MINUTES of the regular meeting of the Board of Estimate and Taxation held on Monday, October 19, 2015 in the Town Hall Meeting Room, Greenwich, CT.

Chairman Michael Mason called the meeting to order at 6:37 P.M., after which the members pledged allegiance to the flag.

Board members in attendance:

Michael S. Mason, Chairman
Arthur D. Norton, Vice Chairman
William Drake, Clerk
John Blankley
William R. Finger
Sean Goldrick
Randall Huffman
Marc V. Johnson
Mary Lee A. Kiernan
Jeffrey S. Ramer
Leslie L. Tarkington
Nancy Weissler

Staff: Peter Mynarski, Comptroller; Roland Gieger, Budget Director; Lauren Elliott, Assessor; Robert Shipman, Assistant Assessor; James Hricay, BOE Managing Director of Operations; John Hopkins, BOE Director of Food Service; Ben Branyan, Town Administrator

Other: Barbara O'Neill, Chairman, BOE; Debbie Appelbaum, Member, BOE; Jennifer Dayton, Vice Chair, BOE; Steve Walko, Chairman New Lebanon School Building Committee; John Chadwick, Chairman Retirement Board; Beth Krumieich, 2016 BET Candidate; Leslie Moriarty, 2016 BET Candidate; Jill Oberlander, 2016 BET Candidate; James Lash, former First Selectman, 2016 BET Candidate

Mr. Mason opened the meeting by welcoming the Board Members and guests. He asked attendees for a moment of silent remembrance in honor of Thomas Norton, BET Vice Chairman Arthur Norton's brother.

Mr. Mason asked Mr. Drake to present the Routine Applications for budget adjustments.

**ROUTINE APPLICATIONS**

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<tr>
<th>PD-2</th>
<th>Police</th>
<th>Approval to Use</th>
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<tr>
<td>$61,575</td>
<td>F21713 51100 &amp; 57050</td>
<td>Overtime Services &amp; Benefits</td>
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*BET Meeting Minutes October 19, 2015 – Approved*
Upon a motion by Mr. Drake, seconded by Mr. Johnson, the
Board voted 12-0-0 to approve the Application.

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<th>PD-3</th>
<th>Police</th>
<th>Approval to Use</th>
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<tr>
<td>$94.951</td>
<td>F2171310 54300</td>
<td>Diver Equipment Sustainment</td>
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Upon a motion by Mr. Drake, seconded by Mr. Johnson, the Board voted 12-0-0 to approve the Application.

**NON ROUTINE APPLICATIONS**

Mr. Mason asked Mr. Johnson for a report from the Budget Committee on a Non-Routine application.

<table>
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<th>ED-3</th>
<th>BOE</th>
<th>Release of Conditions</th>
</tr>
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<tbody>
<tr>
<td>$332,385</td>
<td>S670 51300</td>
<td>Temporary Salaries School Lunch Fund</td>
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Mr. Johnson reported that Mr. Hricay and Mr. Hopkins asked the Budget Committee to release conditions on temporary salaries based on the ways they proposed to improve revenue and reduce expenses. Mr. Blankley, the BET liaison on the Lunch Fund analysis, commented that the Lunch Fund had already implemented cost saving measures. The issues are a loss of revenue due to a volatile population; an increasing number of students qualifying for free and reduced cost lunches; and a reduction in the reimbursement from the federal government. He remarked that the BOE was meeting the challenge with marketing, increasing prices, new vendors which was resulting in an increase number of transactions.

Mr. Mason asked that revenue, percentage of students purchasing meals and the size of the population be benchmarked so that quantifiable measurements could be reviewed during the year. Ms. Weissler stated that she thought the option of outsourcing should be reconsidered if the Town's contribution were to significantly exceed the $230,000 that is required to pay for equipment maintenance and administrative oversight—expenses that the Town would have to fund even if the operation were outsourced. Mr. Hricay and Mr. Hopkins were asked to return in six (6) months to report on the School Lunch Fund income and revenue.

Upon a motion by Mr. Mason, seconded by Mr. Johnson, the Board voted 12-0-0 to approve the release of 25% ($332,385) of the Temporary School Lunch Fund Salaries Application.

