MINUTES of the regular meeting of the Board of Estimate and Taxation held on Monday, May 15, 2006 in the Town Hall Meeting Room, Greenwich, CT.

The Chairman, Peter J. Tesei, called the meeting to order at 7:02 P.M., after which the members pledged allegiance to the flag.

Board members in attendance:

Peter J. Tesei, Chairman
Robert S. Stone, Vice Chairman
Alma Rutgers, Clerk
Nancy E. Barton
William R. Finger
James Himes
Edward T. Krumeich
Michael Mason
Arthur D. Norton
Laurence B. Simon
Leslie Tarkington
Stephen G. Walko

Staff: Peter Mynarski, Roland Gieger, Finance Department; Ted Gwartney, Robert Shipman, Assessor’s Office; Maureen Kast, Sherry Krieger, Department of Human Resources; Lloyd Hubbs, Joseph Roberto, Department of Public Works; Ed Gomeau, Town Administrator; Dr, Larry Leverett, Dr. Susan Wallerstein, Board of Education

Other: Colleen Giambo, Chairman Board of Education

ROUTINE APPLICATIONS

PW-2 DPW-Transfer- $50,000

Request for transfer:
$50,000 to A-351-51010 Regular Salaries
$50,000 from A-301-51010 Transfer

PW-3 DPW-Additional Appropriation- $159,000

Request for additional appropriation:
$159,000 to A-321-52510 Waste Removal Services
$159,000 from Contingency

PW-4 DPW-Additional Appropriation- $163,500
Request for additional appropriation:
$163,500  to  A-345-52220  Electrical Services
$163,500  from  Contingency

ED-1 BOARD OF EDUCATION-Accept and Approval to Use-$27,500

Request for approval to use:
$19,000  to  E-03861-50960  Extraordinary Items
$8,500  to  E-0386-50960  Extraordinary Items
$27,500  from  Grant

Upon a motion by Ms. Rutgers, seconded by Mr. Walko, the Board voted 12-0-0 to approve the routine applications.

NON-ROUTINE APPLICATIONS

PW-1  DPW-Additional Appropriation-$375,000

Request for additional appropriation:
$190,000  to  A-312-51100  Overtime Services
$35,000  to  A-312-52300  Hired Equipment
$150,000  to  A-312-53750  Materials
$375,000  from  Contingency

Upon a motion by Mr. Walko, seconded by Mr. Simon, the Board voted 12-0-0 to approve an additional appropriation of $375,000 for the Department of Public Works for costs associated with highway operations.

ED-2 BOARD OF EDUCATION-Additional Appropriation-$663,670

Request for additional appropriation:
$663,670  to  O-680-43406  State Building Aid
$663,670  from  Capital Non-Recurring Fund

Upon a motion by Mr. Walko, seconded by Mr. Simon, the Board voted 12-0-0 to approve an additional appropriation for the Board of Education to refund the State of Connecticut for state overpayment of construction costs at Greenwich High School.

HUMAN RESOURCES COMMITTEE ACTIONS & REPORT-APPROVAL OF EMPLOYEE HEALTH CARE BUDGET STATUS REPORT

Minutes of the Regular Meeting of the Board of Estimate and Taxation May 15, 2006, second draft/Third Draft
Maureen Kast, Director of Human Resources, presented her monthly report.

Employee health care costs continue to run under budget by approximately $55,500 per month. There is still a lower than projected headcount, down 21 from the beginning of the year. Ms. Kast anticipates costs to be $500,000 under budget by the end of the year.

Upon a motion by Mr. Walko, seconded by Mr. Finger, the Board voted 12-0-0 to accept the Employee Healthcare Budget Status Report.

**ASSESSOR'S REPORT**

Ted Gwartney presented his report to the Board.

The Board of Assessment Appeals has completed its work and the notices were mailed out on Friday, May 12, 2006. Tax bills will be going out in June.

In response to a question from Mr. Himes regarding fewer hearings and lower dollar amounts of hearing adjustments when compared to the 2001 Revaluation, Mr. Gwartney responded that the 2001 Grand List had been prepared 8 years after the prior Grand List. Mr. Gwartney said that there is a greater escalation of values when the amount of time between Grand Lists is longer. A second reason may be that many corrections were made during the 2001 Revaluation so that fewer corrections were needed in 2005.

