



MINUTES of the regular meeting of the Board of Estimate and Taxation held on Monday, January 25, 2010 in the Town Hall Meeting Room, Greenwich, CT.

Chairman Stephen Walko called the meeting to order at 5:30 p.m., after which the members pledged allegiance to the flag.

Board members in attendance:

Stephen G. Walko, Chairman
Jim Campbell, Vice Chairman
Joseph L. Pellegrino, Clerk
William R. Finger
Randall Huffman
William G. Kelly
Michael S. Mason (left at 7:20 PM)
Jeffrey S. Ramer
Laurence B. Simon
Leslie L. Tarkington

Absent: Nancy E. Barton, Arthur D. Norton

Selectmen: Peter Tesei, First Selectman; Drew Marzullo

Staff: Peter Mynarski, Comptroller; Roland Gieger, Budget Director; Ted Gwartney, Assessor; Robert Shipman, Assistant Assessor

Other: Tom Stitt, Director of Financial Analysis and Reimbursement, and Mary Nell Zellner, Senior Vice President of Consulting, from Health Dimensions Group; David Ormsby, Chairman; Lloyd Bankson, Nathaniel Witherell Board

Health Dimensions Group (HDG) Presentation

Mr. Walko introduced the HDG presentation. He noted that this was not the final report and that further input and discussion will take place before the final report is issued. Mr. Walko then presented the four choices he sees before the Board regarding Nathaniel Witherell: 1) to support Project Renew as presented; 2) to discontinue being in the nursing home business; 3) to only renovate Nathaniel Witherell; and 4) to redefine Project Renew.

Mr. Stitt and Ms. Zellner then presented the results of their review of the Nathaniel Witherell Long Range Business Plan. (The presentation can be located on-line at the following link: <http://www.greenwichct.org/BET/BoardEstTaxation.asp>)

Each member of the Board then asked questions of the HDG representatives, including discussion of staffing, labor, maintenance and capital costs. This was followed by a statement from Mr. Ormsby who addressed some of the key assumptions discussed by the Board—census; Medicare revenues; staffing level; and fringe benefits. Mr. Ormsby also shared with the Board that approximately 30% of TNW current workforce are of Haitian descent and that they have responded with admirable professionalism during this very difficult time for them.

In order to better understand the size of the potential deficit—both cumulatively and in any given year—members of the Board asked to be provided with a detailed, year-by-year financial model incorporating proforma income statements, funds flow statements and definitions for all key concepts and terms used in the model.

ROUTINE APPLICATIONS – from Budget Committee:

ED-7 Board of Education – Approval to Use - \$4,880

Approval to Use:
\$ 4,880 to F6021709-53141 Audio/Visual Equipment
\$ 4,880 from Grant

SE-7 First Selectman – Additional Appropriation - \$39,188

Additional Appropriation:
\$ 39,188 to P935-57350 Judgment
\$ 39,188 from Risk Fund Balance

PD-2 Police – Acceptance of Forfeiture Assets

PW-4 DPW – Additional Appropriation - \$45,000

Additional Appropriation:
\$ 45,000 to Z312-59620-26032 Shore Road Bridge Rehab
\$ 45,000 from Capital Non-Recurring Fund Balance

PW-5 DPW – Additional Appropriation - \$1,458,764

Additional Appropriation:
\$1,458,764 to Z312-59600-219xx ARRA Pavement Restoration Project
\$1,458,764 from Capital Non-Recurring Fund Balance

Upon a motion by Mr. Pellegrino, seconded by Mr. Mason, the Board voted 10-0-0 to approve the applications.

ASSESSOR'S REPORT

Mr. Gwartney presented the Assessor's Report to the Board and stated that the 2009 Grand List has been completed showing a growth of 0.69% from the 2008 Grand List.

Upon a motion by Ms. Tarkington, seconded by Mr. Mason, the Board voted 10-0-0 to accept the Assessor's Report.

Approval of Tax Deferral/Credit Memo to Seniors

Upon a motion by Ms. Tarkington, seconded by Mr. Ramer, the Board voted 10-0-0 to move the above item on the Agenda from Old Business to be combined with the Assessor's Report.

Mr. Gwartney gave a brief overview of the Senior Tax Relief letter and documentation. Mr. Kelly suggested defining the applicant on the form, next year.

Changes to the Information Page under the heading of Tax Deferral, change "can only apply," to read "may only apply." And at the bottom of the same page, change "will be held strictly confidential," to read "will be kept confidential."

Upon a motion from Ms. Tarkington, seconded by Mr. Mason, the Board voted 10-0-0 to approve the Tax Deferral/Credit Memo to Seniors, as amended.

BET COMMITTEES' and SPECIAL PROJECT TEAMS' REPORTS

Audit Committee, January 2010 – Mr. Norton

Investment Committee, January 2010 – Mr. Norton

Nathaniel Witherell Town Building Committee, January 2010 – Mr. Pellegrino

Human Resources Committee, January 2010 – Mr. Campbell

COMPTROLLER'S REPORT

Mr. Mynarski presented the Comptroller's Report to the Board. He highlighted the results of the recent BAN and Note offerings on January 21, 2009. The BAN was priced at an effective rate of 0.28%, down 10 basis points from last year's effective rate of 0.38%; and the \$45,000,000, 5-year note produced an effective interest rate of 1.84%, which is a blend of \$39,000,000 of General Fund money amortized over five years and approximately \$6,000,000 of capital for sewers amortized over twenty years. The Town received the highest rating possible--AAA--from all three rating agencies. A brief discussion followed regarding the Retirement Board RFP process and Mr. Walko requested that the two liaisons each be provided with copies of all ten proposals.

