

1. BET Meeting Minutes

Documents:

[BET_MEETING_MINUTES_05-19-03.PDF](#)

MINUTES of the regular meeting of the Board of Estimate and Taxation held on Monday, May 19, 2003, in the Town Hall Meeting Room, Greenwich, Connecticut.

The Chairman, Peter J. Tesei, called the meeting to order at 7:12 PM, after which the members pledged allegiance to the flag.

Board members in attendance:

Peter J. Tesei, Chairman
James A. Lash, Vice-Chairman
Valeria P. Storms, Clerk
Jara N. Burnett
Janice C. Gardner
Kathryn Guimard (late arrival 7:20 PM)
Edward Krumeich
Frank E. Mazza
Alma Rutgers
Laurence B. Simon
Robert S. Stone
Stephen G. Walko

Staff: Edward Gomeau, Roland Gieger: Finance Department

Other: Richard Bergstresser, Peter Crumbine, Penny Monahan: Selectman's Office
Garo Garabedian, Marcos Madrid: Department of Public Works

Eugene McLaughlin, Law Department

ROUTINE APPLICATIONS:

C-1 FIRE – Transfer - \$100,000

Request for approval to transfer funds from Water Service to Overtime Services to cover the expense of overtime to cover for fire fighters injured on the job during fires or as a result of icy conditions.

Request to transfer:

\$100,000	to	205-51100	Overtime Services
\$100,000	from	210-52210	Water Service

C-3 FIRE – Additional Appropriation - \$21,000

Request for an additional appropriation to cover a \$21,000 overrun on anticipated expense to purchase a new Pierce Pumper. Total cost of the vehicle is \$422,000 vs. the budgeted amount of \$401,000.

Request to transfer:
\$21,000 to Z206-59120-23050 Fire Equipment – Pierce Pumper
\$21,000 from Capital – Non-Recurring

L-1 HEALTH DEPARTMENT – New Appropriation/Transfer - \$116,000

Request for new appropriation of \$83,000 and a transfer of \$33,000 to fund payment of retroactive salary expenses for 17 school nurses and 3 family health nurses covered under the AFSCME contract which expired on June 30, 2000.

Request to transfer:
\$95,000 to 416-51010 Regular Salaries
\$21,000 to 415-51010 Regular Salaries
\$15,000 from 401-51010 Regular Salaries
\$18,000 from 405-51010 Regular Salaries
\$83,000 from Contingency

An additional 0.25% increase in GMEA salaries has already been absorbed by the department, as has one year of retroactive compensation for this group. Funding for the first two years' salary increases following the contract expiration has not been budgeted. The gross amount of the retroactive salary increase stemming from the contract settlement is \$178,000.

J-4 PUBLIC WORKS – New Appropriation/ Additional Appropriation - \$29,000

North Mianus Sewer Project – Traffic Control Report
Request for release of funds for traffic control at North Mianus Sewer Expansion project.

Request to release:
\$ 29,000 from K361-59650-20004 North Mianus Sewer Construction

Traffic control costs continue lower than budget, and it is anticipated that project completion will be ahead of schedule.

Upon a motion from Mrs. Storms, seconded by Mr. Lash, the Board voted 11-0-0 to approve the routine applications.

REGULAR APPLICATIONS:

J-1 PUBLIC WORKS – New Appropriation/Additional Appropriation - \$800,000

Request for a new/additional appropriation to cover cost of unanticipated expenses in completing the Cost Cob Fire Station interior upgrade.

Request to transfer:
\$800,000 to Z345-59560-23013 Building Constr. & Maint.
\$800,000 from Capital – Non-Recurring

In a presentation to the Budget Committee, Alan Monelli and Marcos Madrid of DPW presented the schematics and three bid responses for the proposed renovation of the Cos Cob Fire Station interior. They said that the scope of the project had to be expanded because a more thorough study has revealed inadequate/non-existent insulation, a double ceiling in the apparatus room, and other items that have resulted in cost increases for the proposed renovation. The three bids received did not differ appreciably from one another in total cost for the project. It was noted that despite this increase, the cost to renovate is approximately 60% of the cost per square foot to build the North Street Fire Station.

The Board noted that acceptance of the proposal would establish renovation standards for subsequent fire station renovations, notably Byram and Glenville.

Included in the project are replacement of all furniture and fixtures (\$100K), removal and replacement of the plumbing and electrical systems, installation of an elevator, asbestos abatement, replacement of all windows, conversion of the furnace from steam to hot water, and installation of HVAC.

