MINUTES of the regular meeting of the Board of Estimate and Taxation held on Monday, November 16, 2015 in the Town Hall Meeting Room, Greenwich, CT.

Chairman Michael Mason called the meeting to order at 6:36 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. Kieman
Jeffrey S. Ramer
Leslie L. Tarkington
Nancy Weissler

Staff: Peter Mynarski, Comptroller; Roland Gieger, Budget Director; Lauren Elliott, Assessor; Robert Shipman, Assistant Assessor; Aamina Ahmad, Assistant Town Attorney; Wayne Fox, Town Attorney; Eugene McLaughlin, Assistant Town Attorney; Robert Kick, Assistant Chief, Fire Department; Princess Erfe, Administrator, Community Development; Anthony Johnson, Executive Director, Housing Authority of Greenwich

Selectman: Peter Tesei, First Selectman

Other: Steve Walko, Chairman New Lebanon School Building Committee; John Chadwick, Chairman Retirement Board; Beth Krumeich, 2016 BET Member; James Lash, former First Selectman, 2016 BET Member. Richard DiPreta, Parsonage Cottage Board Member; Lisa Edmundson, Parsonage Cottage Board Member; George Yankovich, Engineer, Housing Authority Board of Commissioners Hearing Speaker; Spider Morris, Parsonage Cottage Public Hearing Speaker; Christopher Von Keyserling, RTM District 8, Parsonage Cottage Public Hearing Speaker; C. Yankooord, resident of Parsonage Cottage, Penny, Lore, Director, Parsonage Cottage; Debra Mecky, Executive Director, Greenwich Historical Society

Mr. Mason opened the meeting by asking Mr. Ramer to read an Obituary of Peter Gasparino, a member of the Board of Estimate and Taxation for twenty-four years. At the conclusion of the
reading, Mr. Mason shared personal memories and then asked for a moment of silent remembrance for Mr. Gasparino.

Mr. Ramer requested a moment of silent remembrance for the French citizens who perished over the weekend in the terrorist bombing in Paris, France.

Mr. Mason opened a Public Hearing on the CDBG 2016 Budget reminding individuals who wished to speak to complete a Speaker’s form and limit their remarks to three (3) minutes. Although the Public Hearing was opened, Mr. Mason requested that speakers wait until after the BET had held its discussion on the CDBG Budget since some of their questions might be explained during the dialogue.

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

**ROUTINE APPLICATIONS**

<table>
<thead>
<tr>
<th>HD-3</th>
<th>Health</th>
<th>Approval to Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>$24,798</td>
<td>F187 &amp; various object codes</td>
<td>Shellfish Comm. Reserve Restricted Account</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>HD-4</th>
<th>Health</th>
<th>Approval to Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>$69,884</td>
<td>F403 &amp; various object codes</td>
<td>Public Act Funds FY2015-2016</td>
</tr>
</tbody>
</table>

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 Non-Routine applications.

<table>
<thead>
<tr>
<th>FD-1</th>
<th>Fire</th>
<th>Release of Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,822,188</td>
<td>A305 51100</td>
<td>Overtime</td>
</tr>
</tbody>
</table>

Mr. Johnson reported that the Budget Committee voted 4-0 to release the funds based on fulfilling the condition of signing a Memorandum of Understanding (MOU) between Greenwich Fire Department and Chiefs of the Volunteer Fire Departments throughout the Town. The document related to improving communication and integrating career and volunteer firefighters in training programs and firefighting activities. The MOU had been signed by the First Selectman as Commissioner of the Fire Department. Mr. Blankley indicated that he would abstain from the vote because he disapproved of the Board conditioning the funds.

Upon a motion by Mr. Johnson, seconded by Mr. Ramer, the Board voted 11-0-1 to approve the release of conditions on the overtime funds. (Abstain: Blankley)

**CD-1**

| Community Development | Approval to Use |

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*BET Meeting Minutes November 16, 2015 – Approved*
Mr. Johnson reported that the Budget Committee had voted 4-0 to approve the use of the entire Budget Grant Funds of $829,369.37 but conditioned the release of $103,834.37 allocated for the Parsonage Cottage boiler project upon the resolution of the issues raised by the BET Parsonage Cottage Working Group no later than April 18, 2016. He remarked that the Working Group expressed a strong preference for resolution of the issues.

