MINUTES of the regular meeting of the Board of Estimate and Taxation held on Monday, May 21, 2018, in the Town Hall Meeting Room, Greenwich, CT.

Jill Oberlander, BET Chair, called the meeting to order at 4:34 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: Aamina Ahmad, Assistant Town Attorney, Law Department; Lauren Elliott, Assessor; J. Wayne Fox, Town Attorney, Law Department; Roland Gieger, Budget Director, Finance Department; Eugene McLaughlin, Assistant Town Attorney, Law Department; James Michel, Deputy Commissioner, DPW; Peter Mynarski, Comptroller, Finance Department; Howard Richman, Tax Collector; Amy Seibert, Commissioner, DPW

TNW: Arthur Norton, Chair, BET TNW Strategic Planning Committee (former BET member)

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

Mr. Ramer made a motion, seconded by Ms. Tarkington, to change the Order of Business to take up an item of new business, discussion and vote on DPW encroachment permit. The Board voted 12-0-0 in favor of the motion. Motion carried.

NEW BUSINESS:

Discussion and Vote on DPW Encroachment Permit
Ms. Krumeich reported that Attorney McLaughlin had attended a Law Committee meeting to provide details of the State's non-negotiable position on a Sewer Encroachment Permit that the Town must indemnify the State before a Sewer Encroachment Permit could be issued. The
Permit is necessary for work to proceed on the Old Greenwich Force Main project. Work has not commenced on the project due to the State's unwillingness to accept the terms of earlier indemnification provisions. Precedent had been that previous agreements with the State reflected a "work-around" to the Town Charter restrictions. Attorney McLaughlin advised the Law Committee that the State had agreed on a more onerous "work-around" for this Permit whereby the Town would be required to obtain insurance to cover the Self Insured Retention (SIR) of $1.5 million. Therefore, the Town would obtain indemnification coverage from dollar one up to the $1.5 million SIR and would pay approximately $25,000 per annum for such coverage (unless it can be absorbed into other TOG insurance coverage in the future). Attorney McLaughlin noted that the Permit also referenced the Master Municipal Agreement (MMA) and therefore this "work-around" would be reflected in such MMA. Since the cost of insurance to indemnify the State would be an additional cost going forward, the Law Department is seeking BET and RTM approval to proceed. The Law Committee voted 2-0-0 in favor of the Permit terms; the Budget Committee discussed the Permit, however, no vote was taken.

Ms. Moriarty made a motion, seconded by Ms. Tarkington, that the BET had no objection to the proposed solution for the Encroachment Permit for the force main project for Old Greenwich. The Board voted 12-0-0 in favor of the motion. Motion carried.

EXECUTIVE SESSION – Discussion of Pending Litigation

Upon a motion by Ms. Fassuliotis, seconded by Ms. Krumeich, the Board voted 12-0 to go into Executive Session to discuss pending litigation at 4:48 p.m.

Upon a motion by Mr. Mason, seconded by Ms. Fassuliotis, the Board voted 12-0 to exit Executive Session at 5:05 P.M. Motion carried.

The Committee exited Executive Session at 5:05 P.M.

Requests for Budget Adjustments

Ms. Oberlander designated two applications as Routine Adjustments on the recommendation of the Budget Committee. Hearing no objection, she requested that Ms. Krumeich, the Clerk of the BET, move the items.

ROUTINE APPLICATIONS

<table>
<thead>
<tr>
<th>LW-5</th>
<th>Law</th>
<th>Additional Appropriation</th>
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<tbody>
<tr>
<td>$250,000</td>
<td>A140 51400</td>
<td>Outside Legal Services</td>
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Ms. Moriarty explained that the Budget Committee had increased its request for Additional Appropriation from $200,000 by $50,000, to a total of $250,000, for the services of outside counsel, to ensure adequate resources for litigation of two major cases through the end of the fiscal year. The Budget Committee voted 4-0-0 in favor of the Additional Appropriation. Ms. Fassuliotis reported that the Law Committee had voted 2-0-0 in favor of the Appropriation.

<table>
<thead>
<tr>
<th>LW-6</th>
<th>Law</th>
<th>Transfer</th>
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<tbody>
<tr>
<td>$15,000</td>
<td>A140 52150</td>
<td>Office Supplies</td>
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Ms. Moriarty commented that transfer was needed to cover the additional cost of Westlaw, photocopies and iPad technology. The Budget Committee voted 4-0-0 in favor of the Application. Ms. Fassuliotis reported that the Law Committee voted 2-0-0 in favor of the Appropriation.

