MINUTES of the regular meeting of the Board of Estimate and Taxation held on Wednesday, January 21, 2015 in the Town Hall Meeting Room, Greenwich, CT.

Chairman Michael Mason called the meeting to order at 6:37 P.M., after which the members pledged allegiance to the flag.

Board members in attendance:

Michael S. Mason, Chairman
Arthur D. Norton, Vice Chairman
William Drake, Clerk
John Blankley
William R. Finger
Sean Goldrick
Randall Huffman
Marc V. Johnson
Mary Lee A. Kiernan
Jeffrey S. Ramer
Leslie L. Tarkington
Nancy Weissler

Staff: Peter Mynarski, Comptroller; Roland Gieger, Budget Director; Lauren Elliott, Assessor; Robert Shipman, Assistant Assessor; Robert Kick, Ass’t Fire Chief; J. Wayne Fox, Town Attorney, Abby Wadler-Shin, Ass’t Town Attorney

Selectmen: Peter Tesei, First Selectman; Drew Marzullo, Selectman; John Toner, Selectman

Mr. Mason opened the meeting by welcoming the Board Members and guests. He asked for a moment of silence In Memoriam for Mr. Everett Fisher, BET Member 1963-1980 and for David Theis, Selectman. He acknowledged the Town’s recognition of Mr. Theis’ service at the recent Memorial Service attended by more than 1,000 people.

Mr. Mason asked Mr. Johnson to present the Agenda’s Non-Routine Applications.

**NON-ROUTINE APPLICATIONS**

<table>
<thead>
<tr>
<th>Fire</th>
<th>Release Conditions</th>
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<tbody>
<tr>
<td>$457,080</td>
<td>A205 51100 Overtime</td>
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</tbody>
</table>

Mr. Johnson presented the application and noted that the Budget Committee heard about the improving working relationship between the volunteer and career firefighters and progress towards approval of a Memorandum of Understanding (MOU). The Committee was told that all
seven (7) volunteer fire companies and the fire department administration expect to sign the new MOU before April. Mr. Johnson informed the Board that the Budget Committee had voted 4-0 to approve the application for the release of conditions on the overtime funds.

Upon a motion by Mr. Johnson, seconded by Ms. Tarkington, the Board voted 11-0-1 to approve the application. (Abstain: Blankley)

<table>
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<tr>
<th>SE-4</th>
<th>First Selectman</th>
<th>Additional Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>$6,500</td>
<td>P935 57359</td>
<td>Settlement: GEICO a/s/o Heverin &amp; Marseglia v. TOG</td>
</tr>
</tbody>
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Mr. Ramer reported that the Law Committee in July 2014 had voted 2-0 to approve a settlement of $6,500. He suggested that if the BET wished to review the facts of the case, they should do so in Executive Session. BET members felt materials in their meeting packets were adequate to support their decision, however Mr. Goldrick asked Ms. Wadler-Shin to describe the law department’s process for settling the claim.

Upon a motion by Mr. Ramer, seconded by Ms. Tarkington, the Board voted 12-0-0 to approve the appropriation.

<table>
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<tr>
<th>SE-5</th>
<th>First Selectman</th>
<th>Additional Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>$6,887.63</td>
<td>P935 57350</td>
<td>Settlement: Zuniga v. TOG</td>
</tr>
</tbody>
</table>

Mr. Ramer indicated that the Law Committee had reviewed the application and voted 2-0 to approve the settlement.

Upon a motion by Mr. Johnson, seconded by Mr. Drake, the Board voted 12-0-0 to approve the appropriation.

Mr. Johnson asked the Board to change the order of business by moving the item under Old Business forward.

Upon a motion by Mr. Ramer, seconded by Ms. Tarkington, the Board voted 12-0-0 to change the order of business.

Old Business:

- Minutes of the Special Meeting of the BET February 26, 2013 – Mr. Fox related the background of the BET’s Executive Session of February 26, 2013 referred to in the Minutes. He summarized the legal opinion of the Freedom of Information Commission (FOI) and the Board of Selectmen’s decision not to pursue the matter further. He recommended that the Board approve the revised Minutes so that they could then be voted on by the BOE.

A discussion followed after which Ms. Kiernan proposed three deletions and insertions to amend the language in the proposed draft.

First: Delete text: “A motion was made to go into Executive Session for the purpose of discussing a pending claim related to the elimination of contamination on the Greenwich High School site. Motion was unanimously approved.”