Princess Erfe commented that $1.5 million of requests had been received but that HUD’s funding was being reduced annually so that this year CD would only receive $829,369 as its Block Grant allocation, including re-purposed funds. She also indicated that the actual funds aren't received until June at the earliest or November at the latest, and thus wouldn't be available this winter.

Ms. Kiernan asked that the Town Attorney to clarify the issue of whether or not the BET had the authority to condition a portion of the CDBG Grant funding. Mr. Fox and Ms. Ahmad reported that they had researched Town records back as far as 1962 and found that the BET had the authority to condition release of CDBG grant funds.

Ms. Kiernan spoke of the Working Group’s concern for the residents and the Parsonage Cottage facility and the responsibility of the BET as fiscal stewards for the Town. She pointed out that this evening’s vote would preserve funding for the boiler, not cut funding for the boiler. As Ms. Erfe had explained in detail at the Budget Committee, CDBG funding for the boiler and other projects under consideration would not be available from the federal government for almost a year. The release condition would likely be satisfied long before the funds were available from the federal government. Ms. Kiernan explained that the condition makes clear to the public and the RTM that the appropriate way to finance the boiler is out of the cash flow from operations at Parsonage, as all the Parsonage agreements from 1995 had intended, and not from CDBG grants. Further, the condition encourages all parties to come to a resolution of outstanding issues. Ms. Kiernan also pointed out that if the generous refinancing offered to the HATG two years ago had been accepted, there would be enough money to buy a new boiler right away. Ms. Kiernan also repeated instructions from the Town Attorney, who had stated that the resolution of these issues would have to be approved by the Board of Selectman, the Board of Estimate and Taxation, and the RTM.

Ms. Tarkington spoke to the need for the boiler and its impact on the Parsonage Cottage residents. She proposed to separate the condition from the Housing Authority loan negotiations. As a member of the Parsonage Cottage working group, she strongly supports the working group, and its efforts over the last 26 months to resolve the loan restructure with the Housing Authority. She also concurred that the BET can vote to condition a CDBG budget item. Nevertheless, she indicated, that at the appropriate time, she would put forth a resolution to separate (remove) the condition for the Parsonage Cottage boiler item from approval of the proposed CDBG Budget.

Mr. Mason opened the Public comment portion of the meeting.

Upon a motion by Mr. Ramer, seconded by Ms. Tarkington, the Board voted 10-2-0 to limit each speaker’s comments to three (3) minutes. (Opposed: Goldrick, Blankley)

PUBLIC HEARING
Anthony Johnson – Executive Director, Housing Authority of Greenwich – spoke in opposition to conditioning release of funds for the Parsonage Cottage boiler. Mr. Johnson further stated that the Housing Authority was willing to accept the BET’s refinancing offer, but needed to see the offer in writing.

Richard Dipreta – Chair of Parsonage Cottage Board – spoke in opposition to conditioning release of funds for the Parsonage Cottage boiler.

Christopher Von Keyserling – Community Development Board member – spoke in opposition to conditioning release of funds for the Parsonage Cottage boiler.

Peter Tesei, First Selectman - read a letter from Alma Rutgers, CDAC Board Chair, to the BET opposing the conditioning of funds for the Parsonage Cottage boiler, and requested a copy of the letter accompany the Minutes.

Spider Morris – resident of Parsonage Cottage -- spoke in opposition to conditioning release of funds for the Parsonage Cottage boiler.

C. Yankooord – resident of Parsonage Cottage -- spoke in opposition to conditioning release of funds for the Parsonage Cottage boiler.

Peter Tesei – First Selectman - spoke in opposition to conditioning release of funds for the Parsonage Cottage boiler.

