

MINUTES of the regular meeting of the Board of Estimate and Taxation held on Tuesday, October 16, 2006 in the Town Hall Meeting Room, Greenwich, CT.

The Chairman, Peter J. Tesei, called the meeting to order at 6:39 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
Edward T. Krumeich
Michael Mason
Arthur D. Norton
Laurence B. Simon
Leslie Tarkington
Stephen G. Walko

Absent: James Himes

Ex Officio Board Members: James Lash, First Selectman; Penny Monahan, Selectman

Staff: Roland Gieger, Peter Mynarski, Finance Department: Ed Gomeau, Town Administrator; Ted Gwartney, Robert Shipman, Assessors Office; Captain David Ridberg, Police Department

Other: Colleen Giambo, Leslie Moriarty, Board of Education.

Mr. Tesei explained that the meeting started early in order to accommodate RTM joint committee meetings in the Town Hall Meeting Room.

ROUTINE APPLICATIONS:

ED-3 BOARD OF EDUCATION-Approval to Use -\$4,000

Request for approval to use:

\$1,000	to	A-6200368-51310	Glenville School
\$1,500	to	A-6200368-51060	Glenville School
\$1,000	to	A-6201070-51310	North Mianus School
\$ 500	to	A-6200568-53100	Cos Cob School
\$4,000	from		Grant

HD-2 HEALTH DEPARTMENT- Approval to Use- \$59,465.28

Request for approval to use:

\$ 5,942.62	to	F-403-51300	Payments Temp Service-GPP
\$ 20,550.00	to	F-403-51490	Professional Services-NOC
\$ 4,200.00	to	F-403-53010	Office Supplies
\$ 13,500.00	to	F-403-53250	Medical, Dental, Lab Supplies
\$ 14,800.00	to	F-403-59100	Medical, Dental, Lab Equipment
\$ 472.66	to	A-901-57050	Social Security
\$ 59,465.28	from		Public Act Funds-Grant

HD-3 HEALTH DEPARTMENT-Approval to Use-\$9,831

Request for approval to use:

\$7,134	to	F-406-51490	Professional Services-NOC
\$ 798	to	F-406-52010	Advertising & Public Notice
\$ 572	to	F-406-52150	Office Services
\$ 250	to	F-406-52920	Work Transfer Other Departments
\$ 100	to	F-406-53010	Office Supplies
\$ 977	to	F-406-53250	Medical, Dental, Lab Supplies
\$9,831	from		HERR Funds-Grant

PD-5 POLICE DEPARTMENT-Approval to Accept- \$614

Request for approval to accept:

\$614	to	A-213-35018	Federal Asset Forfeiture
\$614	from		In Kind Grant

PD-6 POLICE DEPARTMENT- Approval to Use- \$26,535

Request for approval to use:

\$ 1,600	to	F-213-53250	Medevac Floating Litters (2)
\$ 10,340	to	F-213-53310	Float Vests (5)
\$ 595	to	F-213-53520	Marine Scanning Radio
\$ 14,000	to	F-213-53520	Hydraulic Marine Davit/Rotation
\$26,535	from	F-213-35018	Federal Asset Forfeiture

SE-3 FIRST SELECTMAN- Additional Appropriation- \$4,500

Request for additional appropriation:

\$4,500	to	P-935-57350	Settlement
\$4,500	from		Risk Fund Balance

Upon a motion by Ms. Rutgers, seconded by Mr. Walko, the Board voted 11-0-0 to approve the routine applications.

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

The Employee Health Care Budget Status Report was provided to Board members for their review in the monthly Board Package.

Ms. Tarkington presented the Human Resources Committee Report to the Board. The BET HR Committee met on October 5, 2006. Mr. Mynarski attended the meeting, as did all committee members. Members of the committee discussed the month's informational reports, including the town's vacant position listing, new titles established in 2006, reclassifications/upgrades in 2006 and the September part time employee report.

