MINUTES of the regular meeting of the Board of Estimate and Taxation held on Monday, May 17, 2010 in the Town Hall Meeting Room, Greenwich, CT.

Chairman Stephen Walko called the meeting to order at 6:29 p.m., after which the members pledged allegiance to the flag. A moment of silence was observed for the death of Bernie Yudain.

Board members in attendance:

Stephen G. Walko, Chairman
Jim Campbell, Vice Chairman
Joseph L. Pellegrino, Clerk
   Nancy E. Barton
   William R. Finger
   Randall Huffman
   William G. Kelly
   Michael S. Mason
   Arthur D. Norton
   Jeffrey S. Ramer
   Laurence B. Simon
   Leslie L. Tarkington

Selectmen: Peter Tesei, First Selectman; Drew Marzullo

Staff: Peter Mynarski, Comptroller; Roland Gieger, Budget Director; Ted Gwartney, Assessor; Robert Shipman, Assistant Assessor; John Crary, Town Administrator; Dustin Anderson, Executive Assistant to the First Selectman; J. Wayne Fox, Town Attorney; Tom Greco, Manager, Business Services Operations, Parks & Recreation; Carmela Budkins, Town Clerk; Amy Siebert, Commissioner; and Alan Monelli, Superintendent, Public Works

NON-ROUTINE APPLICATIONS – from Budget Committee:

SE-11  First Selectman – Additional Appropriation - $300,000

Additional Appropriation:
$ 300,000 to P935-57350 Settlement
$ 300,000 from Risk Fund Balance

This item was postponed.
SE-12  First Selectman – Additional Appropriation - $442,000

Additional Appropriation:
$ 442,000 to P105-59940-21967 Storm Clean Up
$ 97,000 from Risk Fund Balance
$ 345,000 from Capital Non-recurring Fund

Mr. Mason explained that this is the second request for storm clean-up funds to ensure resources are available to cover departmental expenses as the Town continues to negotiate with FEMA the level of Federal reimbursement. A discussion followed regarding funding sources and Ms. Tarkington requested that CIP sheets be prepared for each of the four capital items to maintain the integrity of the capital process.

Upon a motion by Mr. Simon, seconded by Ms. Tarkington, the Board voted 12-0-0 to approve two separate sources of funds for the following items:
1) Fleet generator $150,000
2) Guardrail repair at eleven locations $42,000
3) Byram Jetty $125,000
4) Greenwich Point Seawall $28,000
These four items total $345,000 and funding is to be taken from the Capital Non-recurring Fund. The remainder of the appropriation, $97,000, is to be taken from the Risk Fund Balance.

Upon a motion by Mr. Mason, seconded by Mr. Simon, the Board voted 12-0-0 to approve the application, as amended.

TC-1  Town Clerk – Transfer - $31,200

Transfer:
$ 31,200 to A150-51300 Temporary Salaries
$ 31,200 from A901-57960 Salary Adjustment Account

Mr. Campbell stated that the HR Committee unanimously approved this request in order to hire two part-time (15 hours/week) employees, this being the first proposal to come before the Board to transfer funds from fixed charges to fill a position that has been on the list of vacant positions. Mr. Campbell explained that the 25% reduction in staffing in the Town Clerk’s office has left the office understaffed and is under extreme pressure at times to maintain counter hours at both the upstairs main counter and the downstairs Vital Statistics counter. Mr. Simon noted that this is effective July 1, 2010 and represents a FY transfer.

Upon a motion by Mr. Campbell, seconded by Ms. Barton, the Board voted 12-0-0 to approve the application.

ROUTINE APPLICATIONS – from Budget Committee:

CD-4  Community Development – Additional Appropriation - $26,921
Additional Appropriation:
$ 26,921 to Q19710-59900-29216 Rental/Leases – Software
$ 26,921 from Q19709-59900-29222 2009 CDBG Contingency

Upon a motion by Mr. Pellegrino, seconded by Mr. Mason, the Board voted 12-0-0 to approve the application.

SE-13 First Selectman – Additional Appropriation - $40,964 for Costal Resources Advisory Committee

Additional Appropriation:
$ 8,500 to F834-51300 Temporary Salaries
$ 10,000 to F834-51400 Legal Fees
$ 2,865 to F834-54190 Misc Prof Fees
$ 3,797 to F834-52360 Software Maintenance
$ 2,157 to F834-53520 Part for Boat
$ 645 to F834-57050 Social Security
$ 13,000 to F834-59260-21969 Marine Equip New Motor
$ 40,964 from Reserve for Restrictive Receipts, CRAC

Upon a motion by Mr. Pellegrino, seconded by Mr. Mason, the Board voted 12-0-0 to approve the application.

