MINUTES of the regular meeting of the Board of Estimate and Taxation held on Tuesday, February 19, 2019, in the Cone Room, Greenwich, CT.

Jill Oberlander, BET Chair, called the meeting to order at 6:34 P.M., after which the members pledged allegiance to the flag.

Board members in attendance:

Jill K. Oberlander, Chair
Jeffrey S. Ramer, Vice Chairman
Elizabeth K. Krumeich, Clerk
William Drake
Andreas Duus III
Karen Fassuliotis
Debra Hess
Michael S. Mason
Leslie Moriarty
Leslie L. Tarkington
Anthony Turner
David Weisbrod

Staff: Lori Contadino, Director, Commission on Aging; Lauren Elliott, Assessor; Roland Gieger, Budget Director, Finance Department; Peter Mynarski, Comptroller; Howard Richman, Tax Collector

TNW: Allen Brown, Executive Director, The Nathaniel Witherell (TNW); Tom Ellis, Director of Financial Operations, TNW; Jack Hornak, Director of Operations, TNW; Glenn Siglinger, Foreman of Maintenance, TNW

Other: Kevin Brown, Mechanical Engineer, Hunter Mechanical; Francis J. ("Kip") Burgweger, Member, Commission on Aging

Ms. Oberlander welcomed BET Members and attendees to the February meeting of the BET.

Ms. Oberlander commented that there was one Routine item and one Non-Routine item detailed on the Meeting Agenda for a Budget Adjustment. The BET Clerk moved the two items.

Requests for Budget Adjustments

**ROUTINE APPLICATIONS**

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<tr>
<th>Number</th>
<th>Department</th>
<th>Amount</th>
<th>Purpose</th>
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<tbody>
<tr>
<td>SE-2</td>
<td>FIRST SELECTMAN</td>
<td>$2,876</td>
<td>Approval to Use</td>
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Ms. Moriarty reported that the First Selectman requested authorization to accept proceeds from an Area 9 Cable Council Grant to upgrade the monitor and television screen in the Town Hall lobby to provide information to visitors. The Budget Committee voted 4-0-0 to approve the application.

Upon a motion by Ms. Krumeich, seconded by Mr. Ramer, the Board voted 12-0-0 to approve the First Selectman’s application to accept proceeds from an Area 9 Cable Council Grant for $2,876 as a contribution to Channel 79 TV. Motion carried.

NON-ROUTINE APPLICATIONS

NW-3  NATHANIEL WITHERELL  $255,000  Additional Appropriation Domestic Hot Water System Replacement

Ms. Moriarty reported that the Armstrong 14-boiler hot water system had malfunctioned and been replaced twice by the manufacturer (each within the applicable warranty period) since installation due to extensive erosion and malfunctions in the system. TNW Administration and Board of Directors were concerned about a future failure that would require relocation of residents and requested moving forward the boiler system replacement scheduled for FY2020 in TNW’s 15-year Plan. Mr. Hornak explained that the Armstrong boiler system caused problems with its short cycling design, resulting in condensation build up and erosion and leaking within the heat exchangers. As a result, the igniters and control systems repeatedly failed. The Administration agreed to review the matter with the Town Attorney to explore whether a legal action could be pursued against the manufacturer. The Administration plans to install a stainless steel Lockinvar boiler system (in phases that would not interrupt the hot water supply at any time), and to consider entering into a maintenance agreement with the manufacturer under which it would develop a preventative maintenance schedule for the system.

Upon a motion by Ms. Krumeich, seconded by Ms. Tarkington, the Board voted 10-0-2 (Abstained: Fassuliotis and Tarkington) to approve the additional appropriation of $255,000 to replace TNW’s hot water boiler system. Motion carried.

ASSESSOR’S REPORT

The Assessor reported the Grand List for October 1, 2018, was signed on January 25, 2019, with a total assessed valuation of $33,172,104,880, up from $32,976,219,807 an increase of $195,885,073 before any adjustments by the Board of Assessment Appeals (BAA). A total of 2,585 increase notices were sent to property owners compared to 3,383 increase notices the prior year. There are 116 requests for appeals filed to challenge residential, commercial and personal property assessments that have been accepted for 2019 BAA Hearings.

