



REPRESENTATIVE TOWN MEETING  
TOWN OF GREENWICH

EXPLANATORY COMMENTS FOR  
MAY 2018 MEETING

ITEM NO: **3**  
DEPARTMENT: Office of the First Selectman  
CONTACT: Peter J. Tesei, First Selectman: (203-622-7710)  
[Peter.Tesei@greenwichct.org](mailto:Peter.Tesei@greenwichct.org)  
Michael Miller, Executive Board Member, Treasurer,  
Transportation Association of Greenwich (TAG): (203-979-3350)  
[mikemiller123@gmail.com](mailto:mikemiller123@gmail.com)  
REFERRED TO: *Finance, Health & Human Services, Transportation & Town Services  
Committees*  
VOTES: BET, Budget Committee 4-0-0  
Board of Estimate and Taxation *Pending action on 4-23-18*

**RESOLVED**, that the sum of \$65,000 be and the same is hereby appropriated to be added to Account Number A440-57221, Contribution to TAG.

**EXPLANATORY COMMENTS**

TAG is requesting that a \$65,000 interim appropriation be added for the current Fiscal Year 2017-2018. This interim appropriation will offset additional costs associated with providing rides for Greenwich citizens under the Dial-A-Ride (DAR) program.

The DAR program provides specialized transportation for any Greenwich citizen who is over 60 years old and/or disabled. The DAR program is partly funded by passenger fees and fixed subsidies from 1) a \$73,000 State Grant and 2) a matching allocation from the Town (included in the Budgeted Town appropriation for Fiscal Year 2017 – 2018).

The DAR program has averaged 6,000 rides over the three previous years (ranging from a low of 5,000 to a high of 7,000 rides). Due to an 80%+ increase in local demand for this service, rides for the current year will reach 11,000. The additional 5,000 rides for the current year are costing TAG \$175,000 to provide (\$15,000 additional passenger fees less \$190,000 additional costs for drivers, vehicles, fuel and insurance).

TAG is partially offsetting the cost for providing the additional 5,000 DAR rides with \$110,000 of proceeds from additional fundraising for the current year. The additional \$65,000 appropriation will offset the deficit associated with providing an additional 5,000 DAR rides for the 2017-2018 fiscal year.

DAR P&L (additional 5,000 rides)

Passenger Fees	\$15,000
Fundraising (Additional)	<u>\$110,000</u>
Total Revenues	\$125,000
Expenses	<u>\$190,000</u>
Deficit	(\$65,000)

The \$65,000 operating deficit will create a cash flow deficit of equal size. As of May 2018, TAG will have exhausted its entire cash reserves as part of a restructuring effort undertaken this year in response to the loss of a significant operating contract with the State. As such, without the additional appropriation, TAG will be unable to meet its cash needs for the remainder of fiscal 2017-2018.

The FY2019 budget is balanced and includes the DAR program at a core level. TAG intends to continue in its role as a vital resource for the Town and to work closely with the Department of Human Services on addressing any changing needs within the community.