency Management Agency	187,500	10,000	197,500
Investment Income	1,000		1,000
TOTAL	2,794,624	(67,507)	2,727,116

<i>Expenses</i>	<i>Current Budget</i>	<i>Proposed Change</i>	<i>Revised Budget</i>
Salaries	558,439		558,439
Benefits	170,679		170,679
Travel	13,600		13,600
Computer Supplies & Software	20,450		20,450
Rent	107,700		107,700
General Office Expenses	85,378	5,586	90,964
Transportation Consultants	966,000	(103,800)	862,200
Other Consultants	400,700	72,240	472,940
MOVE New Haven (Federal Only; Match from Others)	-	100,000	100,000
Capital	-		-
Contingency	0		(0)
Transportation - Reserved	173,258	(79,590)	93,668
LOTCIP - Reserved	198,163	(444)	197,719
Regional Open Space Inventory - Reserved	-		-
Regional Hazard Mitigation Grant - Reserved	38,757		38,757
Regional Planning Program - July 1, 2018 - Oct 31, 2018	61,500	(61,500)	-
CIRCA Grant - Reserved	-		-
Total	2,794,624	(67,507)	2,727,116



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Resolution

**South Central Regional Council of Governments
Fiscal Year 2017-18 - Budget Revision # 1**

Whereas: The South Central Regional Council of Governments adopted an operating budget for Fiscal Year 2017-18 on May 24, 2017;

Whereas: Funds from the following multi-year grants not utilized in FY 17 remain available this fiscal year - (\$1,500), CIRCA – Municipal Resilience Grant (\$22,140), Regional Open Space Inventory (\$10,000), Coastal Resilience Planning (\$2,300), and FEMA – Regional Hazard Mitigation Plan (\$10,000);

Whereas: SCRCOG has agreed to contribute to the MOVE New Haven transportation study (\$100,000 – federal); and

Whereas: Due to the State Budget, there were reductions to a portion of the FY 16/17 Regional Services Grant (-\$6,200), which was planned for use this fiscal year, as well as the FY 17/18 Regional Services Grant (-\$107,500).

Now, therefore be resolved by the South Central Regional Council of Governments:

That Fiscal Year 2017-18 Budget Revision # 1, which adds to the adopted FY 17/18 budget funds from multi-year grants not utilized in FY 17 that remain eligible this fiscal year, transfers \$100,000 from future transportation work to the current fiscal year (MOVE New Haven transportation study, \$100,000 – federal), and accounts for reductions in the Regional Services Grant for fiscal years 16/17 and 17/18, is adopted.

Certificate:

The undersigned duly qualified and acting Secretary of the South Central Regional Council of Governments certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the South Central Regional Council of Governments on January 31, 2018.

Date: January 31, 2018

By: _____, *Secretary*
South Central Regional Council of Governments

Recommendation to SCRCOG Executive Committee
concerning UPWP Consultants for FY 18 1-24-18

At the time of FY18 budget approval in May, 2017, the amount of match available was unknown due to the lack of a state budget. We committed to the SCRCOG Board that we would inform them of our priorities in response to the ultimate match available prior to commencing any projects or studies for FY 18. While the budget was approved at the end of October, we were not advised of the exact amount of the FY 18 Regional Services Grant (RSG) until December 8. The RSG and local dues are the only sources of match for federal transportation funds.

The RSG required a FY18 spending plan which was approved by OPM Friday, January 5, 2018. We now can proceed with the consultant-supported work for FY 18 under the adopted UPWP.

As we are over half-way through the fiscal year, we must adjust our timing of various projects to reflect the time necessary to get approval and initiate the studies, as well as the need to fully expend the RSG by June 30, 2018.

For FY 18:

Total consultant funding available with approved RSG	\$862,000
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The following program is expected to fully utilize the portion of the local dues and RSG approved for match:

Consultant projects:

New Haven Signs – last sign inventory for region	\$150,000
Continuation of Branford Connector Study	\$ 45,000
Congestion Management	\$ 60,000
REX (as per budget – higher than UPWP)	\$ 50,000
Sub-total remaining	\$557,000

Due to the late start, the following municipal studies will start later this fiscal year and will be limited to only one third of the expenditure in FY 18, the balance shifting to after July 1 in FY 19:

Meriden East Main (\$65,000 budgeted)	\$ 25,000
New Haven Signal (\$90,000 budgeted)	\$ 30,000
New Haven Freight (\$90,000 budgeted)	\$ 30,000

Remaining balance	\$472,000
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This amount would be utilized to acquire updated and enhanced GIS datasets for the entire region from Sanborn, the vendor for the last state-wide flight. This work would be accomplished by June 30, 2018.