Upon a motion by Ms. Tarkington, seconded by Mr. Ramer, the Board voted 12-0-0 to accept the Assessors Report.

Ms. Oberlander asked for a motion to change the Order of Business to hear Item #3 of New Business, Senior Tax Credit Ordinance, as the next item for discussion.
Upon a motion by Ms. Tarkington, seconded by Mr. Ramer, the Board voted 12-0-0 to change the Order of Business. Motion carried.

NEW BUSINESS

- Senior Tax Credit Ordinance

Ms. Krumeich described the changes proposed by the Commission on Aging to the Senior Tax Credit Ordinance which have been approved by the Board of Selectmen consisting of: (i) expanding the Ordinance to include permanently totally disabled homeowners who qualify for tax credits which reflects the Connecticut General Statute §12-129n; (ii) adding to the definition of principal residence the clause "or held in trust for the benefit of and occupied by such resident as his or her principal residence" as requested by Attorney McLaughlin, (iii) clarifying the definition of "qualifying total annual income"; (iv) inserting a "Notice to Taxpayers" section to ensure that residents are aware of the Tax Credit Program; and (v) extending the expiration date of the Ordinance to ten years, that is June 30, 2029. The Law Committee voted 2-0-0 to approve the Senior Tax Credit Ordinance as amended and to recommend approval to the full BET. Ms. Moriarty reported that the BET Budget Committee discussed the Ordinance and adjusted the eligibility requirement from a 1-year residency to a 5-year residency requirement; adjusted amounts of qualifying income for the computation of credit or deferral; and reduced expiration date of the Ordinance to a 5-year term.

Ms. Elliott proposed additional adjustments, and a discussion ensued regarding dates in the Ordinance that still needed to be aligned with the process undertaken by the Assessor to determine a homeowner's eligibility.

Upon a motion by Mr. Turner, seconded by Mr. Ramer, the Board voted 12-0-0 to postpone the vote on the Ordinance until the Special Meeting of the BET to be held on February 26, 2019, and to have the Law Committee review and revise the Ordinance to address issues raised by the BET and the Assessor. Motion carried.

COMPTROLLER'S REPORT

The Comptroller reported that there were four instances of water damage at Greenwich Public Schools since schools opened in September 2018. Mr. Mynarski and Ms. Megan Damato, the Town's Risk Manager, will continue to notify the BET and BET Audit Committee periodically about the status of each claim. The Comptroller advised that the Town's new insurance broker, Gallagher & Co., would be visiting the Town of Greenwich's properties before the annual bidding cycle for property, casualty and general liability coverage in June 2019.

- Cos Cob Elementary School - The repairs for water damage are substantially complete, and the Risk Manager will submit the final demand for the insurance claim as soon as the Board of Education (BOE) and BOE Business Office closes out the file.

- Greenwich High School - Mechanical Room (Science Wing) – A meeting and inspection took place on February 14, 2019, to inspect the damage from flooding in the mechanical room and water damage to the Science wing. Those present included the subrogation attorney representing Chubb (the Town’s property and casualty insurance...
carrier), the Town’s Risk Manager, the Director of Facilities for Greenwich Public Schools (GPS), GPS facilities personnel, counsel representing applicable vendors and vendor representatives to consider Chubb’s subrogation of this claim (that is the substitution of Chubb for the Town to enforce rights against the vendor(s)).

- **Greenwich High School - Performing Arts Center** – The Risk Manager will submit the final demand for the insurance claim as soon as the BOE Business Office closes out its file.

- **Hamilton Avenue Elementary School** – The Risk Manager is awaiting the assignment of an adjuster and for the BOE Business Office to provide an Order of Magnitude of the estimated repairs.

  Upon a motion by Ms. Tarkington, seconded by Mr. Ramer, the Board voted 12-0-0 to accept the Comptroller’s Report. Motion carried.

