



MINUTES of the regular meeting of the Board of Estimate and Taxation held on Monday, December 20, 2010 in the Town Hall Meeting Room, Greenwich, CT.

Chairman Stephen Walko called the meeting to order at 6:30 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
Nancy E. Barton
William R. Finger
Randall Huffman
William G. Kelly
Michael S. Mason
Arthur D. Norton
Laurence B. Simon
Leslie L. Tarkington

Absent: Jeffrey S. Ramer

Selectmen: Peter Tesei, First Selectman; Drew Marzullo

Staff: Peter Mynarski, Comptroller; Ted Gwartney, Assessor; Robert Shipman, Assistant Assessor; John Crary, Town Administrator

NON-ROUTINE APPLICATIONS

RF-4 Retirement Board – Contract Approval

Mr. Norton stated that the Retirement Board wishes to amend the current Investment Management Agreement with Loomis, Sayles & Company, L.P., in order to add two funds: Loomis Sayles Fixed Income Fund and Loomis Sayles Institutional High Income Fund. \$20,000,000 will be invested in each fund

Upon a motion by Mr. Norton, seconded by Mr. Pellegrino, the Board voted 11-0-0 to approve the amendment to the contract.

SE-9 First Selectman – Additional Appropriation \$4,000.00

Additional Appropriation:

\$4,000.00 to P935-57350

Settlement: Casey v. TOG

\$4,000.00 from Risk Fund Balance

Ms. Barton explained that this is a settlement from a routine litigation case. A brief discussion followed regarding the Town's insurance policy.

Upon a motion by Ms. Barton, seconded by Mr. Campbell, the Board voted 11-0-0 to approve the application.

PD-3 Police Department – Additional Appropriation \$211,036.00

Additional Appropriation:

\$211,036.00 to Z213-59120-11107 Automotive Equipment
\$211,036.00 from Capital Non-Recurring Fund Balance

Mr. Mason explained that this appropriation will allow the Town to purchase nine police cars ahead of their routinely scheduled replacement time in the next fiscal year, due to the Ford's planned discontinuation of the model currently used. Mr. Mason gave a brief overview of the vehicle model selection process. Mr. Walko stated that this request is unique since it has already been approved by the RTM.

Upon a motion by Mr. Mason, seconded by Mr. Simon, the Board voted 11-0-0 to approve the application.

ROUTINE APPLICATIONS

GM-1 GEMS – Release of Conditions \$1,731,247

Release of Conditions:

\$1,731,247 to A440-51490 Professional - NOC

Mr. Walko explained that every year there is a condition on approximately half of the budgeted funding for GEMS, to review their financials to make sure they're on track with their annual budget as well as reviewing the details of service level performance including response times.

Upon a motion by Mr. Pellegrino, seconded by Mr. Mason, the Board voted 11-0-0 to approve the application.

ASSESSOR'S REPORT

Mr. Gwartney presented the Assessor's Report to the Board and reported, regarding the 2010 Revaluation, there have been 528 informal hearings scheduled, of which 75% have been heard and the remainder have been scheduled for January. Mr. Gwartney stated, regarding the 2005 Revaluation litigation matters, that three court cases have been settled and two withdrawn, and that the Law Department will be making a recommendation to the Selectmen regarding a third outstanding case.

In response to Mr. Pellegrino, Mr. Gwartney explained that after an informal hearing the recommendations are reviewed and are entered into the data processing system, and that a letter will be sent in early February to whomever has had an informal hearing which will give them the opportunity to file an appeal to the Board of Assessment Appeals, by March 21, 2011. A brief discussion followed regarding possible tax increases.

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

COMPTROLLER'S REPORT

Mr. Mynarski presented the Comptroller's Report to the Board and gave an overview of the Lease Accounting Project being undertaken by the RTM Finance Committee. Mr. Mynarski stated that there are currently thirty-one leases, of which fifteen are one dollar per year and two are ten dollar per year leases, and several rental agreements. The Finance Dept. has scanned the leases and sent them to the RTM Finance Committee which will analyze the leases to determine the cost and or the financial benefit to the Town. Mr. Simon suggested that a statement of work for this project be sent to BET members.

