



MINUTES

Naugatuck Valley Council of Governments

Waterbury Regional Chamber

83 Bank Street, 4th Floor

Waterbury, CT 06702

10 a.m., Friday, May 8, 2015

NVCOG Representatives, Alternates & Proxies: Chris Bielik, First Selectman, Beacon Falls; Anita Dugatto, Mayor, Derby; Ed St. John, First Selectman, Middlebury; Bob Mezzo, Mayor, Naugatuck; David Merchant, Mayor, Plymouth; Tom Galvin, Alternate, Prospect; Kurt Miller, First Selectman, Seymour; Mark Lauretti, Mayor, Shelton; Ed Edelson, First Selectman, Southbury; Ed Mone, First Selectman, Thomaston; Neil O'Leary, Mayor, Waterbury; Ray Primini, Town Council Chairman, Watertown; Tom Dunn, Mayor, Wolcott; Kathy Castagnetta, Alternate, Woodbury.

Speakers and Guests: Kevin DeGobbo, Waterbury; Joe DeLong, Kevin Maloney, CCM; John DiCarlo, Waterbury Regional Chamber; Lou Mangini, Congresswoman Rosa DeLauro's Office; Mark Massaro, Eversource; Scott Jackson, Undersecretary, Office of Policy & Management.

Staff: Rick Dunne, Mark Nielsen, Aaron Budris, Joanna Rogalski, Glenda Prentiss, Trish Bauer, Clare Falcha, Sean Kelleher, Lauren Rizzo, Christian Meyer.

1. Pledge of Allegiance, Roll Call, Public Comment

Following a presentation by State Comptroller Kevin Lembo and remarks by newly appointed OPM Undersecretary of Intergovernmental Affairs Scott Jackson, Chairman Neil O'Leary called the meeting to order at 10:30 a.m. The Pledge of Allegiance had been recited and NVCOG members, alternates, and staff introduced themselves. Kevin Maloney of the Connecticut Conference of Municipalities (CCM) introduced CCM's new Executive Director, Joe DeLong, who spoke about his role in the organization and his plans for its future. There was no public comment.

2. Approval of the Minutes of the April 10, 2015 NVCOG Meeting

On a motion by Bob Mezzo, seconded by Ed Mone, it was unanimously

VOTED: To approve the minutes of the April 10, 2015 NVCOG meeting.

3. Financial Report

Clare Falcha reviewed the April financial report. She noted that a future report will show exactly how much was spent to consolidate the two former agencies and what savings are being realized as a result of the merger. On a motion by Kurt Miller, seconded by Mark Lauretti, it was unanimously

VOTED: To approve the financial report.

4. Recommendations from the Executive Committee

a. *Adoption of Proposed Changes to the Personnel Policy* – Rick Dunne explained there were some conflicts and oversights to the NVCOG personnel policy. A merger provision stated that former agency employees could carry over their unused vacation days for the period of 1/1/15 through 6/30/15, but that after 6/30/15, the former employees would no longer benefit from

the unused vacation days and would follow the NVCOG vacation with pay policy. This, in effect, removed all vacation days that employees had accrued from their years of service if they were not used by 6/30/15. The existing language also presented difficulties in the accounting and budgeting processes for staff, as well as a confusion of terms that could potentially result in unlimited earning of vacation days. The proposed changes would restructure the amount of vacation time entitlement based on years of service, allow current employees to carry their unused vacation days into NVCOG, as intended, and establish an accrual cap of 175 hours for new employees and 210 for former COGCNV/VCOG/CCRPA employees. Mr. Dunne also said this hadn't actually affected any former VCOG employees, as they had not had a vacation carry over policy. Additionally, he noted the proposed changes would also remove paid vacation entitlements to part-time employees. He advised that the recommendation from the Executive Committee was to adopt. On a motion by Ed Edelson, seconded by Kurt Miller, it was unanimously

VOTED: To adopt the proposed changes to the personnel policy, as recommend by the Executive Committee and outlined in Memorandum 03182015-PY and Attachment A03182015-PY.