Mr. Himes noted that just under two-thirds of the adjustments were made in waterfront areas. Mr. Gwartney responded that there were 40 parcels of waterfront property that had three or more acres of land. The value for the excess land was at a higher rate than it should have been. As a result of several recent sales, there was evidence before the Board of Assessment Appeals that there should be some reductions on these parcels.

In response to a question from Mr. Simon about the status of the Elderly Tax Credit applications, Mr. Gwartney said that, as of that morning, May 15, 2006, his office had received 686 applications, and at least a few more were expected to be received late in the afternoon before the deadline at the end of the day. The estimated amount of the credits is $540,000. The exact figures will be available for the June meeting of the BET.

Mr. Krumeich noted that when this program was initiated, it was expected to be a $1 million program. The current number is almost half that amount, and Mr. Krumeich suggested that the household income eligibility standards should be reviewed as they may be too stringent. Mr. Gwartney said that there was an increase in the income requirement, to $39,000. Another new feature is the maximum assessment value of the house. An estimated 30 to 40 households will not receive the credit this year because the assessments exceed the maximum.

In response to a question from Mr. Walko, Mr. Gwartney said that the upgrade of the MUNIS and ProVal files will occur in June 2006.
Upon a motion by Mr. Walko, seconded by Mr. Norton, the Board voted 12-0-0 to accept the Assessor’s Report.

**BET COMMITTEE & LIAISON REPORTS**

*General Government Liaisons – Leslie Tarkington*

Ms. Tarkington reported that she and Ms. Barton had met earlier in the day with the Chairman of the Board of Assessment Appeals (BAA) to discuss biennial revaluations. As an independently elected review board, the BAA wants to retain its autonomy and prefers not to make a report to the BET. Information was shared regarding an accelerated revaluation, including the BAA’s workload and the expense.

Based on the BET’s collective questions and comments, and initial feedback from the meeting with the BAA Chairman, a workshop with BET members and Mr. Gwartney is suggested for a date no later than July 2006, after which the date for the new revaluation could be decided.

Mr. Walko noted that at the recent RTM Finance Committee meeting, RTM members expressed a desire for a public hearing should an accelerated revaluation be taken up by the BET.

Ms. Tarkington said that a workshop setting offers an opportunity for a better exchange of information. Due to the technical nature of material that will be addressed, Mr. Tesei asked Ms. Barton of the BET Law Committee to consult with town counsel for appropriate guidelines with regard to the Freedom of Information Act and definition of a “workshop meeting.”

Mr. Krumeich said that a component of the workshop will be for the Assessor to answer questions submitted by members of the BET. He suggested that these questions and the subsequent answers be made available to the public after the workshop, before any public hearing.

Mr. Himes said that there were two processes involved: 1) to educate ourselves and 2) to have public input. He suggested that information be given to the public prior to the hearing to address many of the misconceptions.

*Audit Committee- Robert Stone*

Mr. Stone reported that the Audit Committee met on May 11, 2006. Internal Audit focused on a variety of deficiencies in record keeping and payroll procedures in several departments, exposing the town to possible financial loss. The Committee advised the First Selectman that corrective action be taken in a more timely manner than indicated in the report and committee members are waiting for a response.
With regard to matching contributions in the Management and Confidential Employees 401(k) plan, the Audit Committee discussed that Human Resources has developed a proposed policy and related procedure that might be inconsistent with the original intent. The committee concluded that the subject should be reviewed by the BET, and will be taken up as New Business at the May 2006 meeting of the BET.

The Risk Manager reported that a liability assessment is underway and will focus specifically on conditions allegedly exposing the town to financial risk at various town marinas. Those making the allegations will have input, as well as personnel from the Marine Division.

The Audit Committee also reviewed a request to add review of a lease with the Mianus River Yacht Club. After hearing points brought up by a resident, that the yacht club was in violation of the lease as well as a navigational regulation, and the responses to the allegations from the current Commodore of the Club and Joseph Siciliano, the Committee did not support the request to add the lease to review of the Audit Plan.