Upon approval, the work can begin immediately. It is estimated that the project will take 150 days to complete.

Mrs. Storms reported that Budget Committee discussion had included the request that DPW put more emphasis at the beginning of a project on thorough cost estimation, rather than rushing requests forward, which may result in substantial additional appropriations at a later date.

Upon a motion from Mr. Lash, seconded by Mrs. Burnett, the Board voted 11-0-0 to approve the request.

Mrs. Guimard joined the meeting in progress.

J-2 PUBLIC WORKS-HIGHWAYS – New Appropriation/Additional Appropriation- \$64,000

Request for an additional appropriation to cover the expense to replace one tractor loader with mower attachment that was destroyed in a fire in July 2002.

Request to transfer:

\$64,000	to	Z312-5912-23173	Tractor/Loader w/Mower Attach.
\$64,000	from		Risk Fund

Discussion followed with regard to the cost of delaying the purchase of necessary equipment, since rental expense could have been saved while the source of funds was being debated. All funds received from salvaging the equipment as well as claims paid by the insurer will be deposited into the Risk Fund.

Upon a motion from Mr. Lash, seconded by Mrs. Storms, the Board voted 12-0-0 to approve the request.

J-3 PUBLIC WORKS – New Appropriation/ Additional Appropriation - \$25,000

Request for a new appropriation to fund one-half the expense of engaging a consultant to study potential traffic improvements to the interchange at King Street and Route 15 (Merritt Parkway). The remaining half of the expense will be borne by the Village of Rye Brook, NY, and has already been appropriated.

Request to transfer:

\$25,000	to	A301- 51490	King Street Traffic Interchange Stdy.
\$25,000	from		Contingency

The First Selectman addressed the Board, expressing support for the study. Chief Warzoha, who lives nearby, indicated that the addition of sidewalks will increase the number of safety issues in the immediate area. He supported the need to address the current situation.

In 1992 the NY State Department of Transportation proposed improvements to the interchange that were rejected by local residents. NYSDOT has indicated that they will not fund any further efforts to improve the interchange until a design consensus is reached between both communities.

Mr. Simon noted that the item was not a request for capital, was incorrectly coded as coming from Fund Z, and should come from contingency and be put into the DPW operating budget.

Garo Garabedian, Traffic Engineer, reported that in the '98-'00 period 56 accidents, 27 of which resulted in injuries, had occurred in the area of the interchange. 45% of the accidents reported were related to the operation of the interchange.

The Commissioner indicated that the request was not included in the CIP process due to the timing of the request from Rye Brook for Town participation in the study.

Upon a motion from Mr. Lash, seconded by Mrs. Gardner, the Board voted 12-0-0 to approve the request.

C-2 FIRE – Additional Appropriation - \$107,000

Request for an additional appropriation to cover the increased cost of purchasing a haz mat command post vehicle. The increase is due to more high tech communication equipment, specialized haz mat equipment, a larger generator, and more sophisticated lighting equipment than originally planned. It will replace a vehicle originally purchased in 1976. The total cost of this vehicle has increased from \$410,000 to \$517,000.

Request to transfer:

\$107,000 to Z206-59120-23051 Auto – Haz Mat Command Truck
\$107,000 from Capital Non-Recurring

The vehicle will also be available for use by the Police Department, thereby increasing the capabilities of inter-agency operations. The vehicle has an expected life of 20 years, will probably be used at least once a month, and will be deployed to all large fires and haz mat incidents.

Upon a motion from Mr. Lash, seconded by Mr. Simon, the Board voted 12-0-0 to approve the request.

K-1 LAW DEPARTMENT – Additional Appropriation - \$250,000

Request for additional funds to cover the expense of engaging outside counsel for litigation that is ongoing.

Request to transfer:

\$250,000 to 140-51400 Professional Services – Atty. Fees
\$250,000 from Contingency

Mr. Mazza reminded Mr. Wetmore that the Law Department should have requested additional funding before committing to the expenditures, which have already been made.

Upon a motion from Mr. Lash, seconded by Mr. Krumeich, the Board voted 12-0-0 to approve the request.

Upon a motion from Mr. Lash, seconded by Mr. Krumeich, the Board voted 12-0-0 to add the request by the Law Department to release funds previously conditioned to the agenda.

K-2 LAW DEPARTMENT – Request for Release - \$150,000

Request for release of \$150,000 in funding previously conditioned upon receipt of an explanation justifying their expenditure.