- b. *Review/Discussion of Proposed Bylaw Amendments (Consideration at June Meeting)* – Rick Dunne explained that as currently written, the bylaws disagree internally on the deadlines of drafting, reviewing, and adopting the budget for NVCOG. Article VII(2)(b)(4) outlines a responsibility of the Executive Committee and states the Council shall approve a proposed budget during April of each year. Article XII(2), which staff currently abides by, outlines the budget adoption process. Article XII(2) states that the budget shall be prepared by the executive director before the end of April, reviewed by the council in May, and approved by the council in June.

Sean Kelleher affirmed that the bylaws do not currently possess an article addressing technical corrections, i.e., textual changes made to the bylaws which are not comprehensive in scope but corrective of minor errors. A technical corrections article would prevent the council from having to use the longer amendment process (Article XII) spanning approximately two months in order to make minor changes to the bylaws.

The Executive Committee's recommendation, Mr. Dunne said, is to

- Revise the Executive Committee's budget responsibilities to mirror the dates in the budget adoption process.
- Introduce a new definition for "technical corrections."
- Introduce a new article (XIV) permitting technical correction to be made to the bylaws at any time, provided a summary of such changes are submitted to the council
- Renumber articles as appropriate to accommodate the proposed new article

Mr. Dunne noted that this item would be voted on at the June meeting.

- c. *Review/Discussion of Recommended FY16 Budget (Consideration at June Meeting)* – Mr. Dunne said the budget is roughly in line with what was projected as a 12 month budget. At the discretion of the board, there is a provision in it for salary increases, basically a cost of living adjustment. Mr. Dunne noted, however, that no recommendation is being made in this

matter. Employee reviews had not been conducted as the agency has only been in existence since January.

Clare Falcha noted that on page 2 of the budget there is a comparison of how general administrative costs are billed. She said it shows how the overhead costs of running the new agency have been brought down significantly from those of the former agencies.

Ed Edelson had questions concerning the proposed dues structure and the incentives from OPM with regard to the consolidation. Ms. Falcha affirmed the overall reduction of dues and said it was the minimum amount needed to meet all match requirements for all grant-funded programs that require a non-federal share local match. She and Mr. Dunne affirmed that the state grant in aid (SGIA) funds are set up in statute and generate a certain amount of revenue for each region. NVCOG is anticipating that level in the budget. Not impacting any surplus or deficit is that funding from the first year's SGIA increase for both regions is being set aside to pay for the merger and conversion, but on an ongoing basis, the annual allocation is in statute and the agency is budgeting for that going forward.

Ed St. John said he had experience with transitional budgets and advocated that if there are any surplus funds, they be placed in a rainy day fund. He thought this might be a good matter for the Executive Committee to oversee. He felt that larger regional planning organizations could also mean a larger workload and that there was a possibility of extra funds being required in the future. Neil O'Leary said this was an excellent point.

Rick Dunne said if anyone had any questions about the budget before it comes up for a vote in June, they should contact Clare Falcha or him.

5. **LOTICIP Update**

Mark Nielsen provided an update on the LOTICIP program. Fiscal year 2014 and 2015 LOTICIP funds were fully allocated to eligible projects. However, the anticipated cost to reconstruct Sylvan Lake Road in Watertown has increased above the estimate submitted in the town's application. The total cost of the project exceeds the funds available to the former Central Naugatuck Valley planning region. CTDOT is requesting that Naugatuck Valley COG consider the allocation of LOTICIP funds attributable to NVCOG in FY 2016 and 2017 to fully fund the Watertown project. Mr. Nielsen said that, at this time, funding is available to advance all currently programmed projects and new projects have not been selected for FY 2016 and 2017. The anticipated funding allocation for NVCOG is expected to be approximately \$19.7 million over the next two years.

As the Sylvan Lake Road project was discussed among town representatives, CTDOT staff, and NVCOG, and as design and right-of-way concerns were resolved, CTDOT is ready to authorize Watertown to proceed with the design phase. This authorization is pending the endorsement of FY 2016 and 2017 LOTICIP funds attributable to NVCOG to support the project. The allocation of LOTICIP funds for the Sylvan Lake Road project would not adversely impact currently programmed projects nor substantially affect the consideration of new projects under the program.

Neil O'Leary suggested that NVCOG send a letter to Commissioner Redeker explaining the municipalities' challenges and concerns surrounding the LOTICIP program.