_Glenville School Building Committee-Peter Tesei_

Mr. Tesei reported that the Glenville School Building Committee has interviewed six architectural firms for reconstruction of the Glenville Elementary School and has narrowed the search to one viable option. At a public meeting scheduled for 7:30 A.M. on May 16, 2006, a decision will be voted on. $1.4 million was budgeted for the services, and the average bid was $1.3 million. The bid by the prospective finalist was $1.1 million. Confirmation of the decision will be ready by the next BET meeting.

**COMPTROLLER’S REPORT**

Mr. Mynarski presented his report to the Board.

The Finance Department has been working with the Law Department to develop a legal notice for the Millbrook sewer apportionment. The notice has gone to the Greenwich Time and must appear 30 days before the public hearing on June 20.

Mr. Mynarski clarified that the Retirement Board’s 13.8% increase in its plan assets investment return over the last 36 months is an annualized number, not a cumulative number.

In response to a question from Mr. Walko regarding certification of costs for the North Mianus sewers, Mr. Mynarski confirmed that standard procedure was being followed. The Commissioner of Public Works will certify a final cost to the Comptroller, who then certifies its accuracy.

Mr. Walko asked Mr. Mynarski to contact the Town Administrator and schedule some dates to discuss Outcome Based Budgeting.
In response to another question from Mr. Walko regarding the cost allocation plan for The Nathaniel Witherell, which helps to maximize Medicare and Medicaid reimbursements at Nathaniel Witherell, Mr. Mynarski explained that the allocation is also being done for town purposes. The priority is to establish sound auditable numbers that can be presented to the State of Connecticut in the area of fringe benefits and associated costs. Asked by Mr. Walko when this will come before the BET for review, Mr. Mynarski responded that the report is near completion, and could be available within a week or two. While Mr. Mynarski is not suggesting a charter change, he said that TNW Finance Committee Chairman Fritz will bring the allocation plan to the Nathaniel Witherell Finance Committee. Mr. Mynarski could not comment on what steps TNW would take once the report is complete, nor on the process whereby Nathaniel Witherell would bring the plan to the BET.

In response to a question from Mr. Finger with regard to the number of applications for launch permits being approximately 150 to 170 lower than that of last year, and if this is attributable to the new insurance requirement, Mr. Mynarski stated that he believes it is a combination of the insurance requirement and that boats are getting into the water at a slower rate. The latter could be connected to higher fuel costs and/or inclement weather.

Upon a motion by Mr. Stone, seconded by Ms. Tarkington, the Board voted 12-0-0 to accept the Comptrollers Report.

**ACCEPTANCE OF TREASURER’S REPORT SHOWING INVESTMENT PORTFOLIO ACTIVITY FOR THE PERIODS OF APRIL 1, 2006-APRIL 30, 2006**

Mr. Mynarski asked to defer review of the Treasurer’s Report for one month. Mr. Mynarski has been working with Mr. Gieger to reformat the report in the Treasurer’s absence.

Mr. Norton commented that the new format has clarity and gives greater flexibility in seeing how various accounts are allocated.

**APPROVAL OF MINUTES**

Regular BET Meeting Minutes- April 17, 2006

Upon a motion by Mr. Walko, seconded by Ms. Tarkington, the Board voted 12-0-0, to approve the Regular Meeting Minutes of the BET from April 17, 2006.

**OFFICER’S REPORT**

Mr. Tesei thanked all BET members for attending various RTM committee and district meetings during the month of May.
Mr. Tesei announced that Mr. Simon will continue as an observer at the GOSA contract negotiations. Mr. Norton will be joining him.

OLD BUSINESS

There was no Old Business.

NEW BUSINESS

Setting of Contingency for Fiscal Year July 1, 2006-June 30, 2007

Mr. Tesei thanked the members of the Budget Committee for their efforts in bringing the 2006-2007 budget to the BET and the RTM.

Mr. Walko said that the Budget Committee had voted 4-0 to recommend to the BET the following mill rate increases:

General Fund, 3.42%
Sewer Maintenance Fund, 11.26%
Sewer Improvement Fund, 0%

The overall increase for non-sewer properties would be 3.42%, while the overall increase for sewer properties would be 3.69%.

