MINUTES of the regular meeting of the Board of Estimate and Taxation held on Monday, May 15, 2017 in the Town Hall Meeting Room, Greenwich, CT.

Chairman Michael Mason called the meeting to order at 6:34 P.M., after which the members pledged allegiance to the flag.

Board members in attendance:

- Michael S. Mason, Chairman
- Arthur Norton, Vice Chairman
- William Drake, Clerk
- John Blankley
- Elizabeth K. Krumeich
- James A. Lash
- Leslie Moriarty
- Jill K. Oberlander
- Jeffrey S. Ramer
- Leslie L. Tarkington
- Anthony Turner
- Nancy Weissler

Staff: Peter Mynarski, Comptroller; Roland Gieger, Budget Director; Lauren Elliot Assessor; Aamina Ahmad, Assistant Town Attorney; Fernando F. de Arango, Assistant Town Attorney; Tod Laudonia, Tax Collector

TNW: Laurence Simon, Chairman, Nathaniel Witherell Board of Directors; Chris Alexander, Director of Financial Operations, Nathaniel Witherell

Mr. Mason welcomed BET members and attendees. He remarked that although an Executive Session was on the Agenda as the first item of business, that it was not needed at this time and would be taken up later should the need arise.

**ROUTINE APPLICATIONS**

<table>
<thead>
<tr>
<th>NW - 2</th>
<th>Nathaniel Witherell</th>
<th>Transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td>$485,000.00</td>
<td>H450 &amp; various codes</td>
<td>Personal Services &amp; Insurance</td>
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Mr. Norton made a motion to re-characterize NW-2 as a Non-Routine application, seconded by Mr. Ramer. The Board voted 12-0-0 to approve the motion.

**NON-ROUTINE APPLICATIONS**

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<th>NW - 2</th>
<th>Nathaniel Witherell</th>
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BET Meeting Minutes May 15, 2017 – Approved
Mr. Simon explained that the request, which includes an additional $260,000 added to the transfer after the Budget Committee approval, was not intended to be a budget increase, but rather a transfer to cover anticipated shortfalls by year-end which TNW was proposing to cover by anticipated budgetary surpluses in Object Codes for Supplies, Service and Town Services/Debt Service. It was TNW's intention to encumber funds in anticipation of a teamster and LIUNA contract settlement for which insufficient funds were available in the FY17 Budget's 100s salary line item. Ms. Tarkington asked about the Nursing Full Time increase of $260,000, and Mr. Simon confirmed that he had learned that it was used for Nurses Overtime. Mr. Geiger confirmed Ms. Tarkington's understanding that the funds would be journal vouched from Nursing Full Time to Nursing Overtime, and that it would not become an increase in the Nursing Full Time actual salary base. Mr. Ramer asked Mr. Simon to clarify how the salary increase that had been approved in the FY17 Budget had been spent. Mr. Simon responded that the TOG's conversion to ADP payroll presented complexities in the coding of salary and overtime. Ms. Weissler asked Mr. Simon to explain why overtime at Witherell is expected to exceed the budgeted amount for F17 by almost $500,000—particularly in light of the fact that Witherell had increased its part-time staff by 8.2 FTE's in F17 to reduce overtime. Ms. Oberlander questioned when this issue was recognized and why supplies were over-budgeted. Mr. Simon indicated that for the sake of transparency and accountability, TNW's goal was to manage its accounting process better. Mr. Drake remarked that significant transfers such as these indicated that Witherell's expense budget was managed as one large opaque mass, rather than a transparent view of individual cost items. Mr. Drake indicated that he intended to vote against the item. Ms. Oberlander commented that while she appreciated the unpredictability of staffing needs, it created budget irregularities. Mr. Ramer noted that although the facility appears to have been more effective at building its business model than it has been at budgeting, there is no purpose to be achieved by denying the requested appropriation.

Mr. Mason made a motion to approve the application. The Board voted 11-1-0 to approve the transfer of $485,000.00 for Personal Services & Insurance. (Opposed: Drake)

<table>
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<tr>
<th>SE-17</th>
<th>First Selectman</th>
<th>Settlement</th>
</tr>
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<tbody>
<tr>
<td>$60,000</td>
<td>P935 57350</td>
<td>Shimchick v. TOG</td>
</tr>
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Ms. Tarkington commented that the Law Committee had voted 2-0 and Mr. Lash added that the Budget Committee had voted 4-0 in favor of the settlement of the Marie Shimchick v. Town of Greenwich litigation for $60,000.