Following discussion, on a motion by Ed Mone, seconded by Bob Mezzo, it was unanimously

VOTED: To approve the allocation of additional LOTCIP program funds attributable to the Naugatuck Valley planning region to fully fund the Sylvan Lake Road reconstruction project in the Town of Watertown. The revised cost of the project is estimated at \$2,242,142 and additional LOTCIP funds will be drawn from the anticipated FY 2016 and FY 2017 program statewide allocation and sub-allocated to NVCOG.

6. **Other**

a. *Updates*

- i. Legislative Advisory Committee – Rick Dunne said it was decided at the Executive Committee meeting that legislative advisory would remain a function of the Executive Committee rather than forming a separate committee. Any legislative issues raised by the Executive Committee would be brought back to the full board.
- ii. Transportation Technical Advisory Committee – Mr. Dunne said that even though there is currently no information on how to move forward on MPO alignment, he is recommending that NVCOG go ahead and form a Transportation Technical Advisory Committee, utilizing the members of the current public works committee, to rate and rank projects. Formal appointments will be required, and a motion will be put forth next month.
- iii. MPO – Mr. Dunne said he will continue to work with Mayor Lauretti, Mayor O’Leary, and the Executive Committee to have discussions with the other regions that could potentially be involved in NVCOG’s MPO boundary revisions.

Additionally, Kevin DeIGobbo said there will be a forum at St. Mary’s Hospital on May 22 where the hospital will discuss its thoughts and vision on how to change the discussion on the health care system in the region. He said all chief elected officials should have received an invitation.

On the topic of regionalization, Neil O’Leary said each municipality has significant resources and should try and avoid duplication of effort. He advocated the sharing of resources within the region.

7. **Adjournment**

At 11:10 a.m., on a motion by Ed Mone, seconded by Chris Bielik, it was unanimously

VOTED: To adjourn the meeting.

Respectfully submitted by
Lauren Rizzo
Administrative Assistant
For
Ken Cockayne
Secretary



May 08, 2015

MEMORANDUM: 05082015-Financial Update

To: NVCOG Board Members
From: Clare A Falcha, Finance Director
Subject: **April 2015 Financial Update**

Overall- At present I am not showing the projected fund balance for the new agency. Until the audits on all 3 agencies are completed for FY 2015, I don't believe it is prudent to start showing this figure. I do believe that the Fund Balance of the new agency will be in the neighborhood of \$700,000 when the FY 2015 audits are completed.

Page 1-YTD Totals:

- These are the YTD figures for NVCOG broken down by category.
- We are currently running slightly ahead (\$1,463.86) of my projection. This is generated by the FOH rate that I am currently billing projects at, and the projection used for that calculation.

Page 2-G&A vs Budget:

- This is the comparison of our General and Administrative expenses for NVCOG vs the approved budget for the first 4 months of the short fiscal year (6 months), 66.67% complete.

- **As reported in the previous month, we are over budget on two items:**

Accounting/Auditing-there was an unanticipated invoice from the accountant for help with our initial setup.

Contractors/Subcontractors-this was an expense for an intern of \$185 that worked over the winter break that we did not run through payroll (transition oversight).

- **We are also anticipating that we will run over slightly, from the originally budgeted line items on the following:**

It Maintenance Agreement-we had not anticipated the correct counts on workstations, and peripherals, that we are charged a per month set rate to maintain, when the budget was set in January 2015.

Telephone/Internet Services-because of the phone system we purchased we increased our internet capacity to accommodate the need for greater connectivity. This increase was not anticipated when the budget was sent in January 2015.

Page 3-Non-Recurring Merger Related vs Budget:

- This represents non-recurring merger expenses that have been incurred by the new agency (NVCOG) only since 1/1/15. It does not include merger expenses incurred in the current fiscal year by the predecessor agencies.
- At the end of the current fiscal year, I will present a report showing the total incurred expenses of all 3 agencies for merger-related expenses for the current fiscal year.
- At present we have incurred expenses related to the computer migration of the two separate agencies.
- We received the drawings for the proposed renovations and are awaiting the estimates from contractors as to the renovation costs.