Request for release:

\$150,000 from 140-51400 Professional Services – Atty. Fees

Upon a motion from Mr. Lash, seconded by Mr. Krumeich, the Board voted 12-0-0 to approve the request.

Q-1 NATHANIEL WITHERELL – Additional Appropriation - \$773,300

Request for additional funding required for personnel expense for the balance of the current fiscal year.

Request to transfer:

\$340,000	to	450-51100	Overtime
\$341,000	to	450-51300	Part-time Staffing
\$236,000	to	450-51420	Professional Medical/Dental
\$174,400	to	450-51490	Professional NOC
\$312,000	from	450-51010	Regular Salaries
\$ 6,100	from	450-51970	Prior year expenditures
\$773,300	from		Contingency

The Nathaniel Witherell Board reported a total of approximately \$880,000 in overruns due to increased staffing expenses. Mr. Lash noted that the FY03 budget was poorly constructed and contained a number of errors and material omissions, which added significantly to the shortfall for the year, with poor personnel scheduling practices further exacerbating the problem. He stated that while the Budget Committee remained dissatisfied with both TNW's handling of the budget process and their prior spending practices, some improvement had been noted.

Analysis of the FY04 budget has revealed issues similar to those noted in the FY03 budget; therefore shortfalls may result. Mr. Simon noted the importance of differentiating between fiscal problems arising from poor budgeting and those arising from operational inefficiencies.

To questions regarding revenue targets and estimates for FY03 and FY04, Curtis Milton, Acting Executive Director of the facility, stated that revenue projections for both years are problematic due to lower than budgeted increases in Medicare and Medicaid reimbursements. He also indicated that a prior practice of permitting non-employees to initiate or approve expenditures has been stopped, completely.

Mr. Bergstresser stated that he is looking into implementing a contract follow-up system in the Law Department, as there is no process at present.

Mr. Milton also indicated that additional sources of revenue were being implemented, but declined to comment further. He indicated that lowest cost staffing alternatives would be utilized where possible and reported that higher-than-market wage rates for uncertified staff coupled with lower-than-market rates for certified staff only served to impede TNW's ability to control personnel-related expenditures. Five of the six positions vacated by nurses who elected the LIUNA Early Retirement Incentive Program remain unfilled.

Upon a motion from Mr. Lash, seconded by Mr. Simon, the Board voted 12-0-0 to approve the request.

Q-2 NATHANIEL WITHERELL – Additional Appropriation - \$73,800

Request for additional appropriation to cover overruns in expenses for telephone hardware and utilization, relocation expenses for nurses, and to reverse a transfer from an

equipment rental account that was used to fund consulting services for the interim executive director. His status is now being changed to temporary employee from consultant, because he needs to be able to sign payroll for the facility and supervise employees. Consultants are not permitted to supervise LIUNA employees, according to contract.

Request to transfer:

\$17,000	to	450-52240	Telephone, Telegraph & Radio
\$21,800	to	450-52130	Transportation – non-employees
\$35,000	to	450-52320	Rental of other equipment
\$73,800	from		Contingency

Upon a motion from Mr. Lash, seconded by Mr. Krumeich, the Board voted 12-0-0 to approve the request.

Q-3 NATHANIEL WITHERELL – Additional Appropriation - \$32,300

Request for additional funding to cover overruns in food, supplies, and food supplements, as well as prescription and non-prescription medications.

Request to transfer:

\$ 2,500	to	450-53400	Food
\$ 9,400	to	450-53350	Supplies
\$ 5,500	to	450-53410	Food Supplements
\$14,500	to	450-53250	Medical surgical supplies
\$32,300	from		Contingency

Occupancy of the facility is at 98.1% vs. a budgeted rate of 97%, and since the budget was submitted, the cost of prescription and non-prescription medications has increased; as has the cost of implementing the HDS Food Service contract.

Mr. Walko requested that a table of organization be provided for the facility pursuant to a written request from Mrs. Burnett, dated May 19. He also requested that staffing of the food service operation be included separately, and that a “before” and “after” TO be provided, which reflects the various personnel changes approved by the BET HR Committee beginning before the initiation of the HDS food services contract.

Upon a motion from Mr. Lash, seconded by Mr. Krumeich, the Board voted 12-0-0 to approve the request.

HUMAN RESOURCES ACTIONS AND REPORT:

Two changes in the table of organization were approved by the HR Committee in January, 2003 and were never formally ratified by the BET. The request was made to formally approve the following changes in the TO.