**ASSESSOR'S REPORT**

Ms. Elliott informed the Board that the First Selectman had approved the requested 30-day extension for filing the 2015 Grand List. The First Selectmen's Office notified CT's Office of Policy and Management on October 14th, 2015 of the extension. To accommodate property owners' questions about their revaluation, Ms. Elliott has extended office hours and added hours on Saturdays for the months of November thru January. This plan has been developed to minimize the potential number of future appeals to the Board of Assessment Appeals. Additionally, a Power Point presentation developed about the revaluation would be presented to neighborhood associations in November. The Assessor shall be holding at least two evening presentations in Town Hall open to residents. Ms. Elliott commented that preliminary indications were that overall residential total values were increased by 3%-5% while land values for residential properties were down 18%-19%. Commercial values are estimated preliminarily to
have increased by 7% to 10%. Ms. Elliott estimated that 2015 Grand List would increase 3%-5% overall.

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

**COMPTROLLER’S REPORT**

Mr. Mynarski reported that he expected a draft of the Auditors’ report by November 24th and noted that a Management Letter would be received by OPM by December 31, 2015. Ms. Kiernan asked how the transition to ADP would be represented in the Management Letter. Mr. Mynarski commented that any Auditor comment would be offset by the ongoing training and objective of full system utilization by all employees. Ms. Weissler noted the improvement by comparing the number of checks that were written manually (164) at the end of last fiscal year, with the reduction to only 18 as of the most recent payroll. She thanked the Finance and HR Departments for their dedication to the implementation. Mr. Goldrick asked about the amounts paid to Barry Dunn and Geneva Consulting during the implementation process.

Mr. Mynarski commented on OPEB’s ARC funding, noting that funds in OPEB could earn a higher rate of return and suggested not transferring the “due to” amount to the General Fund where investments were restricted by Charter. He asked that the Board consider re-structuring how it reviewed and approved Retirement Board investments, because the approval process was not functioning satisfactorily. Mr. Mason asked the Board to consider how the IAC and Law Committee could simplify the investment review process.

Upon a motion by Mr. Drake, seconded by Mr. Finger, the Board voted 12-0-0 to accept the Comptroller’s report.

**ACCEPTANCE OF THE TREASURER’S REPORT SHOWING INVESTMENT PORTFOLIO ACTIVITY FOR JUNE 2015**

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

**BET Standing Committee Reports**

None

**BET Liaison Reports**

None

**BET Special Project Team Reports**

**Labor Contracts** – Ms. Kiernan reported that the GOSA Contract was now before the RTM Finance and Education Committee for discussion and would reach the RTM next week. There was a 2.6% salary increase and a 1.78% overall cost of contract increase with the inclusion of new health benefits through the Connecticut Partnership Plan. GOSA’s transition to the Connecticut Partnership Plan for health benefits is projected to produce a possible $200,000 savings based on a program of slightly different features. The contract also includes a re-opener in the event that the impact of the Cadillac Tax on costs is substantial.

*BET Meeting Minutes October 19, 2015 – Approved*
New Lebanon School Building Committee – Mr. Drake briefly summarized key elements of the report in the BET package. The report included the following motion:

Whereas, the BET has statutory responsibility for the proper administration of the financial affairs of the Town under Charter Article 1, Section 1, and shall prescribe the form of proposed budgets under Charter Article 2, Section 21 c,

Resolved, that several different alternative budgets for the New Lebanon School project which meet the Program of Space Requirements of the Education Specification shall be proposed for BET consideration, to include at least two alternatives:

- Complete demolition of the existing school, and
- A substantial renovation of the existing school combined with a building addition

Mr. Drake requested that this motion from the New Lebanon report be added to the Agenda for voting.

Upon a motion by Mr. Drake, seconded by Mr. Johnson, the Board voted 8-4 to add this Agenda item for voting (Opposed: Finger, Ramer, Blankley, Kiernan)

In the discussion that followed, Mr. Drake remarked that the examination of alternatives were an established practice in most decision making, both within the Board and generally. Mr. Ramer commented that the Board of Selectmen and Planning & Zoning had already approved a plan for the project and expressed concern that changes would impact the possibility of a future state reimbursement formula of 80% of costs. Mr. Finger suggested it was necessary to wait for the Building Committee's presentation of a plan that corresponds to the "ed specs" with its budget. Ms. Kiernan suggested the resolution and substance of the Report were not appropriate and cited the BET Policy & Procedure Manual and its Committee Report guidelines.

Mr. Walko was asked to speak as Chair of the Building Committee. He commented that the MI approval had not yet been received, and that the Building Committee had been given "ed specs" that called for a "new building". He stated that the Building Committee would receive plans from its Architect on November 11, and be reporting to the BOE on November 18th for its vote. Ms. Kiernan asked Mr. Mason to clarify the purpose of the resolution and Mr. Mason noted that the effect of the resolution was an information request.