Insert the following text in its place: “Upon a motion by Mr. Ramer, seconded
by Ms. Tarkington, the Board voted 11-0-0 to go into Executive Session at 6:05 p.m. for the purpose of discussing a pending claim related to the elimination of contamination on the Greenwich High School site."

Second: **Delete text:** "A motion was made to come out of Executive Session which was unanimously passed at 7:23 P.M."

**Insert the following text in its place:** Upon a motion by Ms. Kiernan, seconded by Mr. Norton, the Board voted 11-0-0 to come out of Executive Session at 7:23 p.m.

Third: **Delete text:** "Upon a motion by Ms. Kiernan, seconded by Mr. Norton, the Board voted 11-0-0 to adjourn at 7:24 p.m."

**Insert the following text in its place:** "Upon a motion by Mr. Norton, seconded by Mr. Ramer, the Board voted 11-0-0 to adjourn at 7:24 P.M."

Upon a motion by Mr. Mason, the Board voted 9-0-3 to approve the amendments. (Abstain: Blankley, Drake, Weissler)

Mr. Ramer proposed the following three deletions and insertions to amend the language in the proposed draft.

First: **Delete text:** "... having been brought to various agencies by William Effros, including claims filed with..."

**Insert the following text in its place:** "... before..."

Second: **Insert the following sentence after "...and the United States environmental Protection Agency, among others."** "There was mention also of related claims recently filed against the Town by Mr. William Effros."

Third: **Delete text:** "Various maps were presented for review and discussion. Options ranged from remediation costing approximately $7,000,000 (seven million dollars) to a remediation well in excess of $100,000,000 (one hundred million dollars). These various options were discussed at length."

**Insert the following text in its place:** "A map showing initial test results was presented. AECOM and environmental counsel suggested preliminarily that there may be generally three levels of option available to the Town: (a) A relatively thin cap of clean soil to achieve basic compliance at a cost of perhaps $7 million but which would likely require fairly severe limits on use of the site, including preclusion of its use for athletic fields; (b) At the other extreme, the complete removal of virtually all of the effected soil or all soil to a relatively great depth of ten or fifteen feet, which might entail a cost in excess of $100 million, but which would allow for very broad future uses of the site, but always with EPA and DEEP supervision; or (c) a middle ground of clean fill to depths calibrated to allow use of the fields for athletic purposes, at a cost of perhaps $17 million, but which would have material further compliance issues in the event of future excavations at the athletic fields."
Upon a motion by Mr. Ramer, seconded by Ms. Tarkington, the Board voted 7-2-3 to approve the amendments. (Opposed: Norton, Goldrick; Abstained: Blankley, Drake, Weissler)

Mr. Finger made a motion to amend Mr. Ramer’s amendment.

**Add the following sentence at the end of the third insertion:**
“Estimated timeframes to complete each option were also discussed.”

Upon a motion by Mr. Finger, seconded by Ms. Tarkington, the Board voted 8-1-3 to approve the amendment. (Opposed: Norton; Abstain: Blankley, Drake, Weissler)

Ms. Tarkington noted that between the originally approved Minutes of 2-26-13’s meeting and the proposed draft, Mr. Theis’ name had been deleted. After discussion, it was clarified that he arrived late for the meeting.

Upon a motion by Ms. Tarkington, seconded by Mr. Ramer, the Board voted 9-0-3 to add back Mr. Theis’ name as an attendee.

Mr. Mason called for a voted to approve the amended Minutes. The Board voted 7-1-4 to approve the amendments. (Opposed: Goldrick; Abstain: Blankley, Drake, Huffman, Weissler)

**ASSESSOR’S REPORT**

Ms. Elliot presented the Department’s Report and commented that final processing and generation of the 2014 Grand List Real Estate has commenced. A discussion of departmental activity followed.

Upon a motion by Mr. Finger, seconded by Ms. Tarkington, the Board voted 12-0-0 to accept the report.

**COMPTROLLER’S REPORT**

Mr. Mynarski began his report with a handout responding to a recent question by Mr. Goldrick on the difference between the way TOG and the State handled the amortization of premiums on bonds.

The Board discussed the recent triple A credit rating Greenwich had received and whether it would make sense to reduce the number of rating agencies reviewing Greenwich’s financial position from three to two next year. Mr. Mynarski responded that he would look into this and report back to the Board later this year.