Naugatuck Valley Council of Governments
Profit/(Loss) YTD thru 4/30/15

	Pass-thrus	G&A	Non Recurring Merger	Total
Ordinary Income/Expense				
Income				
4100 · Federal Revenue	57,424.28	130,104.88	0.00	187,529.16
4200 · State Revenue	59,115.25	248,869.37	72,489.37	380,473.99
4400 · Local Revenue	4,810.00	40,130.01	0.00	44,940.01
4600 · Interest Revenue		211.57	0.00	211.57
Total Income	<u>121,349.53</u>	<u>419,315.83</u>	<u>72,489.37</u>	<u>613,154.73</u>
Expense				
5000 · Salaries & Wages Expense	0.00	248,226.92	0.00	248,226.92
5200 · Direct Fringe Benefits	0.00	118,040.65	0.00	118,040.65
6050 · Accounting/Auditing	0.00	1,900.00	0.00	1,900.00
6100 · Advertising/Publications/Notice	0.00	560.08	0.00	560.08
6150 · Bonding Insurance-Officers	0.00	0.00	0.00	0.00
6175 · Computer Capital Replacement	0.00	0.00	0.00	0.00
6200 · Computer Service/Supplies/Lic.	0.00	3,777.59	43,556.65	47,334.24
6225 · Computer-IT Svsc-Intgr-Cmpnts	0.00	0.00	10,851.25	10,851.25
6250 · Consultants	21,625.28	0.00	0.00	21,625.28
6300 · Contractors/Subcontractors	99,353.00	187.50	0.00	99,540.50
6350 · Dues/Professional/Conferences	0.00	571.00	0.00	571.00
6400 · Dues/Subscriptions	0.00	354.95	0.00	354.95
6425 · IT Maintenance Agreement	0.00	4,025.50	0.00	4,025.50
6430 · Insurance-Director & Officers	0.00	717.97	0.00	717.97
6435 · Insurance-Office/Business	0.00	166.49	0.00	166.49
6440 · Insurance-WC	0.00	678.27	0.00	678.27
6450 · Lease Expense	0.00	0.00	0.00	0.00
6550 · Maintenance	0.00	0.00	0.00	0.00
6600 · Meetings Expense	0.00	390.37	0.00	390.37
6650 · Miscellaneous Exp	0.00	253.53	0.00	253.53
6675 · Moving Expenses	0.00	0.00	0.00	0.00
7100 · Office Cleaning	0.00	580.00	0.00	580.00
7125 · Office/Desks/Chairs Fixtures	0.00	0.00	0.00	0.00
7150 · Postage & Delivery	0.00	0.00	0.00	0.00
7200 · Printing/Supplies	0.00	3,437.69	0.00	3,437.69
7225 · Prof. Fees-Architectural Fees	0.00	0.00	0.00	0.00
7230 · Prof. Fees-ED Search	0.00	0.00	1,450.00	1,450.00
7233 · Prof. Fees-Interim Admin.	0.00	0.00	9,800.00	9,800.00
7235 · Prof. Fees-Financial Advisory	0.00	0.00	0.00	0.00
7240 · Prof. Fees-Legal	371.25	0.00	6,100.00	6,471.25
7245 · Prof. Fees-Pension Advisory	0.00	0.00	0.00	0.00
7250 · Rent	0.00	17,018.35	0.00	17,018.35
7275 · Repairs	0.00	2,500.00	0.00	2,500.00
7280 · Renovation	0.00	0.00	0.00	0.00
7300 · Supplies-Office	0.00	2,323.37	0.00	2,323.37
7350 · Telephone/Internet Service	0.00	4,509.04	0.00	4,509.04
7400 · Training/Professional Develop.	0.00	0.00	0.00	0.00
7450 · Travel	0.00	1,962.71	0.00	1,962.71
7500 · Utilities	0.00	3,169.99	0.00	3,169.99
7550 · Website	0.00	2,500.00	198.75	2,698.75
7600 · Contingency	0.00	0.00	532.72	532.72
Total Expense	<u>121,349.53</u>	<u>417,851.97</u>	<u>72,489.37</u>	<u>611,690.87</u>
Total Net Position Increase/(Decrease)	<u>0.00</u>	<u>1,463.86</u>	<u>0.00</u>	<u>1,463.86</u>

