



MINUTES of the regular meeting of the Board of Estimate and Taxation held on Monday, May 18, 2009 in the Town Hall Meeting Room, Greenwich, CT.

Chairman Stephen Walko called the meeting to order at 6:32 p.m., after which the members pledged allegiance to the flag.

Board members in attendance:

Stephen G. Walko, Chairman  
Robert S. Stone, Vice Chairman  
Leslie L. Tarkington, Clerk  
Nancy E. Barton  
James S. Campbell  
William R. Finger  
William G. Kelly (6:55 p.m. arrival)  
Edward T. Krumeich, Jr.  
Michael S. Mason  
Arthur D. Norton  
Jeffrey S. Ramer  
Laurence B. Simon

Selectmen: Peter Tesei, First Selectman; Peter Crumbine, Lin Lavery

Staff: Peter Mynarski, Comptroller; Roland Gieger, Budget Director; Ted Gwartney, Assessor; Robert Shipman, Assistant Assessor; Raymond Augustine, Director of Financial Operations, Nathaniel Witherell; Samuel Deibler, Director, Commission on Aging

Other: David Ormsby, Chairman and Lloyd Bankson, Nathaniel Witherell Board.

Mr. Tesei introduced and welcomed Greenwich High School senior interns Lexie Merrick, Alexandra Poole, and Valerie Leone.

**ROUTINE APPLICATIONS – from Budget Committee:**

**AG-1 Aging Commission – Transfer - \$11,000**

Transfer:			
\$ 10,000	to	A196-53400	Food
\$ 1,000	to	A196-53350	Custodial
\$ 10,000	from	A196-51300	Temporary Salaries
\$ 1,000	from	A196-54150	Maintenance of Furniture

PW-7 DPW – Transfer - \$300,000

Transfer:

\$ 125,000	to	A312-51010	Regular Salaries - Highway
\$ 175,000	to	A312-53750	Highway Materials - Highway
\$ 75,000	from	A301-51010	Regular Salaries - Administration
\$ 75,000	from	A321-52510	Cleaning Services - Waste Disposal
\$ 75,000	from	A345-51010	Regular Salaries - BC&M
\$ 75,000	from	A351-51010	Regular Salaries - Building Inspection

FL-1 Fleet Department – Transfer - \$137,000

Transfer:

\$ 126,000	to	A380-53500	Fuels/Oils/Lubes
\$ 11,000	to	A380-53510	Parts-Auto Equipment
\$ 36,000	from	A380-51010	Regular Salaries
\$ 5,000	from	A380-52500	Cleaning Services
\$ 4,000	from	A380-52100	Travel Expense
\$ 30,000	from	A380-54250	Maintenance of Auto Equipment
\$ 62,000	from	A380-54920	Less JV Credits

FL-2 Fleet Department – Additional Appropriation - \$5,525

Additional Appropriation:

\$ 5,525	to	Z380-59120-29045	Auto Equipment
\$ 5,525	from		Capital Non-recurring Fund Balance

Upon a motion by Ms. Tarkington, seconded by Mr. Mason, the Board voted 11-0-0 to approve the routine applications from the Budget Committee with Mr. Kelly absent.

**ASSESSOR'S REPORT**

Mr. Gwartney presented the Assessor's Report to the Board.

In response to Mr. Simon, Mr. Gwartney stated that there are 65 volunteer firefighters who qualify for the volunteer firefighter's tax credit. The total cost to the Town is \$45,500 and the maximum credit is \$1,000 per firefighter.

In response to Mr. Stone, Mr. Gwartney stated that on May 15, 2009 the Governor signed the Bill to enable a Town to delay its revaluation to the year 2011. The Town of Greenwich would be eligible to defer for one year, as the BET already deferred the revaluation from 2009 to 2010.

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

**BET COMMITTEES' AND SPECIAL PROJECT TEAMS' REPORTS**

*Audit Committee – May 2009 – Mr. Norton*

*Glenville School Building Committee – April 21, 2009 – Mr. Norton*  
*Human Resources Committee – May 2009 – Ms. Tarkington*  
*Nathaniel Witherell Town Building Committee – May 2009 – Ms. Tarkington*  
*Ad-Hoc OPEB Committee and Trust Board – May 2009 – Mr. Stone*

A brief discussion followed concerning the federal stimulus program and obtaining additional funding from grants for a photovoltaic roof for Glenville School.

### **COMPTROLLER'S REPORT**

Mr. Mynarski presented the Comptroller's report to the Board and explained changes made to the cash flow forecast report. In response to Mr. Simon, Mr. Mynarski explained the process followed to change the interest rate paid on employees' pension contributions and the discount rate, which will be considered when the Retirement Board meets on May 28, 2009.

