

**Board of Ethics Commission
Special Meeting
August 24, 2004
Ludlow Room – Windsor Town Hall
Approved Minutes**

Present: Chairman James Parker and Commissioners George Griffin, George Morgenthaler, and James Mason.

Absent: Abraham Morrison

Staff: Peter Souza, Acting Town Manager; Steve Kosofsky, Tax Assessor; Greg Pavitt, Finance Director, Vincent Oswecki, Town Attorney

Guests: Mayor Donald Trinks, Deputy Mayor Curtis, Councilors Dean, Ellingwood, Jepsen, and Simon and Jane Garibay, Board of Education

1. Call to Order - Chairman Parker called the meeting to order at 7:00 p.m.
2. New Business

a) Request for advisory opinion regarding FY 2005 Budget Tax Increase

Councilor Jepsen read his request to the Board of Ethics asking for their review of the allegations of Mr. William Generous, as identified in his letter dated July 13, 2004.

Mr. William Generous addressed the Board and outlined his financial background. Mr. Generous feels there was a misrepresentation in calculating the tax increase. Mr. Generous stated that when he says "misrepresentation" it should be thought of as a "mistake".

With regard to his Ethics complaint, Mr. Generous questions if the misrepresentation was willful and if the Town Council was demonstrating a lack of will in addressing this matter.

Mr. Generous distributed a handout "Windsor Residential Real Estate Tax Increase Distribution Estimates" along with 10 pages of quotations made by staff and Town Council members.

Mr. Generous identified former Town Manager Leon Churchill, Acting Town Manager Peter Souza, Tax Assessor Steve Kosofsky, and Finance Director Gregg Pavitt as those persons directly involved in the median value calculations. Mr. Generous reviewed his allegations that there was a plan to skew the tax increase.

When he requested the Tax Assessor provide a copy of tax increases by residence, he was told this did not exist. Mr. Generous is of the opinion that the streets with larger homes realized a smaller tax increase.

In response to Commissioner Griffin, Mr. Generous indicated that this deception could have happened in the way he suggested in his Presentation Outline given at the August 24, 2004 Board of Ethics Meeting. Mr. Generous feels this should be examined independently. Mr. Generous feels that there have been several contradictory statements with regard to the \$131,000 and the \$138,000 dollar values.

Mr. Generous stated that one motive might be the size of the budget. Chairman Parker asked when Mr. Generous first contacted staff with his concern regarding the tax increase. Mr. Generous indicated that he first sent an email regarding his personal tax increase.

Chairman Parker questioned who would benefit from a higher budget from Mr. Generous' List A and List B. He also questioned how they could reduce the tax increase only on some streets.

The Board of Ethics agreed that some serious mistakes were made and they would like to further investigate the matter.

Moved by Mr. Griffin, seconded by Mr. Mason to recess the meeting at 8:52 p.m.

The meeting reconvened at 9:00 p.m.

Attorney Oswecki stated that former Town Manager Churchill has been identified as a party in the allegations and that he should have been made aware of this meeting in order for him to respond. Mr. Souza indicated that Mr. Churchill has been informed of the happenings and has submitted a video tape in response.

Acting Town Manager Souza gave a brief statement in which he indicated that the Town Manager's office focuses on policy and service related issues during the budget season and relies on the finance department for numbers and budget calculations.

During the preparation of the FY 2005 budget, the use of \$138,000 as the median valued home was continued as in the FY 2004 budget preparation. In order to show the difference from the previous revaluation year, \$131,000 (the median house value in 1999) should have been used.

Mr. Souza indicated that in mid to late May, Councilman Jepsen questioned the calculation of the tax impact on the median valued home.

Mr. Souza agrees that mistakes have been made, but that they were not done intentionally or deceptively. He believes that improvements can be made to the budget process. The Leadership Team will focus on ways to assure quality control and better communication between the Town Council and the general public.