Members of the HR Committee discussed the status of the M/C Compensation and Benchmarking Study. Mr. Mynarski, as the Finance Department's member of the M/C Committee, updated the HR Committee on the M/C Committee's only meeting, and explained that a new RFP would be issued. The members of the HR Committee agreed that they should be involved in the process, with the next step being a review of the scope of the RFP.

Monthly Human Resource discussion topics for the remainder of the current fiscal year were prioritized.

Mr. Tesei commented that members of the BET had expressed concern over the composition of the M/C Committee at the September meeting. Mr. Tesei met with First Selectman Jim Lash and communicated this concern to Mr. Lash, specifically the concern that there would not be anyone on the M/C Committee who did not have a vested interest in the outcome of such a salary study. Mr. Lash concurred that there was the appearance of a lack of balance on the committee. Mr. Lash agreed with Mr. Tesei's recommendation to have representation from some of the appointing authorities. Mr. Tesei has been in communication with Mr. Gomeau, who is overseeing the initiative. Mr. Tesei also recommended that the BET HR Committee play a role in this, and suggested that a member, or members, of the HR Committee serve on the M/C Committee. Mr. Tesei asked Ms. Tarkington, as HR Committee Chair, to serve and expressed his view that a second member of the HR Committee should also be so designated. Mr. Krumeich said that the second member should be a Democrat.

Mr. Simon stated that he would like to work through the Finance Department with the HR Department to improve the Health Care Report. After review of the report, he noted several corrections to be made.

July, August and September revenue numbers were among those reviewed, and Mr. Gieger has corrected these figures. Mr. Simon suggested the Finance Department review the report for inconsistencies.

The health care budget so far is approximately \$800,000 under budget.

ASSESSOR'S REPORT

Mr. Gwartney presented his report to the Board. He reported that audits were conducted on 131 personal property accounts and the amount of increased assessments over a 3-year period was \$29 million. This brought in tax revenue of \$302,000 at a cost of \$79,500, a return of 3.8 times the cost.

Mr. Gwartney supplied a report on preliminary planning for the next revaluation and a preliminary report on the 2007-08 budget.

Mr. Tesei noted that the matter of difficulty in using the MUNIS system always appears in the Assessor's report and asked what mechanisms were in place to resolve these difficulties. Mr. Gwartney explained that the Assessor's office is looking at another administrative system produced by Manitron, the same company that provides the software for the town's CAMA system. MUNIS is a financial system, not related to assessments and property tax collection. Alternatives are being investigated, but action is not being taken at this time.

Mr. Gwartney will have the operations plan and 2007-2008 proposed budget for the November BET meeting.

Upon a motion by Mr. Simon, seconded by Ms. Tarkington, the Board voted 11-0-0 to accept the Assessor's Report.

BET COMMITTEE & LIAISON REPORTS

Audit Committee- Robert Stone

The Audit Committee met on October 5, 2006. The committee members reviewed changes to The Marine Facilities Risk Exposure Report, which provided specificity to the expected delivery and completion dates of projects anticipated to be taking place.

Concerning the Byram Marina's operations, the committee members unanimously approved the following resolution:

“The Audit Committee accepts the report and notes that Byram Shore Boat Club is using Town assets without a lease, and that this exposes the Town to liability. The Committee therefore urges the First Selectman to negotiate and execute such a lease before April 15, 2007, and further recommends that should such a lease not be executed that the First selectman forbid further use of such Town asset.”

Internal Audit Payroll Report Findings were also reviewed by the Committee. Mr. Mynarski reported being aware of no action having been taken concerning implementation of town policies

highlighted in the payroll audit and his own memorandum dated June 13 which included the following statement: “Since there are existing policies regarding the recording of time on time cards or time sheets, I would consider a lack of compliance to these policies as serious. All town department heads need to be reminded that they are responsible for the accuracy and completion of these documents.” Lack of compliance with existing policies regarding the recording of time is considered “serious”.

The Committee also addressed the process of contract awarding. Purchasing Director Joan Sullivan had been invited to the Audit Committee meeting, accepted, and then advised the Committee that she would not attend. More information concerning process and possibly recent awards is needed from Purchasing, DPW, and the Law Department.