The first year of the two year UPWP would work to meet our goal of fully utilizing all available federal transportation dollars for the FY18 and FY19 UPWP.

It should be noted that there is an item on the SCRCOG agenda for the amendment of the UPWP to add \$125,000 to the FY 18 program for Phase 2 of the Move New Haven Study. This addition does not impact any projects noted above as the \$125,000 consists of two parts - \$25,000 in match which will be provided by non-federal and non-SCRCOG funds and \$100,00 in federal transportation funding which was previously noted in the FY 18 budget as non-programmed due to lack of match.

For FY 19:

An amendment for FY 19 would be necessary later in the spring, once any revisions to the state budget are known, whether the two corridor studies previously submitted to CTDOT in response to their solicitation request can be undertaken and how much match is available through the RSG and local dues.

The above program was presented to the Transportation and Transportation Technical Committees at the January 12 meeting. After discussion, there were no objections to the program as presented.



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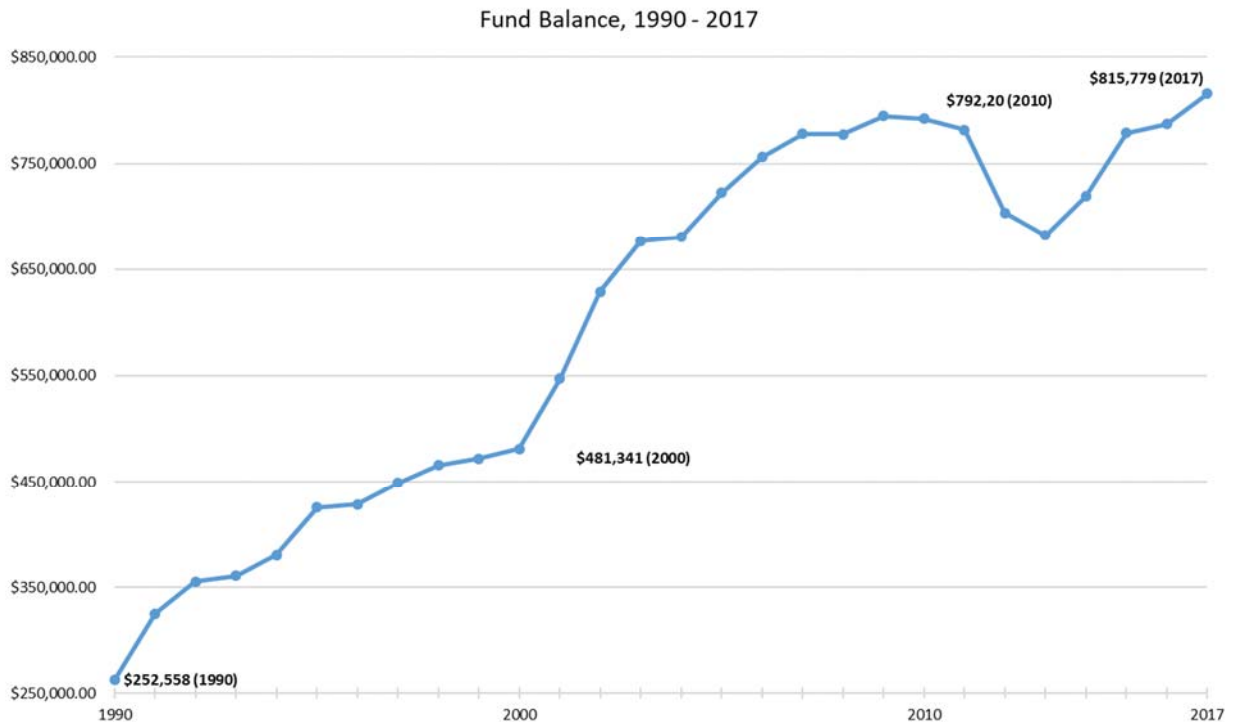
Carl J. Amento, Executive Director

Discussion on Fund Balance for Executive Committee 1-24-18

During the discussion of SCRCOG's Annual Audit at the November's Executive Committee meeting, mayors and first selectmen questioned the size and potential use of SCRCOG's fund balance. The Committee agreed to continue this discussion in January. This memo outlines the Fund's growth, factors that bolstered growth, and future options moving forward.

