

# BOARD OF FINANCE

TOWN OF BRANFORD

1019 MAIN STREET, P.O. BOX 150, BRANFORD, CONNECTICUT 06405

JOSEPH W. MOONEY, CHAIRMAN  
DEBORAH CONKLIN  
HARRY DIADAMO, JR.  
PAMELA DeLISE  
YVETTE LARRIEU  
JEFFREY E. VAILETTE



EX-OFFICIO  
JAMES COSGROVE, First Selectman

CLERK  
LISA E. ARPIN, Town Clerk

**REGULAR MEETING**  
**MONDAY, JANUARY 27, 2025 at 7:30 p.m.**

**MEETING LOCATION: Joe Trapasso Community House**

## A G E N D A

There will be a regular meeting of the Board of Finance on Monday, January 27, 2025 at 7:30 p.m. at the Joe Trapasso Community House, 46 Church Street, Branford, CT. The meeting will also be available for remote public viewing via BCTV (Comcast Channel 20) and Facebook Live.

1. Welcome new board member Yvette Larrieu to fill vacancy left by Victor Cassella.
2. To approve the minutes of the November 25, 2024 meeting.
3. Citizen's Communication
4. To consider, and if appropriate, approve a transfer request from the Board of Police Commissioners for FY2025 as follows:

From:		
700-41170-533960	GGB-Capital Fund Eng/Arch Fee	(\$20,730)
To:		
260-42010-579250	License Plate Reader	\$20,730

5. To consider, and if appropriate, approve a transfer request from the Director of Information Technology for FY25 as follows:

From:		
10141190-544300	Purch. Serv. Repairs/Maint.	(\$16,000)
To:		
10141190-518000	Overtime	5,000
10141190-519025	Part time Salaries	11,000

*Lisa E. Arpin*  
BRANFORD TOWN CLERK

2025 JAN 24 P 4: 28

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6. To discuss MetLife's acquisition of Mesirow's fixed income investment business as it relates to the Town's Pension and Coastal Resiliency (CRF) funds.
7. To discuss a letter from the Finance Director concerning the revaluation and the tax levy.
8. Adjournment

Dated this 24th day of January 2025

A handwritten signature in black ink, appearing to read "Lisa E. Arpin". The signature is fluid and cursive, with a long horizontal stroke at the end.

Lisa E. Arpin, MMC MCTC  
Board of Finance Clerk

**BRANFORD BOARD OF POLICE COMMISSIONERS  
33 LAUREL STREET  
BRANFORD, CONNECTICUT 06405**

**Item #4**

John Sousoulas (Chair)  
Patricia Austin  
Christine J. Ciociola  
Janice Heggie Margolis  
Robert Nash  
Valerie Wiel-Wilkins



James B. Cosgrove  
First Selectman  
  
Jonathan R. Mulhern  
Chief of Police

1/22/2025

Mr. Joseph Mooney  
Chair, Board of Finance  
Town of Branford  
1019 Main St.  
Branford, CT 06405

The Board of Police Commissioners respectfully requests an appearance before your board at your meeting on 1/27/2025. At that meeting, we will seek your approval for the following transfer:

From	Account	Description	To	Account	Description	Amount
	70041170-533960	GGB-Capital Fund ENGR/ARCH FEE		26042010-579250	License Plate Reader	\$20,730.00

The transfer request summary:

Relocate remaining capital funds from Police Department Building Needs Assessment to Police Fixed License Plate Reader (LPR) project. The LPR Project was approved and funded using ARPA award. This transfer permits additional sitework/equipment.

Respectfully Submitted,

John Sousoulas  
Chair -Branford Police Commission

**RECEIVED**  
2025 JAN 23 A 10:21  
*Mai Estepin*  
BRANFORD TOWN CLERK



Town of Branford  
Information Technology Department

Scott M. Smith  
Director of Information Technology

January 24, 2025

Town of Branford  
Chairman, Joseph Mooney  
Board of Finance

Dear Chairman Mooney,

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2025 JAN 24 P 3:20  
Wai Stephen  
BRANFORD TOWN CLERK

The Information Technology Department respectfully requests the Board of Finance consider and, if appropriate, hear a request from the Information Technology Department for the following transfers within the FY25 department budget.

