

TOWN OF GREENWICH
BOARD OF ESTIMATE AND TAXATION
LAW COMMITTEE MEETING
MINUTES

Tuesday, February 9, 2016
Law Department Conference Room

Committee: Leslie L. Tarkington, Chair; Elizabeth K. Krumeich

Other: John Wayne Fox, Town Attorney; Aamina Ahmad, Assistant Town Attorney; Eugene McLaughlin, Assistant Town Attorney; Peter Mynarski, Comptroller; Roland Gieger, Budget & Systems Director; Lori Contadino, Director, Commission on Aging; Laurette Helmrich, Administrator, Senior Center; James Dougherty, Director and Secretary, Commission on Aging; Jim Hricay, Managing Director of Operations, BOE; John Blankley, Mary Lee Kiernan, and Jeffrey Ramer, Members, Board of Estimate and Taxation

The meeting was called to order at 9:35 A.M.

1. Discussion in Executive Session of pending cases in litigation

The Committee voted to go into Executive Session at 9:35 A.M. to discuss cases in pending litigation. After some discussion, the Committee voted 2-0 to come out of Executive Session at 10:30 A.M.

2. Review of New Budget Resolutions

Greenwich Senior Center

The Committee considered the following amended Budget Resolution for the Greenwich Senior Center:

The Greenwich Senior Center is authorized to accept (a) gifts of physical items from The Friends of the Greenwich Senior Center, Inc., and (b) donations of cash from The Friends of the Greenwich Senior Center, Inc. Such gifts and donations, not to exceed \$25,000, shall become appropriations that the Comptroller shall add to the appropriate accounts for the purpose of reimbursing the approved costs of maintaining and improving the Greenwich Senior Center and its programming.

Jim Dougherty, Lori Contadino, and Laurette Helmrich described how the Greenwich Senior Center is being renovated by the Department of Public Works. They discussed the potential for gifts from Friends of the Senior Center, the Senior Center's 501(c)(3), to use for program items and enhancements. While the Board of Selectmen approved the Senior Center's request for a Budget Resolution, Attorney Aamina Ahmad expressed concern that the proposed Resolution, which was drafted to include both cash and in-kind gifts, was too broad. Following discussions, Attorney Ahmad updated the draft Resolution for the Greenwich Senior Center.

Board of Education for the Greenwich High School Performing Arts Center or music instructional space

The Committee considered the following amended Budget Resolution for the Greenwich High School Performing Arts Center or music instructional space:

42. The Board of Education is authorized to accept proceeds resulting from the following sources:

(g) The financial donations or gifts in kind from the Campaign for MISA, Inc., an organization qualified under 501(c)(3) of the Internal Revenue Code, to enhance the Greenwich High School Performing Arts Center or music instructional space, and such donations shall become appropriations that the Comptroller shall add to the appropriate accounts. The Board of Education shall submit a semi-annual report to the Board of Estimate and Taxation summarizing these donations and gifts in kind.

After receiving input from Laura Erickson, Chairman, Board of Education, and Jim Hricay, Attorney Ahmad updated the draft Resolution Proposed by the BOE for the Greenwich High School Performing Arts Center or music instructional space. The Committee discussed retaining the current MISA Resolution, #42(g) in the Budget Resolutions.

Attorney Ahmad agreed that she would forward the resolutions proposed by the Senior Center and the BOE for the GHS Performing Arts Center and music instructional space to Roland Gieger for inclusion with all Budget Resolutions. The Committee did not have time to review all existing Budget Resolutions, and agreed to schedule a Special Meeting.

3. Discussion of state PILOT and ECS Reductions and Next Steps

Town Attorney Wayne Fox had discussed these revenue reductions to the Town with State Representative, Livvy Floren. He suggested that if the Committee were to pursue these revenue deductions further that a meeting should be scheduled with the State Legislators.

4. Update on GAMS and Loomis Sayles Documents

Attorney McLaughlin updated the Committee and stated that while he was having ongoing communications with NEPC (formerly New England Pension Consultants) and separately with GAMS and Loomis Sayles, the documents were not in legal order for the Committee's approval.

5. Review of Landmark Real Estate Partners VII, L.P. Amendment No. 1 to the Second Amended and Restated Agreement of Limited Partnership

Attorney McLaughlin advised that Landmark Real Estate Partners VII had received the required 50% approval for the Amendment, and that the requested change had been approved by the Retirement Board. He further described the changes being made, which would allow up to \$133 million for purchase of additional real estate by reimbursing prior committed credit payments. The BET's Investment Advisory Committee ("IAC") had not taken up this request. It was decided to defer the approval of the legal order of the documents until notice of approval by the IAC, and to call a Special Meeting, if needed, to review and approve the documents.

6. Review of Proposed BET Procedure for Retirement Board Investments

The proposed document was briefly discussed. William Drake, Chair, BET Investment Advisory Committee advised the Committee that it should defer this item until the IAC's review was completed.

The Committee voted 2-0 to add discussion of the Legal Opinion on the Approval of Retirement System Interest Rates to the Agenda.

7. Review of the Legal Opinion on the Approval of Retirement System Interest Rates

Town Attorney Wayne Fox reviewed the Opinion of the Town Attorney's Office with the Committee that described the powers the Board of Estimate and Taxation has under the Town Charter in the approval of interest rates used in the actuarial calculations in connection with the operation of the Retirement System. Attorney Fox stated that the change in Charter Section 213 that procedurally removed antiquated definitions and a rate of interest, did not change the


BET's existing power to approve interest rates deemed "reasonable" by the BET after recommendation by the actuary and adoption by the Retirement Board. Attorney Fox emphasized that decisions by the BET must reflect and be made on a "reasonable basis" if the decisions differ from those of the Retirement Board. There was discussion that the Actuary had initially prepared the report with a rate of return of 7%, and it was only later that the Actuary used a 6.75% rate of return.

8. Review and Approval of the Minutes

Review and approval of the Minutes of the BET Law Committee Meeting of January 13, 2016 was postponed.

9. Adjournment

The meeting was adjourned at 1:43 P.M.



Leslie L. Tarkington, BET Law Committee Chairman