Profit/(Loss) thru 4/30/15

GA vs. Budget

	YTD	Budget	(Under)/Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4100 · Federal Revenue	130,104.88	434,833.00	(304,728.12)	29.92%
4200 · State Revenue	248,869.37	378,580.00	(129,710.63)	65.74%
4400 · Local Revenue	40,130.01	0.00	40,130.01	100.0%
4600 · Interest Revenue	211.57	0.00	211.57	100.0%
Total Income	419,315.83	813,413.00	(394,097.17)	51.55%
Expense				
5000 · Salaries & Wages Expense	248,226.92	449,351.00	(201,124.08)	55.24%
5200 · Direct Fringe Benefits	118,040.65	221,735.00	(103,694.35)	53.24%
6050 · Accounting/Auditing	1,900.00	0.00	1,900.00	100.0%
6100 · Advertising/Publications/Notice	560.08	2,500.00	(1,939.92)	22.4%
6150 · Bonding Insurance-Officers	0.00	2,500.00	(2,500.00)	0.0%
6175 · Computer Capital Replacement	0.00	6,000.00	(6,000.00)	0.0%
6200 · Computer Service/Supplies/Lic.	3,777.59	5,000.00	(1,222.41)	75.55%
6225 · Computer-IT Svsc-Intgr-Cmpnts	0.00	0.00	0.00	0.0%
6250 · Consultants	0.00	0.00	0.00	0.0%
6300 · Contractors/Subcontractors	187.50	0.00	187.50	100.0%
6350 · Dues/Professional/Conferences	571.00	1,250.00	(679.00)	45.68%
6400 · Dues/Subscriptions	354.95	5,000.00	(4,645.05)	7.1%
6425 · IT Maintenance Agreement	4,025.50	4,700.00	(674.50)	85.65%
6430 · Insurance-Director & Officers	717.97	1,662.00	(944.03)	43.2%
6435 · Insurance-Office/Business	166.49	2,345.00	(2,178.51)	7.1%
6440 · Insurance-WC	678.27	1,705.00	(1,026.73)	39.78%
6450 · Lease Expense	0.00	600.00	(600.00)	0.0%
6550 · Maintenance	0.00	750.00	(750.00)	0.0%
6600 · Meetings Expense	390.37	5,000.00	(4,609.63)	7.81%
6650 · Miscellaneous Exp	253.53	1,500.00	(1,246.47)	16.9%
6675 · Moving Expenses	0.00	0.00	0.00	0.0%
7100 · Office Cleaning	580.00	1,740.00	(1,160.00)	33.33%
7125 · Office/Desks/Chairs Fixtures	0.00	0.00	0.00	0.0%
7150 · Postage & Delivery	0.00	1,250.00	(1,250.00)	0.0%
7200 · Printing/Supplies	3,437.69	7,500.00	(4,062.31)	45.84%
7225 · Prof. Fees-Architectural Fees	0.00	0.00	0.00	0.0%
7230 · Prof. Fees-ED Search	0.00	0.00	0.00	0.0%
7233 · Prof. Fees-Interim Admin.	0.00	0.00	0.00	0.0%
7235 · Prof. Fees-Financial Advisory	0.00	0.00	0.00	0.0%
7240 · Prof. Fees-Legal	0.00	10,000.00	(10,000.00)	0.0%
7245 · Prof. Fees-Pension Advisory	0.00	0.00	0.00	0.0%
7250 · Rent	17,018.35	38,325.00	(21,306.65)	44.41%
7275 · Repairs	2,500.00	2,500.00	0.00	100.0%
7280 · Renovation	0.00	0.00	0.00	0.0%
7300 · Supplies-Office	2,323.37	4,500.00	(2,176.63)	51.63%
7350 · Telephone/Internet Service	4,509.04	5,000.00	(490.96)	90.18%
7400 · Training/Professional Develop.	0.00	6,000.00	(6,000.00)	0.0%
7450 · Travel	1,962.71	12,500.00	(10,537.29)	15.7%
7500 · Utilities	3,169.99	10,000.00	(6,830.01)	31.7%
7550 · Website	2,500.00	2,500.00	0.00	100.0%
7600 · Contingency	0.00	0.00	0.00	0.0%
Total Expense	417,851.97	813,413.00	(395,561.03)	51.37%
Total Net Position Increase/(Decrease)	1,463.86	0.00	1,463.86	100.0%