**TREASURER’S REPORT**

The Chair asked for questions about the Treasurer’s Report showing investment portfolio activity for January 2019 and, hearing none, noted that the BET had received the Report and would forward it to be filed for review by the outside auditor.

**BET Standing Committee Reports**

- **Investment Advisory Committee** – Mr. Weisbrod reported that upon reviewing the Town of Greenwich Resolution Concerning Cash Management (the Resolution) with the Law Department, the Investment Advisory Committee determined that any Custodian who is a security broker/dealer did not need to be required to provide excess Securities Investor Protection Corporation (SIPC) account protection as excess insurance coverage explaining that it would not be material to the relationship with the Custodian that is already required to segregate assets and liabilities and that meets this requirement under SEC Regulations. The Committee voted to delete this requirement from the Resolution and from the Agreement with J.P. Morgan Securities, LLC.

**BET Liaison Reports** – none

**BET Special Project Team Reports** - none

**OLD BUSINESS** - none

**NEW BUSINESS** (continued)

- **June 30, 2018 Annual Report**

  The BET deferred voting on the June 30, 3018 Annual Report until its March 25, 2019 Meeting.

- **Cash Management Resolution**

  Upon a motion by Mr. Weisbrod, seconded by Mr. Ramer, the Board voted
12-0-0 to accept the deletion from the Town of Greenwich Resolution Concerning Cash Management of the requirement that a Custodian must provide excess Securities Investor Protection Corporation account protection (excess insurance coverage). Motion carried.

- **Fund Balance Policy – First Read**

Ms. Moriarty thanked Special Project Team members who attended 10 meetings between October 2018 and February 2019 to review the Fund Balance Policy. No substantive changes were made to the Policy, but some text was revised for clarity. Ms. Moriarty reported that the Committee had voted 4-0-0 in favor of the Fund Balance Policy.

- **Debt Policy**

Ms. Moriarty commented that the Special Project Team discussed three variables that impact the debt model: size and timing of capital investment, the size of the capital tax levy and debt maturities. The Team spent considerable time modifying the debt model to determine the impact of the BET’s Debt Policy affordability targets for the proposed FY2020 capital plan, including the BOE Master Facilities Plan, for each of the debt maturity scenarios to allow users to see the trends as the debt composition was modified.

**Chair’s Report**

Ms. Oberlander thanked Ms. Moriarty for the Debt and Fund Balance Policy Special Project Team’s work and acknowledged Mr. Weisbrod’s and Mr. Gieger’s contribution.

The Chair encouraged members of the Board to attend opening ceremonies for the new New Lebanon School to be held on February 23, 2019. She reminded members of additional upcoming meetings including: the Law Committee meeting in which the Senior Tax Credit Ordinance will be discussed on February 21, 2019; a Joint Board of Education-BET meeting scheduled for February 26, 2019, to hear the presentation of Blumshapiro, the accounting and consulting firm, of the GPS Capital Project Operational Assessment; and a Joint Meeting of the BET and the Board of Directors of The Nathaniel Witherell to hear the consultant Health Dimension Group’s presentation on its Financial and Operating Review for the Nathaniel Witherell. Ms. Oberlander thanked Board members for attending the Budget Committee Departmental Review Meetings and Public Hearing and reported that members would be assigned shortly to attend RTM District and Committee meetings held in March and April in order to defend the BET FY2019-2020 capital and operating budgets prior to the RTM’s budget decision meeting.

**Approval of the BET Meeting Minutes**

Upon a motion by Ms. Krumeich, seconded by Ms. Tarkington, the Board voted 12-0-0 to approve the Minutes of the BET Regular Meeting of January 22, 2019. Motion carried.

**Adjournment**

Upon a motion by Mr. Duus, seconded by Ms. Fassuliotis, the Board voted 12-0-0 to adjourn the meeting at 8:23 P.M. Motion carried.
The next Regular Meeting of the Board of Estimate and Taxation is on Monday, March 25, 2019.

Respectfully submitted,

Catherine Sidor, Recording Secretary

Elizabeth K. Krumeich, Clerk of the Board

Jill K. Oberlander, Chair