Perrot Library – Children’s Program Assistant

Request to reclassify one position of Children’s Program Assistant, GMEA Grade level W-06 (\$32,332 - \$42,305) to a Librarian I. LIUNA Grade level F (\$36,274 - \$45,411), effective 7/1/2003.

Upon a motion from Mr. Walko, seconded by Mrs. Burnett, the Board voted 12-0-0 to approve the request to reclassify the position.

Parks and Recreation – Golf Course Turf and Grounds Manager

Request to eliminate one position of Golf Course Maintenance Supervisor, Teamster B-13 (\$38,038 - \$53,375) and to create one new position of Golf Course Turf & Grounds Manager, LIUNA C-1 (\$45,948 - \$68,928). Proposed salary, \$58,712, effective 7/1/2003.

Upon a motion from Mr. Walko, seconded by Mrs. Burnett, the Board voted 12-0-0 to approve the request to reclassify the position.

Selectman – Director of Labor Relations

Upon a motion from Mr. Walko, seconded by Mrs. Burnett, the Board voted 12-0-0 to accept the elimination of one position of Compressor Operator (Dept. of Public Works) as an offset to the newly created position of Director of Labor Relations.

Healthcare – Claims Experience Report and Status of Request for Proposal:

Mr. Cava reported that another spike in the number and cost of claims has been reported. One individual claim was for \$58,000. Further analysis is being done to determine the underlying cause, if any, for the increase of the cost of claims during May for the last several years. There is no indication of any unusual claims backlog at this time, and despite the seasonal spikes, levels of spending continue to be lower than anticipated. At present a surplus of \$4.5MM is expected for this fiscal year.

The conversion from CIGNA to Anthem Blue Cross/ Blue Shield will be effective 7/1/2003.

Penny Monahan, Selectman, questioned Mr. Cava about participating physicians under the new plan compared with those under the current CIGNA plan. Mr. Cava reported that efforts are underway to sign up CIGNA doctors who aren’t in the Anthem plan, so that employees will not have to change physicians in order to get better rates.

Upon a motion from Mrs. Gardner, seconded by Mrs. Storms, the Board voted 12-0-0 to accept the healthcare status report as submitted.

Separately, Mr. Walko commended the HR Department for its Employee Awards program.

ASSESSOR'S REPORT

Ted Gwartney, Town Assessor, presented his report. He indicated that \$44,643 in tax abatements have been awarded to 66 firefighters. He noted that 61 firefighters received abatements in the prior year.

Upon a motion from Mr. Simon, seconded by Mr. Mazza, the Board voted 12-0-0 to accept the Assessor's Report as submitted.

BET Committee/Liaison Reports:

Audit Committee – Mr. Stone

Mr. Stone reported on the May 15, 2003 meeting of the Audit Committee, noting that a reconciliation prepared by the Treasurer for the 12 Town bank accounts is in order through March 2003. Quarterly reconciliations have been requested going forward.

McGladry and Pullen has been engaged to perform a small independent audit of how money given by the Town to the Round Hill Volunteer Fire Department has been used. This action is being taken because of allegations made at a Planning & Zoning Commission meeting and is in compliance with the standards of the newly adopted policy on Use of External Auditors.

Mr. Stone updated the Board on the status of the documentation requested from CT DEP and Gannett Fleming pertaining to the Grass Island Phase II de-chlorination requirements. He indicated that the requested documents "may be forthcoming" shortly.

Internal Audit has been requested to develop procedures relating to the use of cell phones. A recent audit report showed preliminary findings that the current policy is in need of improvement.

Cos Cob Power Plant Committee – Mrs. Gardner:

The committee is awaiting additional reports from the EPA.

Budget Committee – Mrs. Storms and Mr. Simon

On May 1, 2003 Mr. Simon and Mrs. Storms met in Hartford with state legislators, Mr. Bergstresser, RTM member Mr. Richardson, members of The Nathaniel Witherell board, Mr. Lamont, and members of the CT Department of Social Services.

Mr. Kavounas, chairman of TNW board, called the meeting for the purpose of telling the state DSS that TNW will not withdraw its Certificate of Need application and showing why the plan will not cost the state \$900,000/year. It is anticipated that the analysis provided at the meeting will improve the probability of the application being viewed favorably by the state.

A second meeting has been scheduled for May 28,2003.