Profit/(Loss) thru 4/30/15

Non-Recurring Merger Related vs. Budget

	YTD	Budget	(Under)/Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4100 · Federal Revenue	0.00	0.00	0.00	0.0%
4200 · State Revenue	72,489.37	284,845.00	(212,355.63)	25.45%
4400 · Local Revenue	0.00	0.00	0.00	0.0%
4600 · Interest Revenue	0.00	0.00	0.00	0.0%
Total Income	<u>72,489.37</u>	<u>284,845.00</u>	<u>(212,355.63)</u>	<u>25.45%</u>
Expense				
5000 · Salaries & Wages Expense	0.00	0.00	0.00	0.0%
5200 · Direct Fringe Benefits	0.00	0.00	0.00	0.0%
6050 · Accounting/Auditing	0.00	0.00	0.00	0.0%
6100 · Advertising/Publications/Notice	0.00	10,000.00	(10,000.00)	0.0%
6150 · Bonding Insurance-Officers	0.00	0.00	0.00	0.0%
6175 · Computer Capital Replacement	0.00	0.00	0.00	0.0%
6200 · Computer Service/Supplies/Lic.	43,556.65	50,000.00	(6,443.35)	87.11%
6225 · Computer-IT Svsc-Intgr-Cmpnts	10,851.25	25,000.00	(14,148.75)	43.41%
6250 · Consultants	0.00	0.00	0.00	0.0%
6300 · Contractors/Subcontractors	0.00	0.00	0.00	0.0%
6350 · Dues/Professional/Conferences	0.00	0.00	0.00	0.0%
6400 · Dues/Subscriptions	0.00	0.00	0.00	0.0%
6425 · IT Maintenance Agreement	0.00	0.00	0.00	0.0%
6430 · Insurance-Director & Officers	0.00	0.00	0.00	0.0%
6435 · Insurance-Office/Business	0.00	0.00	0.00	0.0%
6440 · Insurance-WC	0.00	0.00	0.00	0.0%
6450 · Lease Expense	0.00	0.00	0.00	0.0%
6550 · Maintenance	0.00	0.00	0.00	0.0%
6600 · Meetings Expense	0.00	0.00	0.00	0.0%
6650 · Miscellaneous Exp	0.00	0.00	0.00	0.0%
6675 · Moving Expenses	0.00	10,000.00	(10,000.00)	0.0%
7100 · Office Cleaning	0.00	0.00	0.00	0.0%
7125 · Office/Desks/Chairs Fixtures	0.00	50,000.00	(50,000.00)	0.0%
7150 · Postage & Delivery	0.00	0.00	0.00	0.0%
7200 · Printing/Supplies	0.00	2,500.00	(2,500.00)	0.0%
7225 · Prof. Fees-Architectural Fees	0.00	10,000.00	(10,000.00)	0.0%
7230 · Prof. Fees-ED Search	1,450.00	1,450.00	0.00	100.0%
7233 · Prof. Fees-Interim Admin.	9,800.00	10,000.00	(200.00)	98.0%
7235 · Prof. Fees-Financial Advisory	0.00	5,000.00	(5,000.00)	0.0%
7240 · Prof. Fees-Legal	6,100.00	20,000.00	(13,900.00)	30.5%
7245 · Prof. Fees-Pension Advisory	0.00	10,000.00	(10,000.00)	0.0%
7250 · Rent	0.00	0.00	0.00	0.0%
7275 · Repairs	0.00	0.00	0.00	0.0%
7280 · Renovation	0.00	50,000.00	(50,000.00)	0.0%
7300 · Supplies-Office	0.00	0.00	0.00	0.0%
7350 · Telephone/Internet Service	0.00	0.00	0.00	0.0%
7400 · Training/Professional Develop.	0.00	0.00	0.00	0.0%
7450 · Travel	0.00	0.00	0.00	0.0%
7500 · Utilities	0.00	0.00	0.00	0.0%
7550 · Website	198.75	5,000.00	(4,801.25)	3.98%
7600 · Contingency	532.72	25,895.00	(25,362.28)	2.06%
Total Expense	<u>72,489.37</u>	<u>284,845.00</u>	<u>(212,355.63)</u>	<u>25.45%</u>
Total Net Position Increase/(Decrease)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>