SE-10 First Selectman – Additional Appropriation - $30,000

Additional Appropriation:
$ 30,000 to P935-57350 Settlement- Gordon v. Maloney
$ 30,000 from Risk Fund Balance

Upon a motion by Mr. Pellegrino, seconded by Ms. Barton, the Board voted 12-0-0 to approve the application.

ASSESSOR’S REPORT

Mr. Gwartney presented the Assessor’s Report to the Board, which included a copy of the power point presentation regarding the 2010 Revaluation given to the Round Hill Association on May 11, 2010. Mr. Walko commented that one of the key roles of the Assessor is to educate the public regarding the revaluation. Mr. Gwartney stated that he would welcome the opportunity to give presentations to any other organizations that are interested. Mr. Kelly suggested the Assessor be proactive in arranging meetings with citizens’ groups and Mr. Walko concurred.

Mr. Gwartney also stated the 809 seniors have applied for the Tax Credit and no applications for the Tax Deferral have been filed. In response to Mr. Simon, Mr. Gwartney stated that the applications are closed.

Upon a motion by Ms. Tarkington, seconded by Mr. Finger, the Board voted 12-0-0 to accept the Assessor’s Report.
BET COMMITTEES' and SPECIAL PROJECT TEAMS' REPORTS

Audit Committee, May 2010 – Mr. Norton
Human Resources Committee, May 2010 – Mr. Campbell
Law Committee, May 2010 – Ms. Barton
Nathaniel Witherell Building Committee, May 2010 – Mr. Pellegrino
Revaluation Team, May 2010 – Mr. Finger, Ms. Tarkington

On behalf of the Audit Committee, Mr. Norton reported that the Audit process has begun.

Regarding the Nathaniel Witherell Building Committee report, Mr. Finger commented it would be appreciated if the Building Committee was vigilant with how money was being spent between now and the final resolution of the CON. Also, a brief discussion followed regarding a review of the Nathaniel Witherell FY2010 Capital non-recurring fund. Ms. Tarkington commented that the application submitted to P&Z for Project Renew was for a cost of $40.25 million, however, the Nathaniel Witherell Board has only approved $36.8 million to date, and the CON submitted to the State for consideration was also for the lesser amount. Ms Tarkington also stated that a Nathaniel Witherell footprint rendering has been made available to the public at Witherell, however, no detailed drawings have been displayed.

Mr. Walko stated that every June the Budget Committee reviews the lapsing of Capital appropriations. Due to a heightened awareness because of Project Renew, the Nathaniel Witherell should attend the June meeting to discuss this separate from the general discussion.

Mr. Walko commented that the Commercial Drivers License (CDL) report indicated some issues. Mr. Norton stated that once the project is complete, the Town of Greenwich Vehicle Use Law and the HR Department Policy 414-0 will be amended, and there will be a follow-up report regarding remedy and impact.

COMPTROLLER'S REPORT

Mr. Mynarski presented the Comptroller’s Report to the Board. Mr. Mynarski reported, regarding the CDL review, that every employee that drives a Town vehicle will have to supply a driver’s license in order to comply with federal law. The HR manual will be corrected and the Finance Dept will take over the compliance going forward.

Mr. Mynaraki gave an update of the RFP for Shared Services and an update concerning small claims cases. A brief discussion followed regarding the selection of the claims.

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

ACCEPTANCE OF TREASURER’S REPORT SHOWING INVESTMENT PORTFOLIO ACTIVITY FOR THE PERIOD OF APRIL 1, 2010 – APRIL 30, 2010

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

BET Regular Meeting, April 19, 2010

Upon a motion by Mr. Ramer, seconded by Mr. Simon, the Board voted 12-0-0 to approve the Regular Meeting Minutes of the BET from April 19, 2010.

OFFICER'S REPORT

Mr. Walko thanked the Board for their work on the Budget and commented on the importance and value of attendance at various RTM district and committee meetings. Mr. Walko announced that, former BET member, Peter Crumbine was recognized by the Greenwich Bar Association at its Law Day luncheon.

OLD BUSINESS

Review and Approval of Resolution for OPEB Trust Investment Policy Statement

Mr. Pellegrino gave an overview of the policy. Mr. Walko commented that the goal is to move towards an OPEB Trust Board that can operate on its own. A brief discussion followed regarding the selection of candidates for the OPEB Trust Board. The Investment Advisory Committee's next meeting is scheduled for June 3, 2010, at which they will interview candidates.

Upon a motion by Mr. Pellegrino, seconded by Mr. Simon, the Board voted 12-0-0 to approve the Resolution for OPEB Trust Board Investment Policy Statement.

RESOLVED, that the BET adopts the Investment Policy Statement (IPS) for the Other Post Employment Benefit Trust, dated May 17, 2010.