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

### **ACCEPTANCE OF TREASURER'S REPORT SHOWING INVESTMENT PORTFOLIO ACTIVITY FOR THE PERIODS OF APRIL 1, 2009 – APRIL 30, 2009**

Mr. Mynarski presented the Treasurer's report to the Board.

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

### **APPROVAL OF BET MEETING MINUTES**

BET Regular Meeting, April 20, 2009

Upon a motion by Mr. Finger, seconded by Mr. Ramer, the Board voted 11-0-0 to approve the Regular Meeting Minutes of the BET from April 20, 2009 with Mr. Kelly absent.

### **OFFICER'S REPORT**

Mr. Stone spoke about the OPEB Trust Board's search for a potential member.

Mr. Walko stated that the RTM had passed the FY 2009-2010 Budget with a \$219,000 reduction. He met with the Northwest Greenwich Association. Also, Mr. Walko, Mr. Kelly, and Mr. Tesei met with the Fire Chief to discuss backcountry fire protection. The BET June 15, 2009 meeting will start at 5:30 p.m. in order for the membership to attend the PTAC annual dinner. The BET will celebrate 100 years at its July 20, 2009 meeting. And, Mr. Walko hopes the BET August 17, 2009 regular meeting will not be needed.

### **OLD BUSINESS**

## **NEW BUSINESS**

### **Nathaniel Witherell – Long Range Business Plan Resolution**

Mr. Mynarski gave an overview of the RFP process to retain a consultant to review the Nathaniel Witherell long range business plan. A brief discussion followed.

Upon a motion by Mr. Simon, seconded by Mr. Mason, the Board voted 12-0-0 to approve the following Resolution:

Resolved, that the BET authorizes the Comptroller to engage the firm of Health Dimensions Group, 7101 Northland Circle, Suite 110, Minneapolis, MN 55428 to perform a feasibility study of the Nathaniel Witherell Long-Range Business Plan.

Further resolved, that the fees for this engagement will be capped at \$67,500, plus direct expenses for travel expenses, lodging, and ancillary usage (e.g. data acquisition).

### **Creation of a Revolving Fund for Nathaniel Witherell – First Reading**

Mr. Mason gave an overview of the Nathaniel Witherell's request to establish a revolving fund. Mr. Mason stated that the Budget Committee had referred the item to the Audit Committee because the request is a governance item. Mr. Norton stated that the Audit Committee approved the application with no specific start date, pending the presentation of a memorandum and pro forma fund statement by Blum Shapiro at the Audit Committee's June 11, 2009 meeting. A discussion followed concerning the timeline, and the approval process. Mr. Ormsby said that the item will be on the RTM Agenda for its June 8, 2009 meeting.

### **Resolution for Senior Tax Relief Cap**

Mr. Gwartney gave an overview of the applications for the senior tax credit. Mr. Walko gave an explanation of the Senior Tax Relief Resolution. A discussion followed concerning calculations and limits. Mr. Simon stated that there are 811 approved applicants, including 229 that were carried forward and gave an explanation of the calculations.

Mr. Krumeich provided background on the senior tax program and stated that the amount of the program has decreased, from when it was proposed eight years ago. An ordinance was passed increasing the credits for participants and extending the eligible income range to \$60,000. The BET passed a version of this ordinance. Some of the changes that the BET made were that a minimum number for this program would be budgeted and the BET would determine what is affordable when the mill rate is set. He said Greenwich can afford to give its seniors' tax relief.

Mr. Walko stated that the reason why the Resolution was set up and established that way was so that the BET could review it in the context of the mill rate calculation. When the ordinance was passed, it was passed with the understanding that there was no guarantee of any increase. In the fiscal year budget recently approved by the RTM (FY 2009-2010) there are zero percent increases across the board; there are labor increases, and there are also expenses that have been trimmed. Last year the credit amount was \$570,000, so providing tax relief to the \$39,000

income level, already is potentially close to a \$200,000 increase. The BET is already increasing this tax relief and any tax credits that are given, comes from those other tax payers who have to make up the difference. In the current and upcoming fiscal year, which has been and will be difficult on all parties involved, most notably on those who have been laid-off and potentially those who will be laid-off, the BET needs to be cognizant that any increase to the senior tax relief will become the burden of other tax payers.

A discussion followed regarding qualifications and costs of the program.

Upon a motion by Mr. Krumeich, seconded by Ms. Barton, the Board voted 4-8-0 to oppose the following Resolution with Mr. Krumeich, Ms. Barton, Mr. Kelly, Mr. Ramer approving and Mr. Walko, Mr. Mason, Mr. Stone, Mr. Simon, Ms. Tarkington, Mr. Norton, Mr. Campbell, Mr. Finger opposed:

Resolved, that the BET establish a Senior Tax Credit in the amount not to exceed \$910,000, pursuant to the Senior Tax Relief Ordinance Sec. 12-6.1.