Mr. Souza indicated he became aware of the tax increase concern on May 12, 2004. Mr. Griffin was concerned with a statement that the Registrar of Voters was told not to respond to a request of Mr. Generous. Mr. Souza indicated that the Registrar's do not work full time and when they contacted the Town Manager's office, Mr. Souza's office indicated that they would handle the FYI request. There was confusion in that the Town Manager's staff believed their response covered the request brought to the Registrar's office.

Mr. Souza indicated that Mr. Generous spoke with various departments, conversations of which Mr. Souza was not involved in or had knowledge of.

Regarding concerns that the revaluations were skewed, Mr. Souza reminded the Board that the town hires an independent appraiser to conduct the revaluation. There was brief discussion on the shift from commercial to residential burden.

Chairman Parker was concerned with requests for information being asked directly of the departments and not funneling through the Town Manager's office. Mr. Souza indicated that the town strives to provide customer satisfaction and being able to make direct requests is one way to facilitate this. The large requests do involve coordination with the Town Manager's office and Mr. Souza noted that the request to the Town Assessor's office took one week to compile the information and respond.

A video tape from former Town Manager Churchill was played for the Board. Mr. Churchill takes full responsibility for the mistake and questions why an administrative error has been placed in the Board of Ethics for review. He indicated that a review of what took place from an informational and policy standpoint must be completed.

Mr. Churchill indicated that the error that took place was not an unethical act, but an administrative error.

Councilor Simon was most concerned with the incorrect information given to the public. He indicated that if the correct amount were used, a different budget would have been presented to the public.

Chairman Parker stated that during the last Charter Revision, it was the recommendation of that committee to hire an auditor that would report directly to the Town Council. He noted however, that this suggestion was voted down.

Councilor Ellingwood and Deputy Mayor Curtis both briefly addressed the Board.

Councilor Jepsen stated this error will have a long-range impact and feels that the deliberation of the Ethics Commission is a good place to making this right.

Mayor Trinks also addressed the Board. Damage has already been done to the reputation of those specifically identified and indicated his personal difficulty in receiving nasty calls and emails from angered residents. He noted that although he was involved

in the process, Mr. Souza was not ultimately responsible for the budget presentation, however he is taking the brunt of this mistake. Work is currently underway to correct this mistake relative to next year's budget and to assure that this does not happen again.

Mayor Trinks also noted that the Town Council does not have the time to pick out several streets in town and alter their taxes.

Councilor Dean felt that taxpayers should have the opportunity to bring concerns before the various commissions.

Board of Education President Jane Garibay stated that relative to the intent of staff or the Town Council to deceive the public, Ms. Garibay noted that in the past several years the Town and the Board of Education have worked collaboratively and strive to achieve what is best for the town. If the correct percent increase were known, she strongly believes that the Town Council and staff would have indicated this.

Tax Assessor Kosofsky stated that he spoke with Mr. Churchill when Mr. Generous' request of May 12 came in. Mr. Churchill indicated that he would respond to this request. It was noted that this was done in the letter, dated May 14, 2004, from the Town Manager.

Regarding the specific data that Mr. Generous requested, Mr. Kosofsky stated that this information was not available on the database, however when the request came in, the files were "dumped" into the system to provide access. The specific information on each address, however was not "dumped" at the time.

Mr. Kosofsky believes it was when Mr. Generous submitted his request in May that he became aware of any problems. Mr. Kosofsky noted that the only way to change a valuation on someone's home is to review with the appraiser and/or the Board of Assessment. Mr. Kosofsky indicated that the town staff does not have any way to change the value of anyone's property.

5. Adjournment

Moved by Commissioner Griffin, seconded by Commissioner Mason and passed unanimously to adjourn the meeting at 10:00 p.m.

The Board of Ethics will reconvene on August 26, 2004 at 7:00 p.m. to continue discussion and come to a resolution in this matter.

Respectfully submitted,

Janet M. Burke
Recording Secretary