Mr. Walko said that the Budget Committee discussed the proposed contingency amount at its Regular Meeting on May 9, 2006. The Budget Committee approved a contingency amount with a 0% increase at $7.8 million.

Upon a motion by Mr. Walko, seconded by Mr. Simon, the Board voted 12-0-0 to approve a contingency amount of $7.8 million.

Setting of Mill Rates for Fiscal Year July 1, 2006-June 30, 2007

Ms. Rutgers read the following Resolutions into the record:

“RESOLVED, that a tax at the rate of 7.500 Mills on the dollar be and the same is hereby levied and laid upon the Assessment List of the Town of Greenwich last completed, as the Tax for said Town’s General Fund for the succeeding Fiscal Year to wit: for the Fiscal Year July 1, 2006 through June 30, 2007:

RESOLVED, that the Chairman and Clerk of the Board of Estimate and Taxation shall forthwith file a certificate of the levying and laying of such tax with the Town Clerk, who shall record such certificate in the Town Meeting record book, and obtain a receipt from the Town Clerk that this has been done.”
Upon a motion by Ms. Rutgers, seconded by Mr. Walko, the Board voted 12-0-0 to approve the Resolution setting a mill rate of 7.500 for the General Fund.

“RESOLVED, that a tax at the rate of 0.285 Mills on the dollar be and the same is hereby levied and laid upon the Assessment List of the Town of Greenwich last completed, as the Tax for said Town’s Sewer Maintenance Fund for the succeeding Fiscal Year to wit: for the Fiscal Year July 1, 2006 through June 30, 2007:

RESOLVED, that the Chairman and Clerk of the Board of Estimate and Taxation shall forthwith file a certificate of the levying and laying of such tax with the Town Clerk, who shall record such certificate in the Town Meeting record book, and obtain a receipt from the Town Clerk that this has been done.”

Upon a motion by Ms. Rutgers, seconded by Mr. Mason, the Board voted 12-0-0 to approve the Resolution setting a mill rate of 0.285 for the town’s Sewer Maintenance Fund.

“RESOLVED, that a tax at the rate of 0.068 Mills on the dollar be and the same is hereby levied and laid upon the Assessment List of the Town of Greenwich last completed, as the Tax for said Town’s Sewer Improvement Fund for the succeeding Fiscal Year to wit: for the Fiscal Year July 1, 2006 through June 30, 2007:

RESOLVED, that the Chairman and Clerk of the Board of Estimate and Taxation shall forthwith file a certificate of the levying and laying of such tax with the Town Clerk, who shall record such certificate in the Town Meeting record book, and obtain a receipt from the Town Clerk that this has been done.”

Upon a motion by Ms. Rutgers, seconded by Mr. Norton, the Board voted 12-0-0 to approve the Resolution setting a mill rate of 0.068 for the town’s Sewer Improvement Fund.

Approval of Budget Resolution as Ammended by the RTM

Upon a motion by Mr. Walko, seconded by Mr. Simon, the Board voted 12-0-0 to approve the Budget Resolution regarding authorization for the Department of Parks and Recreation to accept receipts from the rental of town facilities, as amended by the RTM.
First Reading of the Proposed Pension Policy Regarding Cost of Living Adjustments (COLA’s) for Retirees

Mr. Walko thanked all of the members of the Budget Committee and the BET for their work on the budget.

Mr. Walko said that the proposed policy regarding cost of living adjustments for retirees stems from a discussion that the previous board had regarding these adjustments. The Budget Committee took this up with the assistance of Mr. Stone, and voted 4-0 to present it to the BET for a first reading. Mr. Walko asked that the members of the BET review the document and propose any changes to him by the Friday before the June 2006 Budget Committee meeting for a second reading at the June meeting. If adopted, the policy will be added to the Policies and Procedures Manual.

Mr. Tesei commented that the proposed policy is very straight forward and to the point.

ADJOURNMENT

Upon a motion by Mr. Finger, seconded by Mr. Norton, the Board voted 12-0-0 to adjourn at 7:55 P.M.

Respectfully submitted,

____________________________________
Valerie Zebrowski, Recording Secretary

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Alma Rutgers, Clerk of the Board

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Peter J. Tesei, Chairman