



MINUTES of the regular meeting of the Board of Estimate and Taxation held on Monday, October 17, 2016 in the Town Hall Meeting Room, Town Hall, Greenwich, CT.

Chairman Michael Mason called the meeting to order at 6:38 P.M., after which the members pledged allegiance to the flag.

Board members in attendance:

Michael S. Mason, Chairman
William Drake, Clerk
John Blankley
Mary Lee A. Kiernan
Elizabeth K. Krumeich
James A. Lash
Leslie Moriarty
Jill K. Oberlander
Jeffrey S. Ramer
Leslie L. Tarkington
Nancy Weissler

Board member absent: Arthur Norton

Staff: Peter Mynarski, Comptroller; Roland Gieger, Budget Director; Ben Branyan, Town Administrator; Lauren Elliot, Assessor; Robert Shipman, Assistant Assessor, J. Wayne Fox, Town Attorney; Aamina Ahmad, Assistant Town Attorney; Princess Erfe, Administrator Community Development Commission

Selectmen: Peter Tesei, First Selectman

Public: Alexis Voulgaris, Chair Community Development Advisory Committee; Nancy Coughlin, Executive Director Neighbor to Neighbor; Ken Borsuk, Reporter, *Greenwich Time*

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Upon a motion by Mr. Mason, the Board voted 11-0-0 to open a Public Hearing on the CDBG PY2017 Budget.

ROUTINE APPLICATIONS

Mr. Mason asked Mr. Ramer if he wished to make a motion prior to Mr. Drake providing the Routine Applications.

Mr. Ramer made a motion, seconded by Ms. Kiernan, that Agenda sequence be changed to enable the Community Development Block Grant presentation to precede the Routine Applications and that Applications SE-7 (FY 2015 – 2016), SE-6 and SE-7 be discussed in Executive Session as separate, Non-routine applications following the presentation of the Assessor's Report. The Board voted 11-0-0 to approve the motion.

<u>Number</u>	<u>Department</u>	<u>Purpose</u>
CD-1	Community Development	Approval to Use
\$ 751,160.92	Q197	CDBG Entitlement PY2017 Reprogrammed Funds

As part of the Public Hearing on CDBG PY2017 Budget, Mr. Lash reported that the Budget Committee had voted 4-0 to approve the application.

Ms. Erfe and Ms. Voulgaris thanked the BET representatives on the CDAC, Ms. Krumeich and Mr. Drake, for their participation. Ms. Voulgaris explained that to arrive at the CDBG PY2017 Budget, the CDAC participated in 3 public meetings and 1 Public Hearing about the HUD Grant funds that would be awarded in two categories: Public Service and Acquisition/Capital Improvement grant funding. 30 grant applicants made requests. Including the amount for PBGC Administration, the requests totaled \$1,305,147.77 whereas the total available HUD Federal Block Grant funds were estimated to be \$725,000. Additional funds (\$26,160.92) in reprogrammed funds from prior years were added to that amount. The funding recommendations totaled \$751,160.92.

Upon a motion by Ms. Krumeich, seconded by Mr. Drake, the Board voted 11-0-0 to approve the use of the PY2017 Entitlement Grant and reprogrammed funds as a Non-Routine Application.

<u>CD-2</u>	<u>Community Development</u>	<u>Additional Appropriation</u>
\$ 43,000.00	Q19716 59900	PY2016 Contingency Funds Reprogrammed Funds

Ms. Erfe requested an additional appropriation from the PY2016 reprogrammed Funds for the Friends of Laurel House, Inc. to purchase a truck for Laurel House Thrift Store \$25,000; and \$18,000 for TAG to purchase a handicapped-accessible vehicle. The source of the funding would be \$13,876 from excess PY2016 Contingency funds and \$29,124 from reprogrammed funds.

Upon a motion by Mr. Mason, seconded by Ms. Kiernan, the Board voted 11-0-0 to approve the use of the PY2016 contingency and Reprogrammed funds as a Routine Application.

<u>CD-3</u>	<u>Community Development</u>	<u>Additional Appropriation</u>
\$ 29,900.00	Q19716 59900	Hill House-Security Improvements Project

Ms. Erfe explained that an additional amount of \$29,900 was requested because the scope of work on the Hill House Project approved in the PY2016 Budget needed to be expanded to include an unanticipated upgrade to its Fire and Security System.

Upon a motion by Mr. Mason, seconded by Mr. Drake, the Board voted 11-0-0 to approve the additional appropriation from the PY2016 reprogrammed funds as a Routine Application.