The Board also discussed the premium achieved on the BAN offering. Ms. Kiernan asked for the dollar amount of this premium and Mr. Mynarski responded that he would forward this information. Ms. Kiernan asked about the transaction costs associated with the sale of both general obligation bonds and BANS, and a discussion ensued regarding these costs.

Upon a motion by Mr. Norton, seconded by Mr. Finger, the Board voted 12-0-0 to accept the Comptroller’s report.
ACCEPTANCE OF THE TREASURER’S REPORT SHOWING INVESTMENT PORTFOLIO ACTIVITY FOR DECEMBER 2014

Upon a motion by Mr. Norton, seconded by Mr. Finger, the Board voted 12-0-0 to accept the report.

BET Standing Committee Reports

The Audit Committee report included in the meeting packet was withdrawn.

BET Liaison Reports

None

BET Special Project Team Reports

MISA Building Committee – Ms. Tarkington reported that the MISA Project was 62% complete; the building was enclosed and that she will arrange a tour for BET members to see the project.

NEW BUSINESS

• Creation of Policy to Fund OPEB – Mr. Mason asked that the Investment Committee to draft a funding policy so that it could be reviewed by the Policy and Procedure Committee within two months. Mr. Mynarski reported that he had already drafted a policy because it had budgetary impact and he wanted it available for February budget hearings; it is currently being reviewed by the Actuary. The Actuary has been scheduled to make a presentation on February 9. Mr. Mynarski asked BET members to prepare questions for the Actuary so that his presentation could be tailored to their expectations.

Budget Hearings Calendar – Mr. Johnson asked BET members to review the preliminary calendar and comment before he forwarded it to department heads in preparation for Budget Hearings which are to begin on February 4. Notification had been received that Mr. Tesei would be on vacation during the week of February 9th, so the schedule might need to be adjusted. Members of the Board asked Mr. Johnson to consider an alternative for them asking questions through a Budget Committee member; he agreed to consider the suggestion.

• Approval of Investment of $10 million by the Retirement Board in Loomis Sayles Strategic Alpha Trust – On behalf of the Investment Advisory Committee, Mr. Drake reported to the Board that the portion of the Bond portfolio removed from a PIMCO bond fund was to be invested in Loomis Sayles Strategic Alpha Trust, a similar bond fund. He cited NEPC’s recommendation that the Loomis Sayles Strategic Alpha fund would enhance the return of the fixed income portion of the portfolio and that the Investment Committee had voted 4-0 to approve the choice of fund. Mr. Ramer commented that the Law Committee had reviewed the fund materials and voted 2-0 that they were in legal order. He commented that he had consulted with Mr. McLaughlin of TOG Law Department to confirm that BET approval was needed to invest in the fund despite other current investments in Loomis Sayles funds. Mr. McLaughlin advised approval is needed for the investment in this private placement Trust. A discussion followed on the quality of the investment, its return objective, its risk level, and that it is organized as a New Hampshire Trust.
Upon a motion by Mr. Mason, the Board voted 9-2-1 to approve the investment. (Opposed: Goldrick, Ramer; Abstain: Weissler).

Approval of the Regular BET Meeting Minutes December 15, 2014

Upon a motion by Mr. Ramer, seconded by Ms. Tarkington, the Board voted 12-0-0 to accept the Regular Meeting Minutes December 15, 2014.

CHAIRMAN'S REPORT

Mr. Mason advised Board members that he would be extending their condolences to the Treasurer, Ms. Murphy, whose sister had recently passed away.

He noted that the next BET meeting was scheduled for the day after the Presidents Day holiday and he asked for input on whether it should be rescheduled.

Mr. Mason indicated that the First Selectman would be making his 2015-16 Budget Presentation on February 2 at 6:00P.M., which would set the stage for the Board’s budget review process.

He recommended that BET members should speak to their wide circle of town acquaintances, RTM members and attend other meetings to relay information about the BET’s budget work during February.

ADJOURNMENT

Upon a motion by Mr. Blankley, seconded by Ms. Weissler, the Board voted 12-0-0 to adjourn at 8:32 P.M.

The next Regular Meeting of the BET is scheduled on Tuesday, February 17, 2015 in the Town Hall Meeting Room at 6:30 P.M.

Respectfully submitted,

Catherine Sidor, Recording Secretary

William Drake, Clerk of the Board

Michael S. Mason, Chairman