George Yankowich – Engineer, Housing Authority Board of Commissioners, spoke in response to Mr. Goldrick’s comments regarding his participation in the CDAC process and his statement regarding transparency and availability of long term capital finance information for Parsonage Cottage. He pointed out that the boiler replacement has been on the Parsonage Cottage 5 year capital improvement plan
which was submitted to CDAC and the BET in 2013, and that a more comprehensive 27 year capital plan was done in 2014, to review the impact of the refinancing.

Mr. Finger responded to several incorrect or misleading statements made during the Public Comment period by several speakers opposing the subject to release condition. Mr. Finger pointed out that 1) an audit of the Housing Authority entity operating Parsonage Cottage was specifically permitted pursuant to the agreements entered into between the Town and the HATG entity; 2) all BET Parsonage Cottage Working Group meetings were properly noticed and open to the public; 3) if there was a boiler failure during the Winter, the boiler would be able to be repaired. He continued saying that even if the total Grant was approved without conditions, Grant money would not be available until the HUD allocation was released at some point probably after June 2016.

Mr. Johnson suggested that by November 24th, one week in advance of the Working Group scheduled meeting with the Housing Authority/Parsonage Cottage Committee, the findings of the auditor would be released and the list of questions to which the BET Parsonage Cottage Working Group sought answers would be distributed to all so that there would be time to prepare for the December 1st meeting in the Mazza Room at 1:00 P.M. Ms. Kiernan pointed out that the BET had twice put the refinancing offer in writing for the Housing Authority, and she asked the Assistant Town Attorney, Ms. Ahmad, to kindly re-send these letters to the Housing Authority.
Mr. Mason remarked that the BET Parsonage Cottage Working Group's December 1st meeting will take place, followed by placement of the item on the BET Budget Committee December Agenda which would then forward its recommendation to the BET. The BET would formulate its recommendation for the RTM's December meeting. It is hoped that this matter be resolved by current BET members who are familiar with it, instead of the newly elected 2016 BET members.

Upon a motion by Ms. Tarkington, seconded by Mr. Blankley, the Board voted 2-10 to separate the issue of the Parsonage Cottage boiler funding from the vote on CDBG 2016 Budget. Motion Failed. (Opposed: Weissler, Goldrick, Kiernan, Norton, Drake, Mason, Johnson, Finger, Huffman, Ramer)

Upon a motion by Mr. Johnson, seconded by Mr. Finger, the Board voted 12-0-0 in favor of the CDBG PY 2016 Budget with condition on the $103,834.37 allocated for the Parsonage Cottage boiler replacement. The condition is subject to release upon the resolution of the issues raised by the Parsonage Cottage Working Group, no later than April 18, 2016.

Upon a motion by Mr. Ramer, seconded by Ms. Tarkington, the Board voted 12-0-0 to close the Public Hearing.

ASSESSOR’S REPORT

Ms. Elliot informed the Board that the result of the October 2015 Revaluation had been mailed to Greenwich residents and that Hearings on the new assessments would take place over the next eight (8) weeks. The Assessor's office would be open late on Tuesdays and Thursdays for the public to discuss assessments. In response to a question raised by Mr. Johnson, Ms. Elliot pointed out that by statute the Board of Assessment Appeals retained the right not to hear commercial revaluation questions above $1 million. Ms. Elliot commented that the Grand List for 2015 would be up approximately 5%, with residential land values declining 17% and residential structure values increasing 34%.

Mr. Norton asked about the resolution of Superior Court cases outstanding from the 2010 Grand List and if it was unusual for them to be unresolved for so long. Ms. Elliot responded that the majority were unresolved because so many continuances had been requested.

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

Upon a motion by Mr. Finger, seconded by Ms. Tarkington, the Board voted 12-0-0 to change the order of business to entertain the 2017 Budget and Operational Plan of the Assessor’s Office.