Growth of Fund Balance

SCRCOG has always maintained a healthy fund balance over the years. The fund balance has not grown overnight. The chart below shows how the balance has grown over the past 30 years from \$252,558 in 1990 to its current level of \$815,800. Over that period, increases to fund balance have averaged \$18,800 per year, although these certainly have not been consistent from year to year. The ten-year period from 2000 to 2009, saw the fund balance increase by over \$310,000, or \$31,300 per year (average).



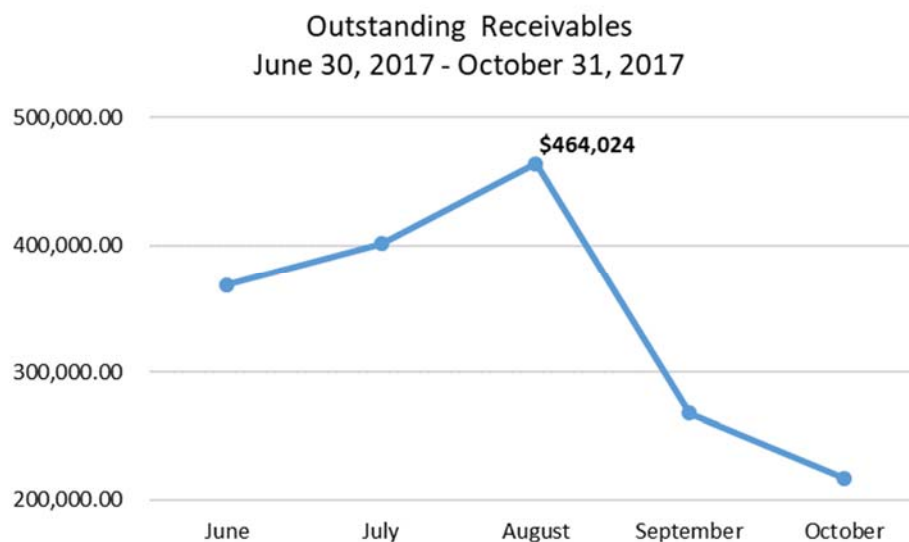
Contributing Factor to Fund Balance Increases

Growth of SCRCOG's fund balance has basically resulted from underutilized State Grant-in-Aid (SGIA) and municipal contributions.

While each year we commit all municipal and SGIA funds within our annual operating budget, which in a perfect world would leave nothing remaining on June 30th, circumstances do occur throughout the fiscal year which result in a balance at the end of the fiscal year. Staff turnover and vacancies in staff, new projects beginning mid-year, and changing labor allocations are significant factors for June 30th balances in our budget. Although not as substantial, the municipal match (10%) for uncompleted transportation studies flow to the fund balance on June 30th.

Cash Flow Needs

SCRCOG has no ability to raise operating funds on its own. SCRCOG leverages municipal contributions (match) against Federal & State grants to provide for its operating budget. However most Federal and State grants are on a reimbursement basis. Sufficient cash flow is necessary to pay vendors and then wait for reimbursement. Cash flow is most severe at the conclusion of the fiscal year, when large transportation consultant invoices come due with the conclusion of their work, and the State closes down its CORE payment system. The chart below follows SCRCOG's outstanding receivables following the close of the fiscal year.



Future Considerations

SCRCOG staff views fund balance as cash reserves, a cushion to supplement funding or limited budgetary shortfalls. SCRCOG's fund balance is unrestricted and the Council can utilize those funds for any purpose it sees fit.

To remain comfortable, staff feels a \$600,000 reserve amount coupled with the \$100,000 deposited with Start Bank (1-year Certificate of Deposit) for a total of \$700,000 should be

maintained at a minimum. Any amount over that minimum amount (\$115,000) certainly can be considered for reprogramming. In fact, the Council has authorized utilization of fund reserves several times in the recent past supporting and supplementing projects and efforts by REX Development, ROOF, and DataHaven.

One word of caution - the opportunity to rapidly buildup reserves is diminishing for SCRCOG. Several years ago, the State replaced SGIA funding with the Regional Services Grant (RSG) funding. RSG funds must be utilized within the performance period or be returned back to the State. In other words, RSG funds cannot be “banked” like the SGIA funds. This leaves municipal dues as the only source for increasing the fund balance.