FD-1	Fire	Transfer
\$ 73,203.00	A201 51940	RTM Budget Adjustment

Fire Chief Siecienski requested a transfer of funds from various object codes to offset the RTM Budget Adjustments.

Upon a motion by Mr. Drake, seconded by Ms. Kiernan, the Board voted 11-0-0 to approve the transfer of funds as a Routine Application.

SE-5	First Selectman	Approval to Use
\$ 245,000.00	B105 59090	STEAP Funds – TOG Trunked Radio System Replacement Project

Mr. Branyan explained the request to use the STEAP Grant funds was needed to accomplish the third phase of the Trunked Radio Project, and would reduce the Town's need to borrow.

Upon a motion by Mr. Drake, seconded by Ms. Kiernan, the Board voted 11-0-0 to approve the use of the STEAP Grant funds as a Routine Application.

NON-ROUTINE APPLICATIONS

SE-1	First Selectman	Approval to Use
\$ 250,000.00	F501 57210	STEAP Funds – Neighbor to Neighbor

Ms. Tarkington commented that the Law Committee had reviewed the documents including insurance compliance review and additional requirements by the Town's Risk Manager; had requested that they be reviewed by Neighbor to Neighbor's outside counsel; and that the Town (currently the Community Development Block Grant TOG employee, Princess Erfe would track Grant compliance against an annual reporting checklist submitted to the Law Department. The State's documentation places the Town as a pass-through between the State and Neighbor to Neighbor for ten years following project completion. Ms. Oberlander expressed concern that no final approval had yet been given to the project by the Planning and Zoning Commission and asking if the relevant contracts reviewed by the BET were in final form. Mr. Ramer noted the preliminary site approval had been received and the final approval would be voted on the following day. Ms. Ahmad explained that this particular STEAP Grant was with a non-profit organization and that TOG would be acting as a pass-through between the State of Connecticut and Neighbor to Neighbor for the STEAP Grant funds. Various members of the BET and Ms. Ahmad remarked that no money would be received unless the project was approved by P&Z and built. Ms. Oberlander suggested the possibility of the BET voting conditional approval based on the outcome of the following day's P&Z Meeting. Mr. Mason suggested that he would entertain a motion to postpone, however Ms. Oberlander indicated that that was not her intention.

Upon a motion by Ms. Tarkington, seconded by Ms. Krumeich, the Board voted 11-0-0 to approve the use of the STEAP Grant funds by Neighbor to Neighbor.

<u>SE-2</u>	<u>First Selectman</u>	<u>Approval to Use</u>
\$ 246,096.00	F501 57210	STEAP Funds – Greenwich YWCA

Ms. Tarkington commented that the Law Committee had voted 2-0 to approve the use of the STEAP Grant noting that its conditions of review by the YWCA's outside counsel and TOG tracking Grant compliance against the Law Department's annual reporting checklist were similar to those of the Neighbor to Neighbor and were satisfied. Ms. Oberlander asked whether the documents were in final form as they suggest that the Town has the authority to act as the owner of the YWCA property. Ms. Oberlander stated that her concern was on the form of contract documents presented not the use of funds. Ms. Kiernan remarked that it was Town practice to enter into side-agreements; Mr. Ramer reassured the Board that there was an indemnity provision in the wording "to the extent permitted by law".

Upon a motion by Ms. Tarkington, seconded by Ms. Krumeich, the Board voted 10-0-1 to approve the use of the STEAP Grant funds by the YWCA. (Abstain: Oberlander)

Upon a motion by Mr. Drake, seconded by Mr. Ramer, the Board voted 11-0-0 to return to Item #4 on the Agenda and take up the Assessor's Report

ASSESSOR'S REPORT

Ms. Elliot presented the Assessor's Report, offered highlights and asked the BET if there were any questions. She commented the 2016 Grand List would be completed by the end of January. Additionally, she reported that there were unspent appropriation funds from the FY2014 and FY2015 Revaluation process and that the Assessor's Office would be returning \$214,000 to the General Fund.

Ms. Weissler asked if settlement decisions in favor of the taxpayer could trigger new cases. Ms. Elliot responded that while that could happen, the goal was to limit that risk. She commented that the following settlements had been reached: 4 from 2015; 3 from 2012; and, 1 of 2014's cases would be going to trial.

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

EXECUTIVE SESSION – Discussion of Pending Litigation

Mr. Mason called for an Executive Session to discuss pending litigation.