Budget Committee – Mr. Lash

Mr. Lash noted that better control over the process of traffic control may yield greater than projected savings of \$50-\$100K. All work is still being done on an overtime basis by policemen. No flagmen are being used.

COMPTROLLER’S REPORT:

Mr. Gomeau reported that the outstanding issue with regard to the rejection by the RTM of the resolution relating to the Griffith Harris Golf Course is being resolved. Mr. McLaughlin, Assistant Town Attorney, suggested that Mr. Tesei, as BET Chair, has the power to place the matter on the RTM call rather than wait for the RTM Moderator to do so.

Teachers have lodged a formal complaint with their union regarding errors made by the Board of Education payroll department. The Board of Education has agreed to increase staff support for this function.

Mr. Gomeau said that the Retirement Board plans to begin transferring funds from Frank Russell Trust Company during May or June, and indicated that contracts need to be in place prior to the transfer of the funds.

Weekly meetings continue with representatives of Nathaniel Witherell to implement and monitor financial control systems.

Upon a motion from Mr. Lash, seconded by Mr. Stone, the Board voted 12-0-0 to accept the Comptroller’s Report as submitted.

TREASURER’S REPORT:

Mr. Stone stated that the reporting provided by US Trust Company for the OPEB fund still needs improvement.

Upon a motion from Mr. Walko, seconded by Mr. Simon, the Board voted 12-0-0 to accept the Treasurer’s Report for investment activity for the period April 1 – 30, 2003, as submitted.

APPROVAL OF MINUTES:

Upon a motion from Mr. Walko, seconded by Mrs. Gardner, the Board voted 11-0-1 to approve the minutes of the regular meeting of the Board of Estimate and Taxation of April 21, 2003, as submitted. Mrs. Burnett abstained, as she was not in attendance at the meeting.

Upon a motion from Mrs. Gardner, seconded by Mrs. Storms, the Board voted 10-0-2 to approve the minutes of the special meeting of the Board of

Estimate and Taxation of May 5, 2003, as submitted. Mr. Mazza and Mrs. Burnett abstained, as they were not in attendance at the meeting.

OFFICERS REPORT:

Mr. Tesei reported that a meeting was held on April 29, 2003 with Drs. Leverett and Melendez of the Board of Education, Mrs. Waters (BoE Chairman), and Mr. Lash, to discuss the possibility of consolidating several BoE functions with those of the Town; specifically Purchasing and some HR functions. He noted that the Board of Education is ncing a high level of frustration in the level of service being provided by the Law Department and is requesting approval to use outside counsel.

Mr.Tesei will provide written direction on the role of the BET in GOSA panel hearings.

He indicated that to date, 10 potential candidates have been identified for the Retirement Board seat which will become vacant on 7/1/2003 with the departure of Fred Filoon, the current chairman.

NEW BUSINESS:

Setting of Mill Rate for Fiscal year July 1, 2003 – June 30, 2004

General Fund 10.746 mills

Upon a motion from Mr. Lash, seconded by Mrs. Storms, the Board voted 12-0-0 to set the FY04 mill rate for the General Fund at 10.746 mills.

Sewer Maintenance Fund 0.495 mills

Upon a motion from Mr. Lash, seconded by Mr. Simon, the Board voted 12-0-0 to set the FY04 mill rate for the Sewer Maintenance Fund at 0.495 mills.

Sewer Improvement Fund 0.053 mills

Upon a motion from Mr. Lash, seconded by Mrs. Storms, the Board voted 12-0-0 to set the FY04 mill rate for the Sewer Improvement Fund at 0.053 mills.

ISO Rating Report

Chief Warzoha reported that ISO ratings during the last 20 years have highlighted the need for additional protective services or devices in several areas in Town. In response to these findings, the North Street Fire Station was constructed, and an aggressive program of dry hydrant installation was undertaken.

The Chief estimated that an upgrade in ISO rating from 4 to 3 should translate into a savings of \$6-9MM in insurance premiums for Town property owners. In addition, fire insurance coverage

would be available to many back country homeowners who have been unable to get it. He also recommended that a study be undertaken to gauge the need for an additional fire station in the northwest corner of Town, as development of that corridor is escalating and current protection may not be adequate in the future. The possibility of locating a new fire station at Westchester Airport was discussed briefly, as was the inadequacy of fire fighting capabilities on that site.

Upon a motion from Mr. Krumeich, seconded by Mr. Lash, the Board voted unanimously to address the investment manager contract and proposed charter revisions out of agenda order.