FURTHER RESOLVED, that the IPS supersedes the existing rebalancing policy of the OPEB Trust.

OPEB Trust
Investment Policy Statement
May 17, 2010

Introduction:

Other Post-Employment Benefits (OPEB) consist of healthcare and life insurance benefits for Town of Greenwich (TOG) retirees.

In 2004, the Governmental Accounting Standards Board issued Statements requiring municipal governments to account for Other Post-Employment Benefits in a manner similar to that of pension benefits.
Accordingly, the Board of Estimate and Taxation (BET) decided to appropriate money to fund OPEB payments, and thereby established the OPEB Trust (Trust). The Trustee of the Trust is the Town’s Treasurer. A three member board (Board) appointed by the BET is responsible for making investment recommendations to the BET. The Board reports to the BET through the Investment Advisory Committee.

**Investment Objective:**

The investment objective of the Trust is to earn a blended rate of return consistent with the long-term Rate of Return assumption used for the annual Actuary Valuation. Currently this return is set at 7.75%.

The assets of the Trust shall be invested to ensure that principal is preserved and enhanced over the long-term both in real and nominal terms. The assets shall be managed and invested in accordance with the Connecticut Uniform Prudent Investor Act.

**Liquidity:**

The Trust shall maintain a cash or near-cash position in accordance with the Trustee’s need to meet obligations of the Trust. It is anticipated that the need to raise cash in the normal course of events will be once a year at the end of the Fiscal Year to reconcile with the General Fund. Otherwise, cash will be held only if market conditions warrant.

**Investment Guidelines:**

The Trust’s assets may be invested in the following asset classes and sub-classes (Asset Classes and Sub-Classes) and within the ranges specified. The Board is charged with recommending asset allocation (Asset Allocation) and investments (Investments), consistent with the Investment Objective and after taking into consideration the economic and market outlook for each asset class. On a quarterly basis, the Board shall review and may recommend to the BET Investment Advisory Committee (IAC) a change in Asset Allocation for one or more of the Asset Classes or Sub-Classes. Should the Board wish to change the minimum - maximum range, or add additional Sub-Classes, however, it must recommend such change(s) to the IAC for BET approval.

<table>
<thead>
<tr>
<th>ASSET CLASS</th>
<th>Minimum</th>
<th>Maximum</th>
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</thead>
<tbody>
<tr>
<td>Equities</td>
<td>30%</td>
<td>75%</td>
</tr>
<tr>
<td>Alternatives</td>
<td>0%</td>
<td>10%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>25%</td>
<td>70%</td>
</tr>
<tr>
<td>Cash or Near-Term Investments</td>
<td>0%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Further, in considering allocations to the above specified broad Asset Classes, the Board should consider the following guidelines for the respective Sub-Classes:

<table>
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<tr>
<th>EQUITIES</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
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<tbody>
<tr>
<td>Domestic</td>
<td>40%</td>
<td>85%</td>
</tr>
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</table>

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Preferred Investment Vehicles:

The Board shall recommend investments in the form of publicly traded mutual funds or publicly traded Exchange Traded Funds (ETF). The Trust shall not invest in any individual security or issue.

The Board may recommend passive indices as investment vehicles or actively managed funds, provided the risks associated with actively managed funds are reasonable and in the Board’s opinion outweigh the potential for underperformance compared to the performance benchmark. A mutual fund or ETF may be chosen that represents a blend of Asset Classes or Sub-Classes.

In determining which investment fund to recommend, the Board should consider, but not be limited to, the following characteristics:

1. The historic performance of the fund compared to its category index and peer group.
2. The historic risk profile and statistical analysis of the fund.
3. The cost associated with the fund.
4. The manager’s philosophy and style of managing the fund.
5. The length of time the manager(s) has managed the fund.

Performance Benchmarks:

The benchmarks for comparative performance purposes shall be recommended by the Board. Some representative benchmarks are as follows:

<table>
<thead>
<tr>
<th>Class or Category</th>
<th>Benchmark</th>
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</thead>
<tbody>
<tr>
<td>Domestic Equities</td>
<td>MSCI US Broad Market Index</td>
</tr>
<tr>
<td>International Developed Markets</td>
<td>MSCI EAFE Index</td>
</tr>
<tr>
<td>Emerging Markets</td>
<td>MSCI Emerging Markets Index</td>
</tr>
<tr>
<td>Domestic Fixed Income</td>
<td>Barclays Capital US Aggregate Bond Index</td>
</tr>
<tr>
<td>International Bonds--Developed</td>
<td>JPMorgan Global Government Bond Index (ex</td>
</tr>
<tr>
<td>Markets</td>
<td>Indexes</td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td>-------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Emerging Markets Debt</td>
<td>JPMorgan Emerging Markets Bond Index Global</td>
</tr>
<tr>
<td>High Yield Bonds</td>
<td>Barclays US Corp High Yield Bond Index</td>
</tr>
<tr>
<td>Treasury Inflation Protection Securities</td>
<td>Barclays US TIPS Index</td>
</tr>
<tr>
<td>Commodities</td>
<td>DJ-AIG Commodity Index</td>
</tr>
<tr>
<td>Real Estate</td>
<td>NCREIF or MSCI US REIT Index</td>
</tr>
</tbody>
</table>

