

MINUTES of the regular meeting of the Board of Estimate and Taxation held on Monday, December 19, 2005 in the Town Hall Meeting Room, Greenwich, CT.

The Chairman, Peter J. Tesei, called the meeting to order at 7:05 P.M., after which the members pledged allegiance to the flag.

Board members in attendance:

Peter J. Tesei, Chairman  
Robert S. Stone, Vice Chairman  
Alma Rutgers, Clerk  
Peter E. Berg  
Jara Burnett  
Janice C. Gardner  
Kathryn Guimard  
Edward Krumeich  
Michael Mason  
Valeria P. Storms  
Stephen G. Walko

Board members absent: Laurence B. Simon

Ex-officio Board members: Peter Crumbine, Selectman

Staff: Peter Mynarski, Roland Gieger, Finance Department; Ted Gwartney, Robert Shipman, Assessor's Office; Maureen Kast, Sherry Krieger, Department of Human Resources; James Walters, Chief of Police

Other: Frank Mazza, Chairman, Hamilton Avenue School Building Committee; Leslie Tarkington, James Himes, Nancy Barton, incoming BET members; Chris Antonik, Sylvester Pecora; Neil Vigdor, Greenwich Time

**ROUTINE APPLICATIONS:**

PR-1 PARKING-Transfer -\$200

Request for Transfer:

\$200	to	G219-58500	Advances to Petty Cash
\$200	from	G219-52150	Office Services

TX-1 TAX COLLECTOR - Transfer -\$300

Request for Transfer:

\$300	to	A139-58500	Advances to Establish Petty Cash
\$300	from	A139-53010	Office Supplies

GM-1 GEMS- Release of Conditions- \$1,202,831

\$1,202,831	to	A51490	Professional NOC
\$1,202,831	from		Second Half Payment

Release of Second Half Payment for GEMS for FY 2005-06.

ED-1 BOARD OF EDUCATION- Approval to Use - \$5,000

Request for approval to use:

\$1,200	to	A6200668-51300	Julian Curtiss School
\$2,700	to	A6200668-51060	Julian Curtiss School
\$ 750	to	A6200668-53100	Julian Curtiss School
\$ 250	to	A6200668-52020	Julian Curtiss School
\$ 100	to	A6200668-52050	Julian Curtiss School
\$5,000	from		Grant

ED-2 BOARD OF EDUCATION-Approval to Use - \$500

Request for approval to use:

\$500	to	A6201053-53100	North Mianus School
\$500	from		Grant

PD-1 POLICE- Approval to use - \$38,100

Request for approval to use:

\$37,548	to	F-217-51100	Overtime
\$ 552	to	F-217-57050	Benefits
\$38,100	from		Federal Highway Safety Program Grant

PD-2 POLICE- Approval to use- \$10,275

Request for approval to use:

\$10,126	to	F-217-51100	Overtime Services
\$ 149	to	F-217-57050	Benefits
\$10,275	from		Federal Highway Safety Program Grant

PD-3 POLICE- Approval to Use- \$4,598

Request for approval to use:

\$4,598	to	F-213-53310	Patrol Ballistic Shields
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\$4,598 from F-213-35018 Federal Asset Forfeiture

PD-4 POLICE-Approval to Use- \$6,164

Request for approval to use:

\$6,164	to	F-213-53310	Motorcycle Radio Helmet
\$6,164	from	F-213-35018	Federal Asset Forfeiture

Upon a motion by Ms. Rutgers, seconded by Ms. Burnett, the Board voted 11-0-0 to approve the routine applications.

**REGULAR APPLICATIONS:**

HS-1 BOE-Hamilton Avenue School- Additional Appropriation- \$2,700,000

Request for additional appropriation:

\$2,700,000	to	Z-6801792-59550-25110	Hamilton Avenue Reconstruction
\$2,700,000	from		Capital and Non-Recurring Fund

Upon a motion by Ms. Storms, seconded by Mr. Walko, the Board voted 11-0-0 to approve the regular application.