Investment Manager Agreement – Eugene McLaughlin, Assistant Town Attorney

The Law Committee of the BET has opined that investment manager contracts must be submitted for BET approval prior to being issued. The opinion is in conflict with the opinion rendered by Town Attorney, John Wetmore, in a previous meeting. Mr. McLoughlin, Assistant Town Attorney, after meeting with the Law Committee, was inclined to agree with the Law Committee's view that the investment manager contracts must be approved by the BET.

Mr. McLaughlin reported that he had received voluminous comments to his first draft of a master investment manager contract, and that a revised draft would be forthcoming shortly. Mrs. Benner, Acting Retirement Plans Administrator, informed Mr. McLaughlin that additional comments had been forthcoming on his proposed second draft, and recommended that he delay issuance of the draft until discussions had been concluded on the outstanding items.

Mr. McLaughlin will submit the next draft for approval by the Retirement Board at their June 9, 2003 special meeting.

Proposed Charter Change:

(Section 2) Selectmen as Ex-Officio Non-Voting Members of the BET

Sec.2. Membership qualification.

- (c) Members of the Board of Selectmen shall be ex-officio members, without vote, of the Board of Estimate and Taxation.

Upon a motion from Mr. Krumeich, seconded by Mr. Lash, the Board voted 12-0-0 to approve this addition to the charter.

Retirement System Application Development Report

Charnel Benner, Acting Retirement Plans Administrator of the Retirement System, provided an update on the status of various Retirement System initiatives undertaken following an organizational and operational study completed in the fall of 2001. She also demonstrated the Access database application which has been developed internally. This application greatly improves response time to member inquiries, but will also serve as a repository for the historical payroll and contribution data that has been cleansed and consolidated from four separate databases. A copy of her report is attached for reference.

Fred Filoon, Retirement Board Chairman, praised Mrs. Benner's efforts on behalf of the system and encouraged the Board of Estimate to assure that a suitable office and support staff is made available to the system. He emphasized the need to fund continuing education for both board members and staff. After 11 years of service, Mr. Filoon will not be seeking re-appointment to the board when his term expires on June 30, 2003. Applicants for a position on the board are currently being interviewed.

Policy and Procedures Committee:
Second Reading of Sewer Act Policy -

The Sewer Act Policy was presented for second reading and approved as amended. See approved, amended policy below:

SEWER ACT POLICY

Authority

Town Charter, Article 16.

Article 16 governs sewer funding, construction, operations and maintenance and provides for the establishment of the Sewer Maintenance Fund (SMF) and the Sewer Improvement Fund (SIF).

Policy

All actions of the BET shall comply with Article 16. When appropriating funds for sewer operations, the BET must decide how to raise and repay said funds. Each year, in the budget, there shall be a separate accounting of the SIF and the SMF.

Town Charter, Article 16, Section 239 – Definitions – shall be adhered to in the performance of work in the SMF and the SIF. To clarify the differences between maintenance and improvements, the following definitions are used:

Definitions

Sewer Maintenance Fund (SMF):

Maintenance is defined as the keeping of property in operable condition.

Maintenance costs include outlay for (a) labor and supplies, (b) the replacement of any part that constitutes less than a retirement unit: and (c) major overhauls of the items that may involve elements of the first two classes.

Items falling under (a) or (b) are always regarded as operating costs, chargeable to current expenses directly or through the medium of a maintenance reserve. Costs under (c) are similarly treated unless they include the replacement of a retirement unit, when the outlay and maintenance expense is normally capitalized. Also included is the restoration of a capital asset to its full productive capacity, or a contribution thereto, after

damage, accident or prolonged use, without increase in the asset's previously estimated service life or productive capacity. The term includes maintenance primarily "preventative" in character, and capitalized extraordinary repairs.

Sewer Improvement Fund (SIF):

Improvement is defined as an expenditure that is intended to benefit future periods, in contrast to a revenue expenditure, which benefits a current period, or is an addition to a capital asset.

The term is generally restricted to expenditures that add fixed asset units or that have the effect of increasing capacity, efficiency, life span, or economy of operation of an existing fixed asset, hence any expenditure benefiting a future period. Also included are extraordinary repairs that occur infrequently, involve relatively large amounts of money, and tend to increase the economic usefulness of the asset in the future because of either greater efficiency or longer life or both. These may include major overhauls, complete reconditioning, major replacement or betterment.

