1. BET Debt & Fund Balance Policy Special Project Team Meeting Agenda
   Documents:
   BET_DEBT_AND_FUND_BP_SPT_AGENDA_02-12-19.PDF

2. SUB TO APP BET Debt & Fund Balance Policy Special Project Team Meeting Minutes
   Documents:
   SUB_TO_APP_BET_DEBT_FUND_BALANCE_POLICY_SPT_MEETING_MINUTES_02-12-19.PDF
AGENDA

1. Approval of the BET Debt & Fund Balance Policy Special Project Team Minutes of January 29, 2019

2. Debt Policy

3. Adjournment
1. Approval of the BET Debt & Fund Balance Policy Special Project Team Minutes of January 29, 2019

2. Debt Policy

Ms. Moriarty handed out the previously approved Debt Policy by the BET on December 14, 2017 and an edited version for the meeting. Ms. Moriarty noted that edits were supplied by herself and Mr. Duus and were displayed in red and blue to differentiate those by Ms. Moriarty and those by Mr. Duus. The BET Debt and Fund Balance Policy Special Project Team methodically went through the currently edited version and supplied minor changes.

- Subsequent to this process, Mr. Drake made a motion to accept the updated version, seconded by Mr. Duus. The Team voted 4 to 0 to approve the edited Debt Policy.

Ms. Moriarty told the Team members that she would now like to turn to the substantive issues. She stated that capital needs of the Town of Greenwich schools can't be met under the current financing model. She stressed that there is a need to send a message to the Board of Education and the Town, by creating a financing model that is appropriate to address the capital project needs of the schools. She added that the goal is to have a strong, healthy balance sheet, but not at the expense of deferring infrastructure needs.

Ms. Moriarty distributed a document detailing proposed motions that she wished to make relative to changes to the existing Debt Policy. After a period of discussions, the following motions were presented:

- Ms. Moriarty made a motion to change the Section C) Affordability Targets, third bullet from 0.55% of the most recent Grand List of the Town of Greenwich as certified by the Tax Assessor to 0.75%. Mr. Weisbrod seconded the motion. The vote failed on a vote of 2 to 2. Mr. Weisbrod and Mrs. Moriarty voted for the motion and Mr. Drake and Mr.
Duus voted no.

As part of the discussions, Mr. Duus stated he was against being more lenient and this action is only deferring a hard decision. He also noted that the long-term capital needs of the school plan have not been approved yet. Mr. Drake asked Ms. Moriarty for the reasons of using the 0.75% target. Ms. Moriarty responded by saying a review of the long-term modeling much discussed in previous Debt Policy meetings indicates this metric is not exceeded under most scenarios. Mr. Harris offered that the proposed Debt Policy is sending the wrong signal by saying that the Board of Education’s long-term capital spending plan can’t be met without changing the targets.

- Ms. Moriarty made a motion to make a change under Section D) Debt Structure. She prosed the new language, “The Comptroller can recommend earlier implementation of the long-term debt if circumstances so warrant. Mr. Weisbrod seconded the motion. The motion passed 4 to 0.

- Ms. Moriarty made a motion to make an additional change under Section D) Debt Structure as follows: For the General Fund, the financing model, historically has been for amortization of debt to be over a period not greater than five years. The change would be, “Going forward, debt maturities shall consider the 15-year capital forecast and debt model, and evaluate the use of longer term maturities up to 20 years to address major infrastructure investments and remediation projects.” The vote failed on a vote of 2 to 2. Mr. Weisbrod and Mrs. Moriarty voted for the motion and Mr. Drake and Mr. Duus voted no.

At this point, Mr. Drake handed out a “Report on Debt Policy” prepared and offered by Andy Duus and Bill Drake, Republican Members of the Debt & Fund Balance Policy Special Project Team. As an alternative to reading the report, Mr. Drake requested that a motion be made to enter the report into the minutes, as written. As a result:

- Mr. Drake made a motion to adopt the aforementioned report prepared by him and Mr. Duus to be entered into and attached to the minutes. Mr. Duus seconded the motion. The motion failed on a vote of 2 to 2. Mr. Drake and Mr. Duus voted yes and Ms. Moriarty and Mr. Weisbrod voted no.

Ms. Moriarty announced that the work of the Team is now completed and the Fund Balance and Debt Policies can now be forwarded to the BET for their approvals.

Mr. Drake commended Ms. Moriarty for all her efforts during this process. Mr. Ramer added that he felt all of the modeling work done by the Team was very useful.

3. Adjournment

Upon a motion by Mr. Weisbrod, seconded by Mr. Drake, the Debt & Fund Balance Policy Special Project Team voted 4-0-0 to adjourn the Meeting at 3: 05 P.M.

Peter Mynarski, Recording Secretary

Leslie Moriarty, Chair