Mr. Mynarski stated that the CIP Committee, led by the First Selectman, held a public hearing on October 26, 2010, and that the CIP Committee is now ranking the projects. There are sixty-six general fund projects and fourteen others (i.e., sewer maintenance, sewer improvement, Nathaniel Witherell, golf course), totaling \$76mm. Of this total, two projects represent \$53mm: the Greenwich High School MISA and the Central Fire Station.

In response to Mr. Pellegrino, Mr. Mynarski stated that the Town received \$772,500 in school reimbursement funds from the State, for Hamilton Avenue School, which was unbudgeted, general fund revenue. There was a notification from the State that there was over \$1mm accrued and owed for each of the Hamilton Avenue and Glenville School projects, in school construction reimbursement, and within two to five years the State will audit the projects and, depending on the cost of the projects, will release the final funds. The funds for Hamilton Avenue were paid through the mill rate, so the reimbursement funds will go straight to the general fund. The Glenville School project was bonded, so those reimbursement funds would be used to repay the bond holders.

A discussion followed regarding the cash flow forecast, the tax collection rate, and other revenues.

Upon a motion by Mr. Pellegrino, seconded by Mr. Norton, the Board voted 11-0-0 to accept the Comptroller's report.

ACCEPTANCE OF TREASURER'S REPORT SHOWING INVESTMENT PORTFOLIO ACTIVITY FOR THE PERIOD OF November 1, 2010 – November 30, 2010

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

BET Standing Committee Reports

Audit Committee Report
Investment Advisory Committee Report
Human Resources Committee Report

BET Liaison Reports

Nathaniel Witherell Report

BET Special Project Team Reports

Nathaniel Witherell Building Report
Revaluation Report

CHAIRMAN'S REPORT

Mr. Walko stated that all questions regarding the 2010 Revaluation have been and should be forwarded to the Assessor.

Mr. Walko and Ms. Barton have completed the evaluations for the Comptroller and the Assessor, which will be proposed at the January 2011 meeting, and they are continuing to explore amending this process, in order for these evaluations to be on a fiscal year basis and to be consistent with all other M/C employees.

Mr. Walko announced that there will be a presentation regarding the Central Fire Station on January 6, 2011 at 7:00 P.M. in the Town Hall Meeting Room and encouraged all BET members to attend.

Mr. Walko commented that the process that was put in place, at least 5 - 7 years ago, of the departments living within their budgets, is working well, allowing the BET to work on some other issues.

Regarding the 2010 Revaluation informal hearings, Ms. Tarkington stated that in addition to normal business hours, there are evening and Saturday appointments available.

OLD BUSINESS

Method of Electing BET

Mr. Norton introduced a motion that would direct the Law Department to draft changes to the Town Charter allowing for direct election of members of the BET on a four year staggered term basis that would allow for a majority/minority BET in accordance with State statutes. Mr. Walko stated that this issue arose during the last budget cycle and that seven affirmative votes are required to approve this request. Mr. Campbell gave an overview of the current BET election process which restricts each party to nominating candidates for no more than half of the Board positions, and addressed the intent of the proposed motion to give the voters a choice in who is elected to the BET by allowing any party to nominate candidates for as many as 8 out of the 12 Board positions. Mr. Kelly expressed support for competitive elections but not for changing the

bi-partisan composition of the Board which he felt worked well together. Ms. Barton commented on the Town Charter which ensures that the BET be a bi-partisan board, and pointed out that it was not an executive or legislative board. Mr. Walko further commented on the importance of this discussion. A lengthy discussion followed regarding direct elections, competitive elections, and party representation.

Upon a motion by Mr. Norton, seconded by Mr. Campbell, the Board voted 6-5-0 (Campbell, Mason, Norton, Pellegrino, Tarkington, Walko in favor; Barton, Finger, Huffman, Kelly, Simon opposed). Since seven affirmative votes were required to pass, the motion failed.