Upon a motion by Ms. Tarkington, seconded by Mr. Mason, the Board voted 10-2-0 to approve the following Resolution with Mr. Krumeich and Ms. Barton opposed:

Resolved, that the total abatement of property tax revenue granted under the Senior Property Tax Relief Ordinance Sec. 12-6.1 shall be an amount not to exceed \$735,000 for the fiscal year 2009-2010, for applicants with an income of no greater than \$39,000.

#### General Fund Tax on Assessment List of October 1, 2008 for FY 2009-2010

Mr. Walko provided an overview of the background information available to the Board.

Upon a motion by Mr. Mason, seconded by Mr. Stone, the Board discussed the following Resolution ("Main Resolution") for a General Fund Tax Rate of 8.316 Mills:

Resolved, that a tax at the rate of 8.316 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 July 1, 2009 through June 30, 2010.

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.

Mr. Mason gave an overview of the process that leads to the mill rate approval. Mr. Mason described the Budget Committee's open process, that the Budget Guidelines laid out the intent of the mill rate increase of between 2%-4%, but there was intent to keep the mill rate at an increase of 3.5%. The Budget from inception always had a 3.5% increase in its calculations, the

Budget supported unanimously by the Budget Committee had a mill rate increase of 3.5% as did the Budget approved by the full BET. This is also the mill rate seen by the RTM when it approved the Budget with only \$219,000 removed, and may have approved the Budget with the expectation that there would be a resulting 3.5% increase in taxes. The addition of the increase of funding (\$165,000) for the Senior Tax Relief passed by the Board together with the RTM reduction, is equivalent to the 3.5% mill rate proposed.

A lengthy discussion followed concerning the establishment of the proposed 3.5% mill rate increase. Almost every member of the BET commented on whether to increase the mill rate by 3.5% or 3.99%. Issues considered included the forecasted negative contingency fund balance at the end of the current fiscal year, and that the contingency fund in the FY 2009-2010 Budget for unforeseen appropriations is limited. It was raised that there is a potential for increased public school enrollment in September 2009 due to the economic climate, and that forecasted Town revenues during the upcoming fiscal year may be difficult to achieve. Also, considered were labor contracts under negotiation, and the anticipated increased pension fund obligation for FY 2010-2011. Conversely, it was indicated that increasing the mill rate above the expected mill rate increase of 3.5% would send the wrong message. Also taken into consideration during the discussion was that the economy is putting financial pressure on the Town's tax payers, who should not be forced to pay what would be the highest tax increase in ten years in this economically challenging time. They are also facing declining income and asset values and rising unemployment. Two amendments to the Main Resolution were presented.

Upon a motion by Mr. Krumeich, seconded by Ms. Barton, the Board voted 5-7-0 to oppose the amendment of the Resolution to increase the Mill Rate from 8.316 to 8.356 with Mr. Krumeich, Ms. Barton, Mr. Kelly, Mr. Finger, Mr. Ramer approving and Mr. Walko, Mr. Mason, Mr. Stone, Mr. Simon, Ms. Tarkington, Mr. Norton, Mr. Campbell opposed.

Upon a motion by Mr. Simon, seconded by Mr. Krumeich, the Board voted 6-6-0 to oppose the amendment of the Resolution to increase the Mill Rate from 8.316 to 8.336 with Mr. Simon, Mr. Krumeich, Ms. Barton, Mr. Kelly, Mr. Ramer, Mr. Finger approving and Mr. Walko, Mr. Mason, Mr. Stone, Ms. Tarkington, Mr. Norton, Mr. Campbell opposed.

The Board returned to the Main Resolution by Mr. Mason, seconded by Mr. Stone, and voted 11-1-0 to approve a General Fund Tax Rate of 8.316 Mills with Ms. Barton opposed.

#### Sewer Maintenance Fund Tax on Assessment List of October 1, 2008 for FY 2009-2010

Upon a motion by Ms. Tarkington, seconded by Mr. Norton, the Board voted 12-0-0 to approve the following Resolution for the Sewer Maintenance Fund Tax Rate of 0.374 Mills:

Resolved, that a tax at the rate of 0.374 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 July 1, 2009 through June 30, 2010.

#### Sewer Improvement Fund Tax on Assessment List of October 1, 2008 for FY 2009-2010

Upon a motion by Ms. Tarkington, seconded by Mr. Mason, the Board voted 12-0-0 to approve the Resolution for the Sewer Improvement Fund Tax Rate of 0.055 Mills:

Resolved, that a tax at the rate of 0.055 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 July 1, 2009 through June 30, 2010.

**ADJOURNMENT**

There being no further business before the Board, the meeting was adjourned at 8:53 P.M.

Respectfully submitted,

---

Maria Bocchino, Recording Secretary

SUBJECT TO APPROVAL

---

Leslie L. Tarkington, Clerk of the Board

---

Stephen G. Walko, Chairman