Procedures

The following attachments show the proper allocation of charges and appropriations to the SMF and SIF.

Attachment A

**Town of Greenwich, Department of Public Works
Sewer Collection System Major Components
Funding Source List of Examples**

PUMP STATIONS

<u>Item</u>	<u>Description</u>	<u>Funding Source</u>
1.	Pumps – Submersible Units a. Components b. Replacement Parts	SMF
2.	Pumps – Dry Well Units a. Pump Components b. Shafting c. Motors d. Replacement Parts	SMF
3.	Piping, Valves and Appurtenances a. Components b. Replacement Parts	SMF

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|-----|---|-----|
| 4. | Electric Power | SMF |
| | <ul style="list-style-type: none"> a. Components b. Replacement Parts c. Switch Gear Normal/Emergency Power Supply d. Wiring and Conduits e. Building Lighting f. Electronic Sensing Flow Control g. Communication/Alarms | |
| 5. | Pneumatic Systems | SMF |
| | <ul style="list-style-type: none"> a. Air Compressors and Tanks b. Bubblers c. Floats d. Flow Control Systems e. Components/Replacement Parts | |
| 6. | Flow Metering | SMF |
| | <ul style="list-style-type: none"> a. Incoming b. Outgoing c. Replacement Parts d. Service Contracts | |
| 7. | Pump Station Building and Grounds | SMF |
| | <ul style="list-style-type: none"> a. Roofs, Leaders, Gutters b. Doors, Windows c. Ventilating Systems and Heating Systems d. Structural e. Safety and OSHA Regulation Compliance f. Painting g. Site Maintenance, Landscaping, Snow Plowing | |
| 8. | New Pump Stations | SIF |
| 9. | Additions to the Pump Station Structure | SIF |
| 10. | Piping, Valving and Components that increase both pumping and flow capacity | SIF |
| 11. | Major Improvements defined as work that includes: at a minimum, four items that are normally funded with SMF's (i.e., a major improvement would be work that included items 1,3,4 and 5 above as one project. | SIF |

Attachment B

Town of Greenwich, Department of Public Works Sewer Collection System Major Components Funding Source List of Examples

Collection Systems

<u>Item</u>	<u>Description</u>	<u>Funding Source</u>
1.	<u>Force Mains</u>	
a.	Point repairs to existing piping	SMF
b.	Valves	SMF
c.	Components	SMF
d.	Spare Parts	SMF
e.	Inspection – By in-house or contract force	SMF
	(1) External	
	(2) Internal	
f.	New Force Mains	SIF
g.	Reconstruction of force mains designed to meet present and future hydraulic capacities	SIF
h.	Replacement of existing force mains as a minimum from manhole to manhole	SIF
i.	Reconstruction of valves, chambers and components for force mains designed to meet increased hydraulic capacities	SIF
2.	<u>Gravity Systems</u>	
a.	I/I program – Investigation/Analysis by either contract or in-house forces	SMF
b.	I/I work that uses lining methods as the predominant method to repair or rehabilitate the sewer line	SMF or SIF
c.	All preventative maintenance work to include the typical cleaning and maintenance of the sewer line	SMF
	(1) Equipment	
	(2) Personnel	
d.	Repairs to manholes, frames, covers, chimneys and Wye or Tee Branches	SMF
e.	Point repairs to collection system piping	SMF
f.	Repairs to existing valves, chambers, siphons and other collecting system components	SMF
g.	Extending sewer to new service areas	SIF
h.	Repairing, replacing, or upgrading smaller existing service areas to replace a failed pipe or to relieve surcharging due to hydraulic overloading (a service area is defined as an area that involves a minimum of five manholes)	SIF

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|----|--|-----|
| i. | Reconstruction of major sewer interceptors | SIF |
| j. | Reconstruction of tunnels, chambers, entryways | SIF |
| k. | Construction of new tunnels, chambers, entryways | SIF |

Attachment C

**Town of Greenwich, Department of Public Works
Sewer Collection System Major Components
Funding Source List of Examples**

Grass Island Waste Water Treatment Plant

<u>Item</u>	<u>Description</u>	<u>Funding Source</u>
1.	Repairing existing tanks and structures	SMF
2.	Replacing/repairing existing equipment	SMF
3.	All supplies and chemicals	SMF
4.	Purchasing portable pumps, generators, and misc. items	SMF
5.	Upgrade to process additional flow	SIF
6.	Upgrade equipment (new technology)	SIF

Attachment D

**Town of Greenwich, Department of Public Works
Sewer Collection System Major Components
Funding Source List of Examples**

Town Wide Sewer System

<u>Item</u>	<u>Description</u>	<u>Funding Source</u>
1.	Town cited for violations by either the State DEP or the Federal EPA.	SMF or SIF (depending on violation)

Upon a motion from Mrs. Guimard, seconded by Mrs. Storms, the Board voted 12-0-0 to approve the Sewer Act Policy as amended.