Ms. Tarkington made a motion, seconded by Mr. Ramer in settlement of the Shimchick litigation for $60,000. The Board voted 11-1-0 in favor of the motion. (Opposed: Blankley)

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<tr>
<th>SE-18</th>
<th>First Selectman</th>
<th>Settlement</th>
</tr>
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<tbody>
<tr>
<td>$17,183.61</td>
<td>P935 57350</td>
<td>Liberty Mutual Insurance Co. a/s/o Zhornitsky v. TOG</td>
</tr>
</tbody>
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Ms. Tarkington commented that the Law Committee had voted 2-0 and Mr. Lash added that the Budget Committee had voted 4-0 in favor of the settlement of the Liberty Mutual Insurance Co a/s/o Albert Zhornitsky v. TOG (Property Damage Claim), total amount of damages claimed
for $21,703.61, reduced by a salvage recovery of $4,000.00, to a final settlement amount of $17,183.61.

Upon a motion by Mr. Mason, seconded by Ms. Tarkington, the Board voted 12-0-0 in favor of the settlement of $17,183.61.

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<th>LAW - 1</th>
<th>Law Department</th>
<th>Additional Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>$200,000</td>
<td>A140 51400</td>
<td>Outside Counsel Legal Fees</td>
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Mr. Lash commented that the Budget Committee had heard the Application for $100,000, which included outside attorney fees due to both unanticipated absences within the Department and a successful outcome of the Town's appeal of the Eversource application to the Siting Council. Town Attorney Fox explained to the Budget Committee that the application should be increased to $200,000 to cover additional outside attorney fees due to the estimated cost of Eversource's new application to the Siting Council. The Budget Committee had voted 4-0 in favor of the amended application. Ms. Tarkington commented that the Law Committee had voted 2-0 in support of the Law Department's request for additional funding.

Upon a motion by Mr. Mason, seconded by Ms. Tarkington, the Board voted 12-0-0 to approve the Law Department's request for an additional appropriation of $200,000.

**ASSESSOR'S REPORT**

Ms. Elliot advised the BET that the July 2017 Tax Bill file was being prepared for transfer to the Tax Collector's office.

She noted that the Board of Selectmen had reviewed the Press Release informing residents that residential appraisers would be measuring and inspecting properties beginning June 12, 2017, which the BET had reviewed at its regular April monthly meeting.

Ms. Moriarty asked how the number of seniors applying for Senior Tax Credit compared to previous years. Ms. Elliot responded that the number of new applicants for the state program had increased from 147 in 2014 to 150 in 2017. The local program credits could not be calculated yet as the mill rate has not been set. The Town has budgeted ample funds for the local program as only $825,000 of the $950,000 allocation in the FY17 budget was used. Mr. Norton congratulated Ms. Elliot on cases settled and asked about the resolution of the outstanding 2012 cases. Ms. Elliot responded that four additional trial days were scheduled in June.

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

**COMPTROLLER'S REPORT**

Mr. Mynarski began his report commenting that TNW Strategic Planning Committee meeting for May had been postponed until June.

Ms. Weissler asked when the Retirement Board's contract for the outside Chief Investment Officer would reach the BET's Agenda. Mr. Mynarski responded that both the Retirement Board's attorney, Mr. Smoot, and TOG's attorney, Mr. McLaughlin, anticipated having the
contract completed by July.

Ms. Oberlander asked if the Audit Committee had voted to authorize the hire of an outside forensic auditor for the Parking Services' audit. Mr. Mynarski indicated that the Finance Department annually sets aside money for outside consulting studies, and that $75,000 was available. He noted that RSM US LLP, the Town’s external auditors, would be performing the forensic audit. Mr. Ramer inquired if TOG insurance would be covering costs of the forensic audit, to which Mr. Mynarski responded that TOG’s policy coverage had a $50,000 deductible.

Mr. Norton asked about the Bankwell agreement process and Mr. Mynarski indicated that there were several steps before Bankwell could be added to TOG’s Cash Resolution.

Ms. Tarkington asked for a Risk Management update on the Steamboat Road Pier status.

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

Acceptance of the Treasurer’s Report Showing Investment Portfolio Activity for April 2016

Upon a motion by Mr. Norton, seconded by Mr. Ramer, the Board voted 12-0-0 to accept the Treasurer’s Report.

BET Standing Committee Reports

None

BET Liaison Reports

Mr. Mason remarked that the Retirement Board update had been handled earlier.