**Rebalancing**

The Trustee shall rebalance the portfolio to the Asset Allocation as approved by the IAC on a quarterly basis. (The quarterly rebalancing shall take place in the months of August, November, February and May.)

**Meetings**

The Board shall meet at least quarterly in the first 10 business days of the quarter, but may meet between regularly scheduled meetings should market conditions require such action.

**Management Reports**

The Board shall issue a report to the IAC on a quarterly basis as to the performance of the Trust. Included in the report shall be a summary by the Trustee of any actions taken within the Trust, including any additions or disbursements of funds.

On an annual basis, the Board will report to the IAC their outlook and expectations for asset class performance (expected returns) for the near term, the reasoning behind their Asset Allocation recommendation, and an explanation of how that allocation on a blended basis is expected to achieve the investment objective of the Trust.

**NEW BUSINESS**

**Tax Collector Action Item Approval – Sewer Assessment Delinquencies – First Read**

Mr. Mason presented the item, in relation to Section 260 of the Town Charter for the Sewer Assessment. Mr. Walko stated that the document will be referred to the Law Committee for review and all comments and questions should be sent to the Finance Dept. A brief discussion followed regarding number of delinquencies and consequences.

**Approval 2010-2011 Mill Rates**

Upon a motion by Mr. Simon, seconded by Mr. Kelly, the Board voted 12-0-0 to approve $905,000 to fund the Senior Tax Relief – Local.
Upon a motion by Mr. Pellegrino, seconded by Mr. Simon, the Board voted 12-0-0 to approve the Resolution for General Fund Tax on Assessment List of October 1, 2009 for Fiscal Year 2010-2011.

RESOLVED, that a tax at the rate of 8.596 Mills on the dollar be and the same hereby levied and laid upon the Assessment List of the Town of Greenwich last completed, as the Tax for said Town's General Fund for the succeeding Fiscal Year to wit: for the Fiscal Year July 1, 2010 through June 30, 2011.

RESOLVED, that the Chairman and Clerk of the board of Estimate and Taxation shall forthwith file a certificate of the levying and laying of such tax with the Town Clerk, who shall record such certificate in the Town Meeting record book, and obtain a receipt from the Town Clerk that this has been done.

Upon a motion by Mr. Pellegrino, seconded by Mr. Mason, the Board voted 12-0-0 to approve the Resolution for Sewer Maintenance Fund Tax on Assessment List of October 1, 2009 for Fiscal Year 2010-2011.

RESOLVED, that a tax at the rate of 0.380 Mills on the dollar be and the same hereby levied and laid upon the Assessment List of the Town of Greenwich last completed, as the Tax for said Town's Sewer Maintenance Fund for the succeeding Fiscal Year to wit: for the Fiscal Year July 1, 2010 through June 30, 2011.

RESOLVED, that the Chairman and Clerk of the board of Estimate and Taxation shall forthwith file a certificate of the levying and laying of such tax with the Town Clerk, who shall record such certificate in the Town Meeting record book, and obtain a receipt from the Town Clerk that this has been done.

Upon a motion by Mr. Pellegrino, seconded by Mr. Norton, the Board voted 12-0-0 to approve the Resolution for Sewer Improvement Fund Tax on Assessment List of October 1, 2009 for Fiscal Year 2010-2011.

RESOLVED, that a tax at the rate of 0.073 Mills on the dollar be and the same hereby levied and laid upon the Assessment List of the Town of Greenwich last completed, as the Tax for said Town's Sewer Improvement Fund for the succeeding Fiscal Year to wit: for the Fiscal Year July 1, 2010 through June 30, 2011.

RESOLVED, that the Chairman and Clerk of the board of Estimate and Taxation shall forthwith file a certificate of the levying and laying of such tax with the Town Clerk, who shall record such certificate in the Town Meeting record book, and obtain a receipt from the Town Clerk that this has been done.
**ADJOURNMENT**

Upon a motion by Mr. Ramer, the Board voted unanimously to adjourn the meeting at 7:44 p.m.

Respectfully submitted,

Maria Bocchino, Recording Secretary

Joseph L. Pellegrino, Clerk of the Board

Stephen G. Walko, Chairman