Mrs. Gardner summarized the procedures of the Policy and Procedures Committee pertaining to the presentation to and approval of policies by the BET.

Second Reading of Use of Internal Audit Policy:

INTERNAL AUDIT POLICY

Authority

Town Charter, Article I, Section 1.

Article I establishes the Board of Estimate and Taxation's (BET) powers and duties, and vests the responsibility for the proper administration of the financial affairs of the Town with the BET.

Policy

Audit projects will be selected by the Comptroller and head of internal audit and then will be submitted for approval to the Audit Committee of the BET for their review. The Audit Committee and/or the BET may also incorporate into the internal audit plan, areas that they consider warrant review.

Internal audit projects shall conform to the professional standards of auditing (Generally Accepted Auditing Standards – G.A.A.S).

Procedures

Internal audit projects shall be undertaken by the internal audit staff after first addressing the audit plan.

In developing an internal audit plan, the relative cost savings, efficiencies, and risk or exposure for each area should be assessed. The internal audit plan should be based upon the relative priority of each of these audit areas. Factors should include: known quality of internal controls, identified potential problem areas, level of activity and public implications, and visibility. An updated plan should be developed annually, preferably to coincide with the Town's fiscal year. Once completed, the plan document should be submitted to the Comptroller for input. Subsequent to the Comptroller's input, the plan should be submitted to the Audit Committee for review and approval.

Upon completion of each internal audit project, a draft report on the departmental procedures, results, and recommendations, including executive summary and findings, shall be completed, and shall be submitted to the department head for review. Following receipt of the response from the audited department, Internal Audit shall make appropriate changes to the draft report.

Where there are recommendations, Internal Audit, together with the department head or his designees, shall produce a plan of action for implementation of the recommendations. After the review process has been completed, a final report, with attached responses, shall

be submitted to the Audit Committee of the BET. Following acceptance, the report shall be submitted to the BET. Progress reports shall follow.

Background

Internal audit is an important tool of management by which the Town of Greenwich maintains the integrity, efficiency and effectiveness of financial and control systems. Although Internal Audit is an integral part of the organization, to maintain objectivity, it functions independently of all departments.

Upon a motion from Mrs. Burnett, seconded by Mrs. Guimard, the Board voted 12-0-0 to approve the policy on the Use of Internal Auditors as submitted.

Second Reading of Transfers Policy:

TRANSFERS

Authority

C.G.S. 7-347.

No amount appropriated for any purpose, whether general or special, shall be used or appropriated for any other purpose unless the Board of Estimate and Taxation recommends the same.

Town Charter, Section 30.

The Board of Estimate and Taxation shall have the power to transfer uncommitted balances from one appropriation for a department to another appropriation for the same department.

Policy

C.G.S. 7-347 permits a finance board to “transfer unexpended balances from one appropriation to another....” Section 30 of the Charter grants the BET “the power to transfer uncommitted balances from one (1) appropriation for a department to another appropriation for the same department.”

C.G.S. section 7-347 requires the finance board to approve any change in purpose of appropriated funds. It has been the practice of the BET not to transfer between capital and operating appropriations unless necessary under the circumstances.

Upon a motion from Mr. Krumeich, seconded by Mrs. Storms, the Board voted 12-0-0 to approve the policy on Transfers.

CALENDAR:

Mr. Tesei informed the Board that a special event is being planned for December 16, 2003, honoring members who are retiring from the Board, including Mr. Mazza, who has served for 20 years as a BET member, and Mr. Lash.

At the June meeting, the Board will vote on the meeting schedule for the upcoming calendar year. Meetings for 2004 will convene at 7:00 PM.

There being no further business before the Board, upon motion from Mr. Stone, seconded by Mrs. Guimard, the Board voted unanimously to adjourn the regular meeting of the Board of Estimate and Taxation at 10:43 PM.

Respectfully submitted,

Charnel K. Benner, Recording Secretary

Peter J. Tesei, Chairman

Val P. Storms, Clerk of the Board