New Business

• Approval of Assessor 2016-2017 Budget and Operational Plan

Ms. Elliot commented that Operational Plan included starting to plan for the 2020 Revaluation. It required filling a position that had been left vacant for (1) year because the upcoming revaluation would be a physical revaluation (the 2015 revaluation is a statistical revaluation) and more of the work would be done internally to lower costs without hiring outside consultants.
By state statutes, all properties must be physically reviewed every 10 years. The Assessor also plans to increase use of additional features of the Quality Data system in coordination with the Tax Collectors Office to add efficiency of department operations. Mr. Ramer questioned salaries increasing by 8% and Ms. Elliot explained that she would be filling a currently unfilled position effective July 1.

Upon a motion by Ms. Tarkington, seconded by Mr. Finger, the Board voted 12-0-0 to approve the Assessors FY17 Budget and Operational Plan.

**COMPTROLLER’S REPORT**

Mr. Mynarski provided highlights from his written monthly report: 1) the Audit Committee would soon receive the draft financial statements; 2) the Auditor’s legal letter which would be available to the BET for their December meeting; 3) on January 14th financing of the bond issue of $50 million in General Obligation Bonds and $60 million in Bond Anticipation Notes (BANS) was expected to take place. Ms. Kiernan asked if all three agencies would be rating Greenwich’s credit; Mr. Mynarski responded that the Audit Committee had the item on its December Meeting Agenda.

Mr. Mynarski commented that Mr. Simon would be resigning in December from the Retirement Board due to new elected responsibilities. He noted that the Actuary Report would be given to the OPEB Board at their December meeting. It will show an ARC using the current assumptions as well as an alternative, higher ARC, based on the 5-year Experience Study which is based on updated mortality rates. He suggested that the BET have a presentation based on the Report during its February Budget meetings if not sooner.

Mr. Mynarski mentioned that he had a discussion with the RTM Finance Committee to review cash forecasting and examine the bonding program.

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

**BET Standing Committee Reports**

**Policy and Procedures Committee** – Mr. Norton and Mr. Finger reported that they had been reviewing the handbook to edit some outdated language to prepare it for January’s BET Organizational Meeting. Editorial changes had been made; the new Debt and Fund Balance Policy and OPEB Investment Policy Statement would be included. Mr. Finger had suggested additional changes: 1) a procedure for adding items to the Agenda; 2) that each caucus could appoint its own members to Committees; 3) the methodology by which budget appropriations are approved be modified. The committee did not agree on these three proposed changes. These items would most likely be discussed by the new BET in January. Ms. Kiernan and Ms. Weissler asked that the Healthcare Task Force be added as a continuing committee. Mr. Mason added that at the BET meeting during the third week of January, a vote would be taken.
on the proposed changes to the Policy and Procedures manual.

BET Liaison Reports

Nathaniel Witherell Board – Mr. Norton reported that the Board expected to consider a strategy report from the Mailman School of Public Health at Columbia University which would be completed by May 2016.

BET Special Project Team Reports

MISA Building Committee – Ms. Tarkington reported that abatement of asbestos was ongoing and is required prior to demolition of the old auditorium. She also remarked on the GHS Soils Report that the State DEEP had requested the removal of trees near the dam adjacent to Route 1.

NEW BUSINESS

• Approval of Finance 2016-2017 Budget and Operational Plan

Mr. Mason thanked the Comptroller for presenting a Budget that was within the Budget Guidelines.

Upon a motion by Mr. Mason, seconded by Ms. Kiernan, the Board voted 12-0-0 to approve the Finance Department FY17 Budget and Operational Plan.

• Review and approval of proposed investment by the Retirement Board in Monroe Capital Private Credit Fund II Unleveraged

Mr. Drake commented that the IAC recommended approval of the Monroe Capital Private Credit Fund because it would be a diversification of the debt portfolio. He reported that the IAC voted 3-0 (Blankley absent) to approve the investment. Mr. Ramer reported that the Law Committee voted 2-0 that the fund’s papers were in legal order. Ms. Weissler commented that she found the new investment checklist very helpful in reviewing the fund.