Upon a motion by Mr. Ramer, seconded by Ms. Tarkington, the Board voted 11-0-0 to enter Executive Session at 7:41 P.M.

The Board exited Executive Session at 8:17 P.M.

The Board voted 11-0-0 to end the Executive Session at 8:17 P.M.

<u>SE-7</u>	<u>First Selectman</u>	<u>Additional Appropriation</u>
\$111,000	(FY 15-16) P935 57350	Legal Settlement - Gustovich v. TOG

Upon a motion by Ms. Tarkington, seconded by Ms. Krumeich, the Board voted 8-3-0 to add \$111,000 to a previous appropriation in order to purchase an annuity in connection with the settlement. (Opposed: Kiernan, Oberlander, Ramer)

<u>SE-6</u>	<u>First Selectman</u>	<u>Additional Appropriation</u>
\$ 34,278	P935 57350	Legal Settlement - Chipouras v. TOG

Upon a motion by Ms. Tarkington, seconded by Ms. Krumeich, the Board voted 8-3-0 in settlement of the litigation. (Opposed: Mason, Oberlander, Ramer)

<u>SE-7</u>	<u>First Selectman</u>	<u>Additional Appropriation</u>
<u>\$xxxxxxx</u>	P935 57350	Legal Settlement - Lachira v. TOG

Item Withdrawn

COMPTROLLER'S REPORT

Mr. Mynarski asked the Board if there were any comments or questions about his Report. Ms. Weissler asked Mr. Mynarski to expand on his reference to bank credit cards. Mr. Mynarski indicated that the Town is researching a Bank of America credit card for purchases, payments and emergency purchases that offers a rebate. This program is already in use in Weston and Norwalk and Bank of America has indicated that such a program for Greenwich could generate rebates of between \$160,000 to \$232,000. He offered the example of Staples, Costco and other vendors who could be paid by credit card rather than checks. The Law Department is reviewing the agreement and Mr. Mynarski anticipated being able to confirm the change shortly. Mr. Mason asked if the Audit would be completed ahead of schedule, to which Mr. Mynarski responded that the BET would receive a draft in November to be voted on in December so that it could be submitted to the State in compliance with its December 31st deadline.

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

Acceptance of the Treasurer's Report Showing Investment Portfolio Activity for September 2016

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

BET Standing Committee Reports

Policy and Procedure Committee – Mr. Ramer reported that the Committee had met to discuss adding electronic participation at Special Meetings. The written report, including contributions by Ms. Kiernan, noted that there was no present process for electronic participation but the FOI and Roberts Rules had already allows for adoption of this option. The Committee offered language

for amendments to the BET Policies and Procedures Handbook that would provide for electronic participation and voting at Special Meetings of the BET, but which would continue to require that quorum requirements be met only by actual physical presence, and which made no provision for electronic participation and voting at Regular Meetings. Ms. Weissler added that she hopes that this will be a first step to allowing electronic participation for all meetings. Mr. Lash urged that this not be implemented until the IT Department installed a higher quality conferencing phone system because the current quality was inadequate for participation. The proposed amendments were passed by a vote of 11-0-0.

BET Liaison Reports

CD Block Grant– Mr. Mason thanked Ms. Krumeich and Mr. Drake for their work on the Committee as well as attending site visits with Ms. Erfe.

CIP Capital Improvement– Mr. Mason and Ms. Moriarty were continuing to follow up on the preparation of prioritization of the CIP projects.

Education– Ms. Krumeich and Mr. Lash reported that the RTM would be reviewing the outcome of arbitration and mediation of the Greenwich Municipal Employees Association contract negotiations at its October meeting.

BET Special Project Team Reports

Labor Contracts – Mr. Mason commented that the BET’s budget building process would be challenging this year because of the Fire, Police, Teachers and LIUNA contracts that would need to be settled and integrated into FY2018 expenses.

CLOSE PUBLIC HEARING - CDBG PY2017 BUDGET

Upon a motion by Mr. Mason, the Board voted 11-0-0 to close the Public Hearing portion of the BET’s meeting at 8:36 pm.

NEW BUSINESS

Report on Economic Conditions – Mr. Gieger commented that Conveyance Tax receipts and Building Permits were trending favorably while interest income reflected slightly higher rates in September. He commented that year-to-date spending was at last year’s level. Mr. Mason thanked Mr. Gieger for restarting the report comparing September FY2016 against September FY2017 spending; he commented that it was very helpful in understanding departmental spending.