Upon a motion by Mr. Mason, seconded by Mr. Drake, the Board voted 6-4-2 to approve the motion. (Opposed: Finger, Ramer, Blankley, Goldrick. Abstained: Kiernan, Tarkington)

MISA - Ms. Tarkington reported that the MISA Building Committee had been granted the TCO’s for the Stage, Auditorium, and adjacent rooms. The Greenwich Symphony opened the auditorium use with its Town 375th Anniversary Concerts on October 3rd and 4th. The BOE had held a ribbon cutting at the new auditorium on October 7th and that demolition of the old auditorium would begin on October 19th. Phases 2 and 3 of the project had begun.
NEW BUSINESS

- Approval to invest in the SSgA Russell 3000

Mr. Drake remarked that the Retirement Board was seeking to move its investments in the Russell 1000 and Russell 2000 funds into the Russell 3000 fund for efficiency and savings in fees. Mr. Ramer commented that the Law Committee had voted that the documents for this change were in legal order. Mr. Chadwick offered that NEPC, the Retirement Board’s investment advisor had provided the documents requested by the Law Committee.

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

- Budget Guidelines FY 2016 -2017

Mr. Johnson provided a report on the Budget Committee’s consideration of the draft on October 13 which included: 1) department operating budget increases held to 2%, 2) no net new hires; 3) recognition of rising Fixed Costs; 4) the large number of current capital projects outstanding. The draft called for a mill rate increase of 3% or less. He reported the Budget Committee vote as 2-2.

Mr. Finger asked Ms. Kiernan to present Budget Guidelines on behalf of the Democratic caucus of the BET. Ms. Kiernan introduced her remarks by commenting that the Democrats differed on the purpose of the Guidelines, which is to provide guidance to department leadership on operating and capital issues for FY 17. She pointed out that the most difficult challenge in the FY 17 budget was fixed charges, including debt service. Mr. Ramer added that setting a hard cap on Operating Budgets discouraged Department Heads from coming forward with new initiatives and programs.

Ms. Tarkington suggested that the economic environment, the revaluation and its potential impact on property taxes, the inflation rate of approximately 0% and the fact that there would be no Social Security increase for 2016 supported the rationale of the cap proposed in the Republican Guidelines.

Mr. Goldrick remarked that the proposed Democratic Caucus Guidelines reflected many of the proposals that he and Mr. Huffman suggested as 2015 Budget Guidelines. Further discussion took place on the nature of guidelines versus hard targets, the size of capital project requests and the potential of negotiations causing arbitration by setting hard caps before additional information comes available during the February Budget Hearings.

Upon a motion by Ms. Kiernan, seconded by Mr. Finger, the Board voted 4-7-1 on the Budget Guidelines proposed by the Democratic Caucus. (Opposed: Weissler, Goldrick, Norton, Drake, Mason, Johnson, Tarkington. Abstained: Huffman)

Mr. Mason noted that funding important Town priorities while preserving long-established modest tax increases would require careful decision-making for Fiscal 2017. The Capital Tax Levy, anticipated revenues, operating expenses, capital commitments, pension funding and use of the fund balance were all topics which would be discussed again during the budget process.
Upon a motion by Mr. Johnson, seconded by Mr. Drake, the Board voted 7-6 on the Guidelines proposed by the Republican Caucus. (Opposed: Finger, Ramer, Kiernan, Goldrick, Huffman, Blankley)

- Approval of the 2016 BET Meeting Calendar

Mr. Mason called the Board’s attention to special meeting dates and times that would occur in February, June and October.

Upon a motion by Mr. Mason, seconded by Mr. Drake, the Board voted 11-0-1 to approve the 2016 BET Meeting Calendar (Abstaining: Finger).

OLD BUSINESS

None

Approval of the BET Meeting Minutes

Approval of the BET Meeting Minutes of the BET Meeting of September 24, 2015

Upon a motion by Ms. Tarkington, seconded by Mr. Ramer, the Board voted 12-0-0 to accept the Regular BET Meeting Minutes of September 24, 2015.

CHAIRMAN’S REPORT

None

ADJOURNMENT

Upon a motion by Mr. Blankley, seconded by Ms. Weissler, the Board voted 12-0-0 to adjourn at 9:52 P.M.

The next Regular Meeting of the BET is scheduled on Monday, November 16, 2015 in the Town Hall Meeting Room at 6:30 P.M.

Respectfully submitted,

Catherine Sidor, Recording Secretary

Michael S. Mason, Chairman