Upon a motion by Mr. Ramer, seconded by Mr. Simon, the Board voted 9-0-0 (Mr. Mason absent) to accept the Comptroller's Report.

ACCEPTANCE OF TREASURER'S REPORT SHOWING INVESTMENT PORTFOLIO ACTIVITY FOR THE PERIOD OF DECEMBER 1, 2009 – DECEMBER 31, 2009

Upon a motion by Mr. Finger, seconded by Mr. Simon, the Board voted 9-0-0 (Mr. Mason absent) to accept the Treasurer's Report.

APPROVAL OF MINUTES

BET Regular Meeting, December 21, 2009

Upon a motion by Mr. Simon, seconded by Mr. Ramer, the Board voted 7-0-2 (Mr. Huffman, Mr. Pellegrino abstained, Mr. Mason absent) to approve the Regular Meeting Minutes of the BET from December 21, 2009.

BET Organizational Meeting, January 4, 2010

Upon a motion by Mr. Simon, seconded by Ms. Tarkington, the Board voted 8-0-1 (Mr. Finger abstained, Mr. Mason absent) to approve the Organizational Meeting Minutes of the BET from January 4, 2010.

OFFICER'S REPORT

Mr. Walko stated that he does not speak on behalf of the BET when it comes to decisions that have yet to be made by the BET. When asked, for example, what is the BET's opinion on the Greenwich High School Auditorium or the Central Fire Station, he indicates that those two projects are not yet before us and we will get the opportunity to review those two projects if and when they come before us through the First Selectman's consolidated budget. Most of the email traffic has been concerning those two projects which he will forward to members of the Board through Elaine Brown in the Finance Dept. Mr. Walko then announced that the CIP Public Hearing will be held at 7:00 P.M. in the Town Hall Meeting Room tomorrow night; all members are encouraged to attend. Finally, Mr. Walko noted that the First Selectman will present his consolidated budget on February 8th.

OLD BUSINESS

Approval of Retirement Board Actuarial Assumptions for FY 2010-2011 to 2012-2013

Mr. Walko stated this item came before the Board at its December 15, 2009 meeting, when it was decided that more time was needed for review before a vote. Since then considerable deliberation went into this resolution because of the impact it will have on the level of funding for the retirement plan going forward. Mr. Walko thanked the Retirement Board for addressing the assumptions and presenting the Board with their resolution.

The resolution read as follows:

Resolved, that the BET accepts the recommendation of the Retirement Board to change the existing discount rate of 8.50% to 8.25% effective July 1, 2009 for the fiscal year 2010-2011, 8.00% effective July 1, 2010 for the fiscal year 2011-2012.

Further Resolved, that the BET accepts the recommendation of the Retirement Board to adopt the asset smoothing corridor range of 70% to 130% effective July 1, 2009 for fiscal year 2010-2011, 75% to 125% effective July 1, 2010 for fiscal year 2011-2012 and 80% to 120% effective July 1, 2011 for the fiscal year 2012-2013 and remain at 80% - 120% thereafter.

Further Resolved, that the BET accepts the recommendation of the Retirement Board to change the existing inflation rate of 4.00% to 3.75% effective July 1, 2009 for fiscal year 2010-2011, 3.50% effective July 1, 2010 for fiscal year 2011-2012 and remain at 3.50% thereafter.

Further Resolved, that the BET accepts the recommendation of the Retirement Board to retain the existing asset smoothing methodology of five years.

Further Resolved, that the BET accepts the recommendation of the Retirement Board to maintain the current amortization method and not reset the period back to 30 years. For fiscal year 2010-2011, effective July 1, 2009 the period will be twenty-four (24) years, declining one year in each succeeding year until it reaches 15 years and will then remain at 15 years.

Upon a motion by Mr. Simon, seconded by Mr. Pellegrino, the Board voted 9-0-0 (Mr. Mason absent) to approve the Retirement Board Actuarial Assumptions for FY 2010-2011 to FY2012-2013.

NEW BUSINESS

Approval of Actuarial Report for OPEB

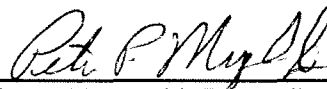
Mr. Walko stated that he is optimistic that the OPEB Ad-Hoc Committee will be able to wrap up their work in the coming months, and then the OPEB Board of Trustees, can report to an arm of the BET.

Upon a motion by Mr. Simon, seconded by Mr. Pellegrino, the Board voted 9-0-0 (Mr. Mason absent) to approve the Actuarial Report for OPEB.

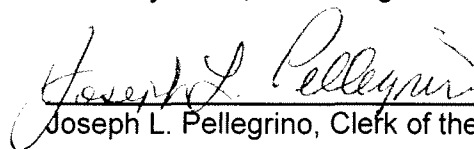
ADJOURNMENT

Upon a motion by Mr. Ramer, the Board voted unanimously to adjourn the meeting at 8:10 p.m.

Respectfully submitted,



Peter Mynarski, Recording Secretary



Joseph L. Pellegrino, Clerk of the Board



Stephen G. Walko, Chairman