Upon a motion by Ms. Krumieich, seconded by Ms. Fassuliotis, the Board voted 12-0-0 to approve the Additional Appropriation and Transfer for the Law Department. Motion carried.

NON-ROUTINE APPLICATIONS

<table>
<thead>
<tr>
<th>SE-14</th>
<th>First Selectman</th>
<th>Additional Appropriation</th>
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</thead>
<tbody>
<tr>
<td>$1,000,000</td>
<td>P935 57350</td>
<td>Settlement - Abercrombie vs. TOG</td>
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Upon a motion by Ms. Krumieich, seconded by Ms. Moriarty, the Board voted 11-1-0 to approve the Additional Appropriation of $1,000,000 (reflecting the Town's Self Insured Retention) in settlement of Abercrombie v. Town of Greenwich (Opposed: Ramer). Motion carried.

<table>
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<tr>
<th>NW-2</th>
<th>Nathaniel Witherell</th>
<th>Transfer</th>
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</thead>
<tbody>
<tr>
<td>$400,000</td>
<td>H450 52310 &amp; 57100</td>
<td>Service Expense &amp; Fringe Benefits</td>
</tr>
</tbody>
</table>

Ms. Moriarty reported that the Budget Committee voted 4-0-0 to recommend the transfer of $400,000 from the Supply and Personal Services Account in FY17-18 for The Nathaniel Witherell, to compensate for underestimated budgeting in the Overtime and Temporary Expenses Account.

Upon a motion by Ms. Krumieich, seconded by Ms. Tarkington, the Board voted 11-0-1 to approve the transfer of $400,000 for the FY17-18 budget for the Nathaniel Witherell (Abstained: Fassuliotis). Motion carried.

ASSESSOR'S REPORT

Ms. Elliott reported that final adjustment and exemptions are being prepared for the July 2018 tax bills. She provided the following highlights from her monthly report; 1) 289 Senior Tax Relief applications had been received and the credits will be calculated after the Mill Rate is set; 2) 3,300 parcels are anticipated to be visited during Summer Field Work site visits; 3) May 25, 2018, is the deadline for appeals from Board of Assessment Appeals (BAA) Hearing decisions; and, 4) eleven residential and one commercial real estate court cases were settled during the month. The Assessor explained that the settlements remained subject to approval by the Board of Selectmen and stipulations from the Court in Stamford that each settlement is fair and equitable for the Town. Ms. Elliott then indicated that the Assessor's Office would prepare the tax billing file for the Tax Collector's Office and would apply credits for Court stipulations that would then be properly reflected in the taxpayer's next bill.

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

COMPTROLLER'S REPORT

Mr. Mynarski updated the BET on the status of the Retirement Board's request for proposal (RFP) process seeking a new custodian for the Retirement Funds. He indicated that the Law
Department was negotiating an Amendment (Amendment) to the Investment Manager Agreement between Neuberger Berman Trust Company N.A. (NB) and the Town of Greenwich Retirement Board dated August 10, 2017 (Agreement) pursuant to which NB would be designated the custodian of the Retirement Funds (Custodian). Pursuant to the Amendment, Neuberger Berman’s (NB) affiliate, Neuberger Berman BD LLC, would retain a sub-custodian, the National Financial Services LLC (NFS), a wholly-owned subsidiary of Fidelity Global Brokerage Group, Inc., to act as a clearing agent and sub-custodian for NB serving in its capacity as Custodian. Following the advice and counsel of the Law Department as to whether such arrangement was permitted under Section 208 of the Town Charter, and its approval of the Amendment, the Amendment would be reviewed by the Investment Advisory Committee and the BET Law Committee, as well as the full BET.

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

TREASURER’S REPORT

Ms. Oberlander asked for questions about the Treasurer’s Report showing investment portfolio activity for April 2018 and, hearing none, noted that the BET had received the Report and would forward it to the Audit Committee to be filed for review by the Outside Auditor.

BET Standing Committee Reports - None

BET Liaison Reports - None

BET Special Project Team Reports

- Nathaniel Witherell Strategic Planning Committee – Mr. Norton reported that the Committee had met six times and that three Sub-Committees had been formed: 1) RFP 7404 Operations Consulting; 2) RFP 7405 Accounting Consulting; and, 3) Labor Contract Renewal. Responses to the RFPs were reviewed, candidates were selected for interviews and questions were sent to the candidates to prepare for the interview. Members of the BET were invited to observe the Operations Consulting RFP interview session on May 23, 2018, and the Accounting Consulting RFP interview session on June 7, 2018. Additionally, Mr. Norton advised that Committee members will make a presentation at TNW Board of Directors meeting on May 22, 2018.