Upon a motion by Mr. Drake, seconded by Mr. Johnson, the Board voted 11-1-0 to approve the fund. (Opposed: Goldrick)

• Approval to increase the maximum investment in the Loomis Sayles Senior Loan Fund and Loomis Sayles Strategic Alpha Fund to $40,000,000 (forty million dollars) each

Mr. Drake reported that the IAC recommended approval of the Retirement Board’s decision of an increase in the maximum investment amounts in the two funds to $40,000,000 each (forty million dollars each). Mr. Ramer commented that the Law Committee with Mr. McLaughlin had reviewed the NEPC letter of recommendation and the fund’s contracts and found them to be in legal order. He indicated that the Law Committee did not opine that the Loomis Sayles Strategic Alpha fund or the GAM Fund qualified for the fixed income classification requirement of 25% of the portfolio. He noted that the $42,000,000 (forty-two million dollars) in cash sufficiently complied with the Retirement Fund’s fixed income requirement.
Upon a motion by Mr. Drake, seconded by Mr. Ramer, the Board voted 12-0-0 to vote on the two funds separately.

Upon a motion by Mr. Drake, seconded by Mr. Ramer, the Board voted 11-1-0 in favor of the proposed amount for the Loomis Sayles Senior Loan Fund. (Opposed: Goldrick)

Upon a motion by Mr. Drake, seconded by Mr. Ramer, the Board voted 8-3-1 in favor of the proposed amount for the Loomis Sayles Strategic Alpha Fund. (Opposed: Ramer, Tarkington, Goldrick) (Abstain: Weissler)

- Update and Approval of the Other Post Employment Benefits (OPEB) Investment Policy Statement.

Mr. Drake presented the revisions to the OPEB Investment Policy Statement that had been reviewed by the IAC. He pointed out the changes in the upper and lower percentage bounds for investments and commented on the editorial updates.

Upon a motion by Mr. Drake, seconded by Mr. Johnson, the Board voted 11-1-0 to approve the OPEB Investment Policy Statement. (Opposed: Goldrick)

OLD BUSINESS

None

Approval of the BET Meeting Minutes

Approval of the BET Meeting Minutes of the BET Meeting of October 19, 2015

Mr. Drake and Ms. Tarkington noted certain corrections (previously distributed) to these minutes, in the Assessor’s report

Upon a motion by Mr. Drake, seconded by Ms. Tarkington, the Board voted 12-0-0 to accept the Regular BET Meeting Minutes of October 19, 2015 as corrected.

CHAIRMAN’S REPORT

Mr. Mason reported that he and Ms. Kiernan had attended a Round Hill Association meeting at which Ms. Elliot had made a presentation of the Revaluation. He recommended that all members of the BET attend a Neighborhood Association meeting. In closing he commented that December would be the final month of the term and he suggested that the Board look forward with satisfaction to closing the year with so many accomplishments.

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 Tuesday, December 15, 2015 in the Town Hall Meeting Room at 6:30 P.M.
Respectfully submitted,

Catherine Sidor, Recording Secretary

William Drake, Clerk of the Board

Michael S. Mason, Chairman
To: Members of the BET
From: Alma Rutgers, CDAC Chair
Date: November 16, 2015

Dear BET Members:

I apologize that I am unable to attend tonight’s meeting.

You have before you the First Selectman’s final funding recommendation for allocation of the Program Year 2016 Community Development Block Grant (CDBG). This budget in the amount of $829,369.37 represents much hard work done by the members of the Community Development Advisory Committee (CDAC), which I have the privilege to chair.

As CDAC chair, I thank all members of our committee for their diligence in putting together a CDBG budget recommendation for the First Selectman. This involved holding public hearings, making site visits to all the applicant agencies, and evaluating the programs and capital requests, giving priority during CDAC deliberations to the needs of the most vulnerable among us.

The First Selectman received further public input on the CDAC recommended budget during a public hearing on August 11, after which he made his final decision on the budget he has now presented to you.

Following BET action, the CDBG budget goes before the RTM for final approval.

The town process for approving the CDBG budget is a well established and time honored one. I would hope that members of the BET respect this process tonight and approve the CDBG budget as presented, without introducing an unprecedented condition that fundamentally destabilizes a process that has served us well.