**HUMAN RESOURCES COMMITTEE ACTIONS & REPORT-APPROVAL OF  
EMPLOYEE HEALTH CARE BUDGET STATUS REPORT**

Ms Kast presented her report on healthcare costs for active employees and for OPEB to the Board.

Based upon five months of actual experience, active employee healthcare costs are projected to be under budget by \$1,337,053 for the year (approximately \$111,000 per month). Ms. Kast believes this is due to being 1.5-2% below the projected headcount. Headcount continues to remain below the original projection, but a gradual increase in headcount is anticipated as vacancies are filled.

Upon a motion by Mr. Stone, seconded by Ms. Storms, the Board voted 11-0-0 to accept the Employee Health Care Status Report.

## ASSESSOR'S REPORT

Mr. Gwartney presented his report to the Board.

The MUNIS Data Bridge is operational but has not yet been tested. The ProVal valuation system is working well. The preliminary Grand List is available on CD ROM and in book form.

The 2005 Personal Property Declarations are being reviewed and entered into the MUNIS database.

The 2004 Supplemental Motor Vehicle file is complete, and records for the 2005 Regular Motor Vehicle list are expected this week.

Administrative support staff has been busy answering information questions from the public. A request will be made for a one-month extension to complete all of the revaluation work. Processing of requests for information and responding to public inquiries is ongoing.

Mr. Gwartney will meet with the Riverside Association and the Greenwich Board of Realtors, both in January 2006.

Copies of all residential assessments are available in the Assessor's office. The web page has also been updated to provide online information pertaining to assessments and sales.

The revaluation is going ahead as scheduled. The formal hearings should be completed by January 20. Approximately 600 residents have come in for informal hearings so far. Their concerns are being addressed. Hearings have been requested for 60 commercial properties.

The Board of Assessment Appeals had an orientation training session to review revaluation techniques. The deadline for these applications is March 20.

Staff members Laura Cirelli and Ali Karimi received five-year service pins.

The veterans' exemption will double as a result of the more than 50% increase on the 2005 Grand List.

The Grand List increased overall by 67%, residential by 61% and non-residential by 115%.

Copies of the Operations Plan and Budget were distributed with the Assessor's Report. The 2006-07 department budget has been submitted to Finance requesting an increase of less than 3% of the previous year budget.

There were no new applications for Public Act 490 Land Classification for the 2005 Grand List.

Mr. Walko wanted clarification on the number of cases in litigation. The Assessor's office is reaching settlements involving seven automobile dealerships and six forest classification cases,

as well as a few residential cases. If the settlement is a decrease it will take effect from the year of the first appeal, in most cases 2001 through 2004. It will not carry into 2005.

Ms. Storms commented on the many opportunities for the public to get information and asked if these things had been done before. Mr. Gwartney said that most had been done before. He explained that most of the information is easy to follow and that a lot of questions are answered at the counter or by residents using the online information, saving the need for an informal hearing. This has resulted in many less than expected appeals from the revaluation.

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

### **BET COMMITTEE & LIAISON REPORTS**

#### **Ad Hoc Committee on OPEB – Stephen Walko**

Mr. Walko gave a status update from the Ad Hoc Committee on OPEB. Committee members had met with the Human Resources and Finance Departments, and Mr. Walko had hoped to have a final report ready for the BET. Additional time will be needed. Mr. Walko asked that the Ad Hoc Committee on OPEB be reconstituted at the January meeting of the new BET so that work can continue, with a final report ready in the first months of 2006.

Mr. Tesei agreed to reconstitute the committee at the Organizational Meeting on January 3, 2006. The reconstituted committee will consist of Mr. Walko, Mr. Simon, Mr. Stone, Mr. Himes, and Mr. Norton. The Comptroller and Town Administrator will also be included.

#### **Audit Committee – Robert Stone**

Mr. Stone reported that the Audit Committee met on December 1, 2005. Members of the Audit Committee approved acceptance and distribution of Internal Audit's Marina Report. Members of the Audit Committee also passed a resolution regarding insurance issues at the marinas. The resolution will be brought before the full Board later on tonight's agenda.

