



**Capital Projects Study Committee
Approved Concurrence Statement**

With as much as \$2 billion pent-up demand for capital facilities and infrastructure, the Town of Greenwich will face several decades of significant capital spending. Therefore, the Town's current decision and financing processes need to improve if we are to meet the requests of Town officials, administrators, and the public prudently. Continuation of our present annual year-by-year approach will not improve the Town substantively or its real estate values and will not satisfy the voters.

1. Strategic Vision. The Town needs to identify critical elements of what it wants to look like in 20 years.

Current Situation

The Plan of Conservation and Development (POCD) is not detailed enough to describe implementation strategies or their financial implications. The First Selectman sometimes outlines a vision for the Town, including buildings, roads, parks and recreation, and schools, but there is no forum for diverse input in creating a shared vision. In addition, elections can change leadership, which makes specific implementation plans and funding difficult.

Recommendation

The First Selectman should convene relevant officials and citizens to formulate a more strategic vision for the Town of Greenwich, which should be updated over time. In addition, the Plan of Conservation and Development (POCD) should be updated more frequently than it currently is.

2. Financial Plan. The Town should create an effective multi-year financial plan.

Current Situation

There is no agreed-upon financial plan for capital projects. Instead, there are multiple plans created by members of the BET, the RTM, and other bodies using different assumptions for interest rates, inflation rates, and costs. These plans are updated at will -- typically annually, and often fail to look beyond the current year.

Recommendation

The BET and Town financial officials should create and mutually approve a multi-year financial plan to fit the Town's strategic vision.

3. Financial Model. The Town should have an agreed-upon financial model to evaluate and compare projects.

Current Situation:

Absent a single approved Town financial model, disputes occur regarding the 'real' facts and assumptions for critical items in the model, such as inflation rates, capital costs, and interest rates for debt. Comparison of projects is difficult.

Recommendation

The BET and Town financial officials should create a standard model for analyzing and prioritizing capital expenditure decisions. Such a model should include standard assumptions over multiple years, inflation and other cost escalations, and updates as projects change. This would allow Town and elected officials to perform sensitivity analyses transparently when comparing projects.



4. **Priorities.** The party controlling the BET -- effectively its chairperson with his/her tie-breaking vote -- sets final capital investment priorities.

Current Situation

The current criteria for making decisions are perceived as vague, inconsistent, and only sometimes thorough. This may be due to multiple committees and governing bodies discussing proposed projects repeatedly throughout the Town's long budget cycle.

Recommendation

The BET and town financial officials should update capital projects priorities annually, transparently, and in full detail.

5. **Public Engagement.** The public should be fully informed and aware of the timing for and consideration of all large capital spending decisions so that it can participate.

Current Situation

The public is only modestly involved or even aware of capital spending decisions. Prioritization of projects is opaque to participants and the public, perhaps because the Town's objectives and processes are not agreed upon or transparent.

Recommendation

Public attendance via video conference should be allowed at all meetings where capital projects are discussed. Key information for proposing projects should be in a standardized, fully completed format to facilitate evaluation of projects before decisions are made.

6. **Project Oversight.** There should be ongoing oversight and post-closing evaluation of all major capital projects.

Current Situation

The Town has an inadequate number of permanent staff to oversee capital projects thoroughly and to conduct post-completion project reviews consistently.

Recommendation

Town officials, working with building committees or a project management firm, should oversee and conduct a post-completion review for all major Town capital projects.

7. **Budget Cycle.** The Town's budget cycle should be shortened.

Current Situation

The Town's annual budget cycle is two or more months longer than comparable towns like Westport. In addition, Town officials use time inefficiently when they present the same material at multiple meetings and answer the same questions multiple times.

Recommendation

The RTM and BET should collaborate to reduce budget cycle time and duplicative meetings.



8. **Full Use of the Town's Financial Capabilities.** The BET should reexamine the Town's funding options and debt policy.

Current Situation

With a AAA rating and deep Grand List, Greenwich has significant borrowing capacity. The aggregate level of Town borrowing and preference for 5-year note maturities have been the results of policy decisions, not regulatory constraints or market availability of capital. Current policies are among the most stringent in Connecticut.

Recommendation

Because the Town faces heightened needs for capital spending, an increase in borrowing limits and extension of borrowing maturities to as long as 20 years should be evaluated carefully, as should increases in the Capital Levy.

*Approved by the Capital Projects Study Committee
January 15, 2023*

*Approved by the LWV Greenwich Board
January 18, 2023*

*Approved by the LWV Greenwich Membership
January 25, 2023*