The following resolution was adopted unanimously:

“It would be best to invite respective departments to an Audit Committee meeting first, and if unresponsive, Committee members could then visit those departments.”

Questions are being developed in anticipation of such meetings, some of which have been sent to Joan Sullivan, who has started work on responses. Questions with regard to this subject will be sent to DPW and Law in the near future.

Retirement Board Liaison-Robert Stone

Mr. Stone referred to the “Flash Reports,” which are distributed monthly, and drew attention to the negative variance between the Retirement Fund’s investment results and benchmarks since the Retirement Board changed its approach and retained New England Pension Consultants. The Retirement Board is beginning annual review of town money managers.

Ad Hoc Treasurer Search Committee-Robert Stone

Mr. Stone reported that 20 respondents to the posting have passed the initial screening, and have been sent questionnaires. Responses and ratings will be banded by the HR Department. After review of the questionnaires, interviews are expected to start in November.

COMPTROLLER’S REPORT

Mr. Mynarski presented his report to the Board. He began with personnel changes within the Finance Department. The cutoff for the recruitment of an Internal Auditor was October 6, 2006. Three applications were received, and two were considered not to have met the minimum requirements. Human Resources decided to reopen the process to November 3, 2006 in an attempt to get more applications.

Mr. Mynarski made a correction to his report, in the Miscellaneous-Ongoing section. The third line in the second paragraph shows \$8.1 million to be refunded to municipalities by CL&P. The CL&P case has been settled, and the town will get back approximately \$341,000 after the appeal

process. It is not yet determined whether this will be a lump sum or credits applied against future expenditures.

Mr. Tesei noted that the position of Executive Assistant to the Comptroller, along with 3 other departments where there are confidential secretaries, is being looked at by GMEA. It is the view of GMEA that these positions should not be confidential but union.

Mr. Walko asked when North Mianus Sewer negotiations will be completed, as interest is accruing and being passed on to homeowners. Mr. Mynarski responded that he did not know the answer because he is not part of the negotiations between the First Selectman's Office and the North Mianus Association, but said that he expects progress within the next month.

In response to a related question from Mr. Simon with regard to the Milbrook sewer assessments, Mr. Mynarski said that a tax billing with a January 1, 2007 due date is on schedule. Outstanding issues are the three Pintail Lane properties.

Upon a motion by Mr. Finger, seconded by Mr. Simon, the Board voted 11-0-0 to accept the Comptrollers Report.

ACCEPTANCE OF TREASURER'S REPORT SHOWING INVESTMENT PORTFOLIO ACTIVITY FOR THE PERIODS OF SEPTEMBER 1, 2006-SEPTEMBER 30, 2006

Mr. Mynarski said that the Treasurer's Report was not completed due to a lack of statements from U.S. Trust, Vanguard and TD North. The report will be emailed to BET members and there will be a vote to accept the September and October reports at the November BET meeting.

APPROVAL OF MINUTES

Upon a motion by Mr. Norton, seconded by Mr. Simon, the Board voted 11-0-0, to approve the Regular Meeting Minutes of the BET from September 19, 2006.

OFFICER'S REPORT

Mr. Tesei reported on recent meetings that he has attended.

On September 26, 2006, he attended a Board of Education meeting. He noted a document of interest referred to as "The Summary of Issues and Opportunities Arising from Changing Enrollment Patterns". He said that this should be required reading for all members of the BET and the RTM.

On October 6, 2006, Mr. Tesei spoke to the Greenwich PTA Counsel. When he became Chairman of the BET, Mr. Tesei initiated speaking to groups as a way to explain the role of the

BET, and how the budget process for the Town operates. Topics included items on next year's budget and how PTAC can get involved in the process.

On October 11, 2006, Mr. Tesei met with the Chairman and Vice Chairman of the Board of Education. Topics of discussion included the issue of BOE transfers and application of budgetary guidelines and suggested mechanisms to raise new initiatives and needs within the school budget.