### **COMPTROLLER'S REPORT**

Mr. Mynarski presented his report to the Board.

The Retirement Board met on December 14, 2005 to interview potential small cap value managers and voted to hire Buckhead Consultants.

Plan assets for the Retirement Board were valued at \$309,842,770 as of November 30, 2005, up from the June 30, 2005 value of \$301,715,801.

No meeting of the CIP (Capital Improvement Projects) Committee is scheduled to date. The Law Department has yet to accept and sign off on the ING Clarion contract. The town has revised the

schedule to provide a \$10 million dollar drawdown by April 1, 2006, subject to approval of the contract. Mr. Mynarski stated that the total authorization for the investment is \$15 million or 5% of the total Retirement Fund assets, whichever is higher.

Mr. Mynarski reported that there is a total of \$41 million in unspent monies and that, therefore, we will probably not need to do any borrowing in the 2006-2007 fiscal year.

The town should receive \$300,000, after a \$50,000 deductible, from the insurance carrier toward reimbursement for the flood damages incurred at the Old Greenwich School. A reimbursement from FEMA for the \$50,000 deductible portion is also anticipated.

Workmen's compensation costs are down after 24 weeks.

The Budget Director, Roland Gieger, finalized a full reconciliation between OPEB revenue collected and billings/accounts receivable for July, August and September.

Mr. Gieger is working with the Human Resources Department and USI. With USI assuming responsibility for retiree check processing and management of retiree healthcare benefits, the OPEB reconciliation was included as part of their scope of services.

The Comprehensive Annual Financial Report (CAFR) is in draft form. It must go to the state by December 31. The Annual Report will go out in January. A draft will be sent to Mr. Tesei, as BET Chairman. Mr. Tesei expressed his appreciation to the Finance Department for the work they have done. Mr. Mynarski credited Roland Gieger, Anne Giamarino and Anthony Giovannone.

Upon a motion by Mr. Mason, seconded by Ms. Guimard, the Board voted 11-0-0 to accept the Comptrollers Report.

#### **ACCEPTANCE OF TREASURER'S REPORT SHOWING INVESTMENT PORTFOLIO ACTIVITY FOR THE PERIODS OF NOVEMBER 1, 2005-NOVEMBER 30, 2005**

Upon a motion by Ms. Guimard, seconded by Ms. Burnett, the Board voted 11-0-0 to accept the Treasurers Report.

#### **APPROVAL OF MINUTES**

Upon a motion by Mr. Walko, seconded by Ms. Storms, the Board voted 9-0-2 to approve the minutes of the Regular BET Meeting of November 21, 2005. Ms. Burnett and Ms. Gardner were not present at that meeting and abstained.

## **OFFICER'S REPORT**

Mr. Tesei thanked BET members who completed evaluations for the Assessor and Comptroller. He said that he is in the process of completing the final evaluation and setting meeting dates with the Assessor and Comptroller. The final evaluation will be distributed to incoming board members prior to the January 3, 2006 Organizational Meeting.

The Human Resources Department will provide revised language regarding salary increases resulting from the evaluations performed for the appointments of the Assessor and Comptroller.

Board member orientation was held for the incoming BET members, with Mr. Himes, Ms. Barton and Ms. Tarkington attending. Also participating in the session were Mr. Gwartney, Mr. Mynarski and Mr. Gieger as staff members, as well as Mr. Tesei as Board Chairman and Ms. Rutgers as Minority Party Leader.

Mr. Tesei recognized the service of the retiring BET members. Mr. Tesei praised Mr. Berg, Ms. Gardner, Ms. Burnett and Ms. Storms for the time they have given to the Town of Greenwich and its residents. Most of the retiring members will remain active in various committee and community activities, continuing to offer valuable resources in a variety of areas. Ms. Burnett and Ms. Storms thanked everyone for all of the support they have received and praised the BET for all that has been accomplished over the years.