NEW BUSINESS

Approval of the Comprehensive Annual Financial Report, Federal and State Single Audits and Acceptance of the Management Letter for the Year Ending June 30, 2010

Mr. Norton discussed the Comprehensive Annual Financial Report (CAFR), the Federal and State Single Audits and the Management Letter from the outside independent auditor, Blum Shapiro. Mr. Norton pointed out that the CAFR was prepared using three different methodologies: on the basis of generally accepted accounting principles, known as GAAP, on a budgetary basis, and on an accrual basis; subsequently the fund balance that appears for each methodology will vary. Mr. Norton went on to discuss the actions of the Audit Committee which met with the outside auditor before they commenced their assignment making sure they identified areas which could be weak or where fraud could be potentially a problem for the Town. In response to the Audit committee's request, and as part of their review process, the outside auditors produced the Management Letter in which thirteen items were highlighted for further review and that need to be addressed by various Town Departments.

Mr. Pellegrino shared comments about the importance of the CAFR report for citizen's to gain an understanding of the Town's finances.

A discussion followed regarding an earlier distribution of the reports for review by the BET, posting of the report online, notification to the RTM, and the uses of these reports by rating agencies.

Upon a motion by Mr. Norton, seconded by Mr. Pellegrino, the Board voted 11-0-0 to approve the Comprehensive Annual Financial Report and Management Letter for the Fiscal Year July 1, 2009 – June 30, 2010.

Upon a motion by Mr. Norton, seconded by Mr. Mason, the Board voted 11-0-0 to approve the Federal Single Audit Report, June, 30, 2010.

Upon a motion by Mr. Norton, seconded by Mr. Pellegrino, the Board voted 11-0-0 to approve the State Single Audit Report, June, 30, 2010.

Accessibility of Information Pertaining to Land Use Factors

Upon a motion by Ms. Tarkington, seconded by Mr. Finger, the Board voted 11-0-0 to take this item out of order.

Mr. Walko stated that a citizen has approached the Assessor to make available information that was not available on the Proval Date Base CD. Due to the BET vote several months ago regarding information to be made available online; the Assessor referred this request to the BET. In response to Mr. Walko, Mr. Gwartney stated that the information requested is public information, which currently can be obtained by visiting the Assessor's Office and is only available on the Field Card and not the terminals in the Assessor's office.

Upon a motion by Mr. Pellegrino, seconded by Mr. Simon, the Board took up discussion on this matter. A discussion followed regarding the types of public information available in the Assessor's Office, accessibility, public input, costs, and use of public information.

Upon a motion by Mr. Huffman, seconded by Mr. Pellegrino, the Board voted 11-0-0 to refer this matter to the Revaluation Project Team, to report to the BET in February 2011.

Approval of RFP for Outside Study of Finance and HR Departments

Mr. Campbell explained that \$75,000 is included in the budget for RFP for an outside study of the Finance and HR Departments. The Comptroller has drafted a preliminary RFP for the BET to hire a consultant to conduct a study of the Human Resources, the Retirement Administration, and the Finance Departments, to include the following areas of interest; the department organizational structure, staffing levels, opportunities for cross operational effectiveness, and efficiencies of the prospective department operations. The Human Resources Committee adopted two resolutions at its' December meeting; one to approve the draft RFP; the second to appoint a special committee consisting of the Comptroller, the Human Resources Director, Mr. Campbell, and Mr. Simon, to work together to finalize the RFP.

Mr. Walko requested that the Town Administrator also be used as a resource and to make sure that the First Selectman's Office has some input.

Upon a motion by Mr. Campbell, seconded by Mr. Mason, the Board voted 11-0-0 to appoint Mr. Campbell and Mr. Simon to a Special Committee to work with the comptroller and the Human Resources Director to finalize the RFP.

APPROVAL OF MINUTES

BET Regular Meeting, November 15, 2010

Upon a motion by Mr. Pellegrino, seconded by Mr. Mason, the Board voted 10-0-1 (Mr. Kelly abstained) to approve the Regular Meeting Minutes of the BET from November 15, 2010.

ADJOURNMENT

There being no further business before the Board, the meeting was adjourned at 7:57 P.M.

Respectfully submitted,



Maria Bocchino, Recording Secretary



Joseph L. Pellegrino, Clerk of the Board



Stephen G. Walko, Chairman