Mr. Tesei had a discussion with Dr. Susan Wallerstein about her concerns with regard to further implementation of future initiatives for shared services. She felt that before instituting additional efforts in this area, the efficacy of the ones that are currently in place should be looked at. Mr. Tesei encouraged Dr. Wallerstein to raise her concerns in the context of the BOE budget presentation. Another issue of concern was BOE payroll, and that some issues require attention in this area.

On October 12, 2006, Mr. Tesei attended the First Selectman's Neighborhood Leaders Meeting. Thirty people were in attendance. Traffic was one concern expressed, along with safety issues.

On October 17, 2006, Mr. Tesei will meet with the Director of Human Resources, Town Attorney and Comptroller to review the process of how severance and various types of labor grievances and settlements are handled. The implications of settlements and their effect on the budget will be discussed.

Mr. Tesei shared information pertaining to two items raised at the September BET meeting, with regard to settlements. The implication of a confidentiality clause existing with a settlement is a concern. Mr. Tesei stated that he did not believe there was a breach of any confidential information in either of the two instances. How to improve upon the process needs to be looked at more closely.

OLD BUSINESS

Approval of BET Budget Committee's Recommended 2007-08 Budget Guidelines.

Mr. Walko thanked the members of the BET for their input. The guidelines were unanimously adopted by the Budget Committee at their October 10, 2006 meeting. The mill rate increase will remain at 3.5% for the fourth consecutive year. Mr. Walko highlighted the following:

- FY 2007-08 is expected to be the peak year of the ten year capital plan, with significant declines in future years
- The real estate conveyance tax is scheduled to expire on June 30, 2007. For budget planning purposes, the guideline assumes that the tax is not renewed by the state legislature. Revenue to the Town is reduced by \$4 million
- Recommendations include no new net increases in the town's table of organization, and due to declining enrollment, the BOE should have fewer employees

- Capital projects must be carefully scrutinized. In establishing its calendar, the Budget Committee has scheduled a full day of review
- Several reports have been requested, in particular reports on capital projects. Information that is provided should be useful and lead to constructive discussions

Mr. Walko recommended approval of the Budget Guidelines.

Ms. Tarkington said that she had put forth proposed changes to the Budget Guidelines for the Budget Committee to consider, but that these changes had not been incorporated into the final draft. She expressed her concern, in particular with the section in the guidelines headlined “All Town Departments,” which refers to the “Land Use Departments/Agencies,” calling for them to re-visit the recommendations of the 1996 KPMG Report and the 1998 Blue Ribbon Panel Report. She questioned why the BET would ask for the implementation of reports that are 8 and 10 years old. Saying that her focus is on the largest departments that represent 80% of the budget expenses, she questioned the wisdom of this focus on less than one half of one percent of the budget. Commenting that development interests were heavily represented on the Blue Ribbon Panel, she suggested that the focus of the BET should be to consider the impact of the Panel’s recommendations on the Grand List which is primarily the value of the town’s land, not the improvements, in order to fund the town’s future needs.

Mr. Simon said that this section was just intended to provide an example and that this guideline applies to all departments and is not limited to the land use agencies. He stressed the importance of the first and last sentences in this section of the Budget Guidelines.

Mr. Tesei asked if Ms. Tarkington wished to turn her statement into a motion. Ms. Tarkington said that it was her intent to present her view to the public and put a spotlight on it.

Upon a motion by Mr. Walko, seconded by Mr. Simon, the Board voted 10-1-0 to approve the Budget Committee’s recommended budget guidelines, with Mr. Himes absent and Mr. Stone opposed because the guidelines do not call for staff benchmarking against other communities.

NEW BUSINESS

There was no new business.

ADJOURNMENT

Upon a motion by Mr. Norton, seconded by Mr. Finger, the Board voted 11-0-0 to adjourn at 7:39 P.M.

Respectfully submitted,

Valerie Zebrowski, Recording Secretary

Alma Rutgers, Clerk of the Board

Peter J. Tesei, Chairman