

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

Thursday, March 17, 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; John D. Chadwick, Chairman; Retirement Board

The meeting was called to order at 10:00 A.M.

The Committee voted 2-0 to add discussion of the two proposed Budget Resolutions for Grants and Other Receipts for the Senior Center and for the Board of Education for the Greenwich High School Performing Arts Center or music instructional space.

1. Greenwich Senior Center

After discussion with Lori Ann Contadino, Director Commission on Aging, Attorney Aamina Ahmad proposed the following amended Budget Resolution for the Greenwich Senior Center:

21. The Greenwich Senior Center is authorized to accept donations of cash from the Friends of the Greenwich Senior Center, Inc. Donations shall be for furniture, fixtures and equipment. Such donations, not to exceed \$25,000 per donation with a combined total amount, not to exceed \$75,000 per fiscal year shall become appropriations that the Comptroller shall add to the appropriate accounts.

Upon a motion duly made and seconded, the Law Committee of the Board of Estimate and Taxation ("BET") members Tarkington and Krumeich present, voted 2-0 to recommend to the Board the proposed Resolution for the Senior Center.

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

After input from Laura Erickson, Chairman, Board of Education, Attorney Aamina Ahmad proposed the following amended Resolution for the Greenwich High School Performing Arts Center or music instructional space:

42(h). Financial donations from an organization qualified under 501(c)(3) of the Internal Revenue Code and designated by the Board of Education, 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; any financial donations received shall be used only toward the acquisition of tangible items and enhancements previously identified and approved by the Board of Education.

Upon a motion duly made and seconded, the Law Committee of the Board of Estimate and Taxation ("BET") members Tarkington and Krumeich present, voted 2-0 to recommend to the Board the proposed

Resolution for the Greenwich High School Performing Arts Center or music instructional space, subject to agreement between the Chairman, Board of Estimate and Taxation, and the Chairman, Board of Education..

3. Discussion in Executive Session of pending case in litigation

The Committee voted to go into Executive Session at 10:21 A.M. to discuss a case in pending litigation. After some discussion, the Committee voted 2-0 to come out of Executive Session at 10:52 A.M.

4. Review and Approval of Landmark Real Estate Partners VII, L.P. Amendment of Agreement

The Committee reviewed with Attorney Eugene McLaughlin the proposed Amendment to the Second Amended and Restated Agreement of Limited Partnership of Landmark Real Estate Partners VII, L.P for the Retirement Board's existing investment. According to the Amendment and the explanatory comments by Landmark and NEPC this will allow up to \$133 million to purchase additional real estate by reimbursing prior committed credit payments. This amends the Partnership Agreement Section 7.4(b), which provides that distributable cash can be reinvested, and allows Landmark to reinvest the amount of distributable cash previously utilized to repay interest and/or principal on Partnership borrowings without reducing Retaining Capital Commitments. The Committee was advised that over 50% of investors had approved the proposed Amendment and that it had become effective.

Upon a motion duly made and seconded, the Law Committee of the Board of Estimate and Taxation ("BET") members Tarkington and Krumeich present voted 2-0 to find that the Law Department has reviewed the relevant documentation for the Amendment to the Second Amended and Restated Agreement of Limited Partnership of Landmark Real Estate Partners VII, L.P for the Retirement Board's existing investment. The Law Committee finds that the document is in legal order to be entered into by the Retirement Board to amend the investment in this fund.

5. Review and Approval of HarbourVest Partners X Buyout Fund, L.P. and HarbourVest Partners X Venture Fund, L.P.

The Committee reviewed with Attorney Eugene McLaughlin the proposed Retirement Board investment in the amount of up to and including \$10 million in total, in HarbourVest Partners X Buyout Fund, L.P. and HarbourVest Partners X Venture Fund, L.P. Mr. McLaughlin explained that Attorney Gary S. Hammersmith, Partner McElroy, Deutsch, Mulvaney & Carpenter, LLP had reviewed the documents, but was unable to attend this meeting due to a personal matter. Mr. Hammersmith sent an Opinion Letter and a proposed side letter with the HarbourVest Funds. Mr. Hammersmith opined that the documents were in legal order. The Committee requested an updated opinion letter to include additional information including (1) the partnership being permitted to commit to 120% of the capital commitments, (2) the reference to a 10% recall that is not considered a capital contribution, (3) designating the trustees, paying agents and custodians, (4) confirming the meaning in the A-1 appendix of the term "senior political figures" as it relates to anti-money laundering provisions and Sarbanes Oxley regulations in order to confirm that the term does not apply to Greenwich retirees who are elected officials, and (5) an update on whether there are any risk disclosures beyond what is contained in the plan summary.

Upon a motion duly made and seconded, the Law Committee of the

Board of Estimate and Taxation ("BET") members Tarkington and Krumeich present voted 2-0 upon advice of the Town Attorney and after review of the due diligence review letter and proposed side letter by outside counsel Gary Hammersmith of McElroy, Deutsch, Mulvaney & Carpenter, confirms that the documentation of the proposed investment in HarbourVest Partners X Buyout Fund, L.P. and HarbourVest Partners X Venture Fund, L.P., which is not to exceed in the aggregate \$10 million by the Retirement Board, is in legal order.

6. Review of GAM Unconstrained Bond Fund

Attorney Eugene McLaughlin advised the Committee that the Law Department had received information from the GAM Unconstrained Bond Fund managers that satisfied the requirement of Town Charter, Section 208(a) that the investment can be included in the Town's 25% requirement.

Upon a motion duly made and seconded, the Law Committee of the Board of Estimate and Taxation ("BET") members Tarkington and Krumeich present, voted 2-0 to accept the Opinion of the Town Law Department dated March 11, 2016, that the materials provided by the GAM Unconstrained Bond Fund fairly meet the purpose of the ERISA Department of Labor and Insurance Commissioner's Guidelines to provide financial information on the risks and status of derivatives in the Fund and, therefore, meet the legal requirements for inclusion within Section 208(a) of the Town Charter for the 25% restriction of the Retirement System Funds in diversified fixed-income securities.

7. Review of Loomis Sayles Strategic Alpha Fund

Attorney Eugene McLaughlin advised the Committee that the Law Department had received information from the Loomis Sayles Strategic Alpha Fund managers that satisfied the requirement of Town Charter, Section 208(a) that the investment can be included in the Town's 25% requirement.

Upon a motion duly made and seconded, the Law Committee of the Board of Estimate and Taxation ("BET") members Tarkington and Krumeich present, voted 2-0 to accept the Opinion of the Town Law Department dated March 11, 2016, that the materials provided by the Loomis Sayles Strategic Alpha fairly meet the purpose of the ERISA Department of Labor and Insurance Commissioner's Guidelines to provide financial information on the risks and status of derivatives in the Fund and, therefore, meet the legal requirements for inclusion within Section 208(a) of the Town Charter for the 25% restriction of the Retirement System Funds in diversified fixed-income securities.

8. Review and Approval of the Minutes

Review and approval of the minutes of the January 13, 2016, February 9, 2016, and February 23, 2016 BET Law Committee Meetings was deferred until the April 2016 meeting.

1. Adjournment

The meeting was adjourned at 11:55 A.M.



Leslie L. Tarkington, Chairman