OLD BUSINESS

Policy & Procedures Committee Proposed BET Rules Change – discussed under *Standing Committee* paragraph.

2017 BET & BET Committees Calendar Review & Approval – Mr. Mason pointed out that some of the upcoming meetings would be moved to GHS because of the requirement of televised taping of meetings.

Upon a motion by Mr. Mason, the Board voted 11-0-0 to approve the 2017 Calendar as presented.

Budget Guidelines Update – Mr. Lash presented a second draft of the Budget Guidelines reviewed at the Budget Committee and previous BET meeting. He noted that Exhibit #1 is an estimate; that although the format was not different, the conditions and assumptions in Exhibit #1 had changed for departments and Appointing Authorities. He commented that three things were constant: the need for seeking money to cover the gap between income and expenses; that the BOC Guidelines' expectations were addressed in the examples; and, the identification of potential additional cost savings in the event that the BET or RTM reduced the budget.

Ms. Kiernan made several observations when commenting that she was supportive of the Guidelines: the timing of their presentation served the needs of Department heads, BOE and Appointing Authorities planning; the requests of cost-saving proposals from Departments, BOE and Appointing Authorities was an important request in the draft and, the initiative to update the Capital Plan was another critical initiative proposed in the draft. She noted several of the variables still unknown at this time, including the FY 2016 audit, Healthcare and the actuarial valuation of the Retirement System.

Ms. Tarkington thanked Mr. Lash and Ms. Kiernan for their work on the Budget Guidelines and inclusion of some of her proposed changes. She added that substantially more work is needed to contain the growth in the Town's operating and capital costs, and lower the mill rate increases. When the Budget Guidelines were first established the CPI for our BLS metropolitan area for the previous 5 years averaged 2.33% annually reflected in the 3.50% mill rate increases at that time, while for the current past 5 years the CPI averaged a lower 1.40% annually reflected in the lower 2.75% annual mill rate increases. She stated that as reported by the BLS for the local area total compensation costs for private industry workers increased only 1.40% for the December 2015 annual period, while the Town's wages increased substantially more. In addition, current Town-wide employee benefits total more than 67% of cash costs of wages, substantially above that of the private sector. She added, relating to capital, there is currently an approved \$167 million of encumbrances and available budget.

Upon a motion by Mr. Ramer, seconded by Mr. Mason, the Board voted 11-0-0 to add the Budget Guidelines to the Agenda as an item for voting.

Ms. Weissler commented that the figures showed the need for a reduction of \$9 million in spending to achieve a 2.75% Mill Rate increase. She suggested that the First Selectman and Superintendent should take the lead in proposing a budget that reflects this targeted savings and also addresses the request in the Guidelines for each department to identify additional cost savings measures. She was concerned that the Town is at risk for losing the remaining \$3 million in State funding because of the State's precarious financial position. She reiterated her suggestion that the BOE should consider outsourcing the School lunch program.

Upon a motion by Mr. Drake, seconded by Ms. Kiernan, the Board voted 11-0-0 to approve the FY2018 Budget Guidelines.

Ms. Kiernan asked that the date on Exhibit 1 of the Budget Guidelines be changed from September 1 to October 17, 2016.

Approval of the BET Meeting Minutes

Approval of the BET Meeting Minutes of the Special Meeting of August 3, 2016

Upon a motion by Mr. Mason, the Board voted 11-0-0 to accept the Minutes of August 3, 2016 Special Meeting.

Approval of BET Meeting Minutes of the Regular BET Meeting of September 19, 2016. Mr. Drake noted that the redline copy provided at the beginning of the meeting was the text that was being voted on.

Upon a motion by Mr. Drake, the Board voted 11-0-0 to accept the redline version of the Minutes of the Regular BET Meeting of September 19, 2016.

CHAIRMAN'S REPORT

Mr. Mason remarked that he appreciated the attendance of the RTM District Chairs and Committee Chairs at the Special Meeting. He indicated that he had had conversations with the BOC and Finance Committee and thanked the BET members for their work on the FY2018 Guidelines.

ADJOURNMENT

Upon a motion by Ms. Krumeich, seconded by Ms. Oberlander, the Board voted 11-0-0 to adjourn at 9:01 P.M.

The next Regular Meeting of the BET is scheduled on Monday, November 21, 2016 at 6:30 P.M. in the Town Hall Meeting Room.

Respectfully submitted,



Catherine Sidor, Recording Secretary



William Drake, Clerk of the Board



Michael S. Mason, Chairman