- New Lebanon School Building Committee – Mr. Drake updated the BET on the progress of the building and commented that the Committee was meeting quarterly with the RTM Education Committee and monthly with the School’s community. He reported that the building was on schedule and on budget and suggested reviewing the website where information was frequently updated. It was mentioned that two reimbursements, totaling $8.2 million, had been received and additional reimbursements were requested every 60-days. Three requests were currently in process.

Old Business - None

New Business (full text of Resolutions attached)

- Approval of 2018-2019 Fiscal Year Budget - Ms. Oberlander commented that the
Resolutions were modified to address scrivener errors and the RTM change in capital.

Ms. Krumeich made a motion, seconded by Mr. Mason, to approve the $33,105,000 Bonding Resolution as amended. The Board voted 12-0-0 in favor of the motion. Motion carried.

- Approval of Mill Rates for the 2018-2019 Fiscal Year
  - General Fund
    
    Ms. Krumeich made a motion, seconded by Mr. Ramer, that the General Fund Tax on Assessment List of October 1, 2017, for Fiscal Year 2018-2019 be levied at the rate of 11.369 Mills.

    Mr. Mason made a motion to amend, seconded by Mr. Drake, that the General Fund Tax on Assessment List of October 1, 2017, for Fiscal Year 2018-2019 be levied at the rate of 11.276 Mills.

    A discussion followed in which each BET member stated their opinion regarding the proposed amendment and questioned if the added revenues and savings justified altering the originally projected Mill Rate. Mr. Mynarski offered a historical perspective on the Town’s 2010 and 2011 unrestricted reserve funds, and the strategy and policy that evolved to achieve a AAA credit agency rating.

    The Board voted 6-6-0 on the motion made by Mr. Mason and seconded by Mr. Drake to amend (Opposed: Krumeich, Moriarty, Oberlander, Ramer, Turner, Weisbrod). Motion failed.

    The Board voted 12-0-0 on the original motion made by Ms. Krumeich and seconded by Mr. Ramer for a Mill Rate of 11.369 Mills. Motion carried.

  - Sewer Maintenance Fund

    Ms. Krumeich made a motion, seconded by Ms. Tarkington, that the Sewer Maintenance Fund Tax on Assessment List of October 1, 2017, for Fiscal Year 2018-2019 be levied at the rate of 0.463 Mills. The Board voted 12-0-0 in favor of the motion. Motion carried.

  - Sewer Improvement Fund

    Ms. Krumeich made a motion, seconded by Ms. Tarkington, that the Sewer Improvement Fund Tax on Assessment List of October 1, 2017, for Fiscal Year 2018-2019 be levied at the rate of 0.039 Mills. The Board voted 12-0-0 in favor of the motion. Motion carried.

- Internal Audit Policy

Mr. Weisbrod reported that the Audit Committee had voted 4-0-0 to adopt an Internal Audit Policy (Policy) reflecting best practices of professional auditing and was referring the Policy to the BET for inclusion in the BET Policy & Procedures Manual. Mr. Ramer informed the BET that the Policy & Procedures Committee had not taken a vote on the proposed Policy.
In discussion, members decided that the Policy was being submitted to the members at this meeting for a first reading and that the Policy would be taken up and voted on at a subsequent BET meeting.

Chairman’s Report

Ms. Oberlander commented that the Budget vote in the RTM was 202-0-2. She complimented the Town employees, the BET Budget Committee, BET members, and RTM colleagues for working together to accomplish the FY2019-2020 Budget. She expressed her thanks and appreciation to the Finance Department for its help, support and advice, as well as expressing her gratitude to her BET colleagues for their assistance during her first year as BET Chair.

Approval of the BET Meeting Minutes

Upon a motion by Ms. Hess, seconded by Mr. Weisbrod, the Board voted 12-0-0 to approve the Minutes of the BET Regular Meeting of April 23, 2018, as amended. Motion carried.

Adjournment

Upon a motion by Ms. Fassuliotis, seconded by Mr. Duus, the Board voted 12-0-0 to adjourn at 6:50 P.M. Motion carried.

The next Regular Meeting of the BET will be held on Monday, June 18, 2018, at 6:30 P.M. in the Town Hall Meeting Room.

Respectfully submitted,

Catherine Sidor, Recording Secretary

Elizabeth K. Krumeich, Clerk of the Board

Jill K. Oberlander, Chair