## **OLD BUSINESS**

There was no Old Business.

## **NEW BUSINESS**

### **Resolution Concerning Town Owned Marinas**

Mr. Stone, Chairman of the Audit Committee, made a proposal putting forward a "Resolution Concerning Insurance For, And By Users Of, Town Marinas," (see attached) as approved by the Audit Committee.

Mr. Stone moved the Resolution, which motion was seconded by Ms. Guimard.

Mr. Stone said that this Resolution was the result of discussions triggered by the internal audit of the Grass Island Marine Facility, which revealed that the town had certain types of exposure. The Risk Manager has done research. The proposed Resolution has been seen and agreed to by the Risk Manager and Frenkel and Company.

Mr. Krumeich said that this was a two-part Resolution, covering two separate issues. One issue concerned a 'hole' in the town's coverage, with the first part of the Resolution designed to fill

this 'hole.' Mr. Krumeich said he was not sure that this part of the Resolution even required BET action. Mr. Mynarski confirmed that, if such coverage is deemed necessary, the Finance Department does not need BET authorization to close the gap. Mr. Krumeich said that he was concerned about the second part of the Resolution whereby boat owners would be required to have a minimum of \$300,000 in Watercraft Liability Insurance coverage. He said that there needed to be more time for public input and discussion regarding this.

Ms. Rutgers expressed concerns similar to those of Mr. Krumeich. Ms. Rutgers asked how the \$300,000 threshold was arrived at, how many boaters would be affected and if the town now requires boaters to carry any insurance.

Mr. Tesei said that all these questions were addressed at the meeting of the Audit Committee.

Mr. Stone said that the Audit Committee is the vehicle the BET has used for discussion in the area of Risk Management. Mr. Stone responded to Ms. Rutgers' questions as follows:

- 1) The \$300,000 threshold was arrived at in discussion with the Risk Manager and Frenkel and Co. This was considered a reasonable level for the typical user.
- 2) The number of boaters affected is 1800.
- 3) The town currently requires no insurance whatsoever

Mr. Berg said that it was not unusual to request that boaters have insurance. Mr. Stone said that probably the vast majority of boaters already have such insurance coverage.

Ms. Guimard said that it would have been useful to have the Frenkel opinion at this meeting. Ms. Guimard suggested separating the Resolution into two parts and, if we have a gap in coverage, we should ask the Comptroller to close it.

Mr. Tesei said that we had several options:

- 1) To approve the Resolution as is
- 2) To not approve the Resolution
- 3) To postpone approval of the Resolution
- 4) To approve the first part of the Resolution

Ms. Burnett asked what cost we were imposing on the boaters. Mr. Stone responded that there was no cost to the boaters because they already have this coverage.

Mr. Mason expressed concern about boaters who don't own a home and wouldn't have this coverage that would be included on the declaration page of a Homeowner's Insurance Policy. Mr. Mason was also concerned about requiring the same amount of coverage for a variety of different kinds of craft and that those with small craft without motors be required the same amount of coverage as those with large motorized craft.

In answer to a question from Ms. Storms, it was confirmed that the application of anyone without the minimum \$300,000 coverage would be denied approval.

Mr. Krumeich asked why we should rush into this, especially since our risk experience has not been high.

Mr. Walko said that we should get the answers that Board members want and that there was no downside to taking this up in January and that the risk of accidents on the water was low in this winter season.

Mr. Tesei expressed his support for the Resolution, saying that he was more concerned about the impact on the town's taxpayers from this exposure than any possible cost to 1800 boat owners.

Board members agreed, by consensus, on the first part of the Resolution.

Upon a motion by Ms. Guimard, seconded by Ms. Rutgers, the Board voted 7-4-0 to amend Mr. Stone's original motion so as to split the Resolution into two parts, with Messrs. Berg, Stone, Tesei and Walko opposed.

Mr. Stone said that he respects Board members who have questions and asked that these questions be transmitted to Frenkel and Co. via the Comptroller. The deadline for submitting questions to Mr. Mynarski was set as December 27, 2005. Mr. Stone suggested that Frenkel address the Board in January. He suggested holding a Special Meeting following the January Organization Meeting.