BET Special Project Team Reports

None

New Business

• Approval of 2017-2018 Budget Resolution (see attached TOG Resolution Authorizing the Issuance of $35,284,006 Bonds of the Town to Meet a Portion of the Capital Budget Appropriations in the Capital Plan for Fiscal Year 2017-2018 and Pending the Issuance thereof the Making of Temporary Borrowing for such Purpose)

Upon a motion by Ms. Tarkington, seconded by Mr. Ramer, the Board voted 12-0-0 to approve the FY18 Budget Resolution reflecting the RTM modifications. (See attached)

• Approval of Mill Rates for 2017-2018 Fiscal Year

  o General Fund (see attached TOG Resolution for General Fund Tax on Assessment List of October 1, 2016 for Fiscal Year 2017-2018)
Mr. Drake read a Mill Rate Resolution, moving that the Mill Rate be set at 11.396, seconded by Mr. Norton, so that the Mill Rate increase would be 1.49%, consistent with the intent of the RTM’s Budget vote.

Mr. Blankley amended the motion to set the Mill Rate at 11.425, seconded by Ms. Krumelich so that the Mill Rate increase would be 1.99%. In the discussion that followed, Mr. Blankley noted that the intent was to build up the fund balance by $2 million, recognizing the potential for the cost of future healthcare increases. Mr. Lash indicated that although he was sympathetic to having reserves, he suggested that the RTM’s decision should be respected. Ms. Krumelich cautioned that a low Mill Rate one year and a possible spike the following year was not preparing well for the long term.

Upon a motion by Mr. Blankley to increase the Mill Rate by 1.99%, seconded by Ms. Krumelich, the Board voted 2-10-0. (Opposed: Mason, Norton, Drake, Lash, Moriarty, Oberlander, Ramer, Tarkington, Turner, Weissler)

In a discussion on the original motion, Ms. Oberlander remarked that the BET Guidelines were taken seriously and the RTM cuts this year were targeted. Ms. Tarkington pointed out that comparing the FY17 Budget to the Actual; there would be approximately $1.8 million contribution to the Fund Balance. Ms. Weissler reviewed the results achieved through the hiring freeze and the 6 Sigma training program which was be offered for a second year, supporting the FY18 Budget process.

Upon Mr. Drake’s original motion to increase the Mill Rate by 1.49%, seconded by Mr. Norton, the Board voted 12-0-0 to approve the motion.

- Sewer Maintenance Fund (see attached TOG Resolution for Sewer Maintenance Fund Tax on October 1, 2016 for Fiscal Year 2017-2018)
  
  Mr. Drake read a Mill Rate Resolution, moving that the Mill Rate be 0.615 Mills for the Town’s Sewer Maintenance Fund, seconded by Ms. Tarkington. The Board voted 12-0-0 to approve the motion.

- Sewer Improvement Fund (see attached TOG Resolution for Sewer Improvement Fund Tax on Assessment List of October 1, 2016 for Fiscal Year 2017-2018)
  
  Mr. Drake read a Mill Rate Resolution, moving that the Mill Rate be 0.034 Mills for the Town’s Sewer Improvement Fund, seconded by Ms. Tarkington. The Board voted 12-0-0 to approve the motion.

- BET Meeting Schedule Changes – July & December 2017
  
  - Reschedule of July Meeting Date to July 13, 2017
  - Reschedule of December Meeting Date to December 14, 2017

Mr. Mason asked Mr. Turner become the BET liaison to the BOE Cardinal Stadium Feasibility Study Committee, to which Mr. Turner agreed.
Old Business

None

Approval of the BET Meeting Minutes

Upon a motion by Ms. Tarkington, seconded by Mr. Ramer, the Board voted 7-0-5 to approve the Minutes of the April 21, 2017 GEMS Tour. (Abstain: Blankley, Turner, Drake, Mason, Norton)

Upon a motion by Mr. Ramer, seconded by Ms. Krumeich, the Board voted 12-0-0 to approve the Minutes of the BET Regular Monthly Meeting of April 24, 2017.

Chairman's Report

Mr. Norton, as Vice Chairman, suggested that BET members might find Bob Horton's *Greenwich Time* column of Sunday, May 7, 2017 of interest.

Mr. Mason reminded BET members of Tuesday's May 23, 2017 lunch to express thanks to Mr. Mynarski and Mr. Gieger for their sustained and excellent contributions to the FY18 Budget process. He complimented and thanked BET members for their 100% attendance at all the Budget Hearings, and attendance at RTM District and Committee meetings in support of TOG's FY18 Budget. He added that a Budget debriefing with TOG's Boards and Commissions to discuss improvement to the budgeting process would be scheduled.

He noted that June's BET meeting would have the year-end Capital Budget Close-outs on the Agenda.

Adjournment

Upon a motion by Mr. Turner, seconded by Ms. Krumeich, the Board voted 12-0-0 to adjourn at 7:56 P.M.

The next Regular Meeting of the BET is scheduled on Monday, June 12, 2017 at 4:30 P.M. in the Town Hall Meeting Room.

Respectfully submitted,

Catherine Sidor, Recording Secretary

William Drake, Clerk of the Board

Michael S. Mason, Chairman