Mr. Krumeich said that holding a Special Meeting on January 3, 2006 did not leave enough time.

Upon a motion by Ms. Guimard, seconded by Ms. Storms, the Board voted 11-0-0 to approve the amended motion, i.e. the first part of the Resolution that was separated out in the previous vote (see attached).

Concern was expressed about waiting until the January Regular Meeting of the BET because a delay would affect the Department of Parks and Recreation's schedule for printing and sending out applications.

Upon a motion by Mr. Walko, seconded by Mr. Stone, the Board voted 10-1-0, with Mr. Krumeich opposed, to postpone action on the second part of the Resolution until the January Regular Meeting of the BET, pending confirmation from the Department of Parks and Recreation that this does not hinder the normal distribution of the applications. Otherwise this item should be taken up at a Special Meeting following the Organization Meeting on January 3, 2006.

Mr. Tesei said that notification of this action should be given to the following people:

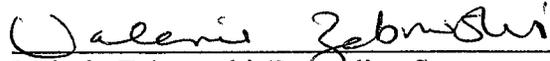
- The Risk Manager
- Frenkel and Company
- The First Selectman
- The Town Administrator

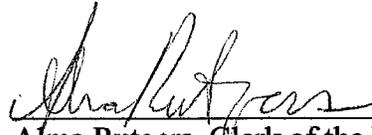
- The Town Attorney
- The Superintendent of the Marine Division of the Department of Parks and Recreation
- The Director of Parks and Recreation
- The Chairman of the Board of Parks and Recreation
- The Comptroller
- The Boat Clubs That Use The Town Facilities

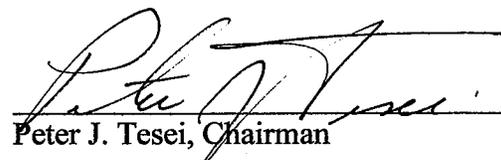
**ADJOURNMENT**

Upon a motion by Mr. Berg, seconded by Ms. Gardner, the Board voted 11-0-0 to adjourn at 9:07 P.M.

Respectfully submitted,

  
Valerie Zebrowski, Recording Secretary

  
Alma Rutgers, Clerk of the Board

  
Peter J. Tesei, Chairman

Resolution Concerning Insurance For, And By Users Of, Town's Marinas (as originally proposed by the Audit Committee)

Whereas the Town's Risk Manager has confirmed that the Town has exposure to loss resulting from the operation of marinas owned by the Town, and whereas this Board concurs that such exposure should be reduced; and whereas, following both research and consultation, the Risk Manager has made recommendations concerning achieving such a goal; now, therefore, we direct the Town to purchase Marina Operator's Legal Liability insurance and related "Umbrellas" for total annual premiums approximating \$25,000. Furthermore, whereas a portion of such exposure, including but not limited to costs involved with defending legal action resulting solely from the alleged negligence of boat owners, can be mitigated by requiring that boat owners having permits to use the Town's marina facilities maintain Watercraft Liability Insurance coverage; now, therefore, we direct the Town's Parks and Recreation Department to require evidence of such coverage in minimum amounts of \$300,000, reflected by either the "Acord Form Certificate of Liability Insurance" or the "Declarations", page of the owners' insurance policy, before granting or renewing permits for use of such facilities.

AMENDED RESOLUTION CONCERNING INSURANCE FOR THE TOWN'S  
MARINAS APPROVED DECEMBER 19, 2005

Whereas the Town's Risk Manager has confirmed that the Town has exposure to loss resulting from the operation of marinas owned by the Town, and whereas this Board concurs that such exposure should be reduced; and whereas, following both research and consultation, the Risk Manager has made recommendations concerning achieving such a goal; now, therefore, we direct the Town to purchase Marina Operator's Legal Liability insurance and related "Umbrellas" for total annual premiums approximating \$25,000."