From :	10141190 544300	Purch. Serv. Repairs/Main.	(\$16,000)
To :	10141190 518000	Overtime	\$5,000
	10141190 519025	PT Salaries	\$11,000

The purpose of this transfer is to reallocate funds that were set aside for consulting in the current budget year to fund some overtime for the two existing employees and to fund a new part-time technical employee.

The Information Technology Department has several ongoing projects that need to be addressed as well as the ongoing support of the Town's IT needs, which from my analysis, has grown a lot over the last few years. I believe the best way to handle this increased need in the short term is to have the two existing technical staff work on projects after hours, so they are available during regular working hours for other IT support. A part time position would also be created to help supplement the day-to-day support and operations of the department. This position would be up to 19 hours a week with a schedule to be worked out based upon the IT needs of the Town.

Respectfully submitted,

Scott M. Smith  
Director of Information Technology

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OFFICE OF THE TREASURER  
BRANFORD, CONNECTICUT  
2025 JAN 24 A 11:40

Item #6

1019 MAIN STREET  
POST OFFICE BOX 150



*Wai Arpin*  
BRANFORD TOWN CLERK

(203) 315-0663  
Fax: (203) 315-3736  
www.branford-ct.gov

Date: January 24, 2025  
To: Joseph Mooney  
Chairman, Board of Finance  
From: James P. Finch  
Finance Director  
Re: Mesirow

MetLife recently announced they are acquiring Mesirow's fixed income investment business. As you are aware, Mesirow manages the fixed income portfolio for the pension and CRF funds. Attached is an FAQ sheet I received from Michael Lepore who is our investment advisor as well as an announcement I received in the mail. The assignment to MetLife will occur provided we do not decide to part with Mesirow. I was also informed that the main players at Mesirow will now be managing money under MetLife. Michael pointed out that MetLife has tremendous resources, additionally insurance companies are large buyers and holders of bonds. Therefore, he concluded that this transition should not have a negative impact on Branford's accounts.

Cc J. Cosgrove  
L. Arpin

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2025 JAN 24 A 11: 40

Mesirow 

*MetLife*  
MetLife Investment Management acquisition of  
Equity Management and Fixed Income businesses

December 2024

## Background

Mesirow has reached an agreement with MetLife Investment Management to acquire the Mesirow Equity Management, High Yield and Strategic (Core) Fixed Income businesses. MetLife Investment Management (MIM) is the institutional asset management business of MetLife, Inc. and is a global public fixed income, private capital and real estate investment manager providing tailored investment solutions to institutional investors worldwide. MIM provides its services to public and private pension plans, insurance companies, endowments and other institutional clients. As of September 30, 2024, MIM had assets under management of \$609.3 billion.

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### Q: Why is Mesirow selling these businesses?

- Earlier this year, Mesirow worked with the investment teams to explore a distribution partner for their respective mutual funds. Mesirow's goal was to identify a partner that would enable the Funds to capitalize on their excellent performance records through an enhanced mutual fund distribution model.
- As Mesirow spoke with potential distribution partners, one of the conversations led to a broader discussion of a transfer of the businesses and not just the mutual funds. After careful evaluation of the opportunity to join MIM, Mesirow determined that the three businesses would benefit from the increased scale of the MetLife investment infrastructure as well as its global distribution platform.
- Ultimately, we believe this transaction will enhance the ability of the Mesirow investment teams to serve existing clients by leveraging MIM's operational and distribution platform.

### Q: How material is this acquisition to Mesirow?

- Assets under management for the three teams represent approximately \$6 billion, which is approximately 2% of Mesirow's \$306.2 billion in total assets under supervision as of September 30, 2024.<sup>1</sup>
- Going forward, Mesirow will focus on continuing to grow its alternative investment capabilities as well as its Wealth Management, Fiduciary Solutions and Capital Markets / Investment Banking offerings.

### Q: Why is this good for Mesirow's current Fixed Income and Equity clients?

- We believe this acquisition is a great opportunity for the investment professionals to continue to serve their clients and utilize their current investment philosophies and processes while leveraging MIM's scaled operating platform and resources.
- By joining MIM, these teams will be able to offer clients the opportunity to access a broader set of solutions to address investment needs. Importantly, the entire High Yield and Equity investment management teams will move to MIM, operating independently but able to leverage the resources of the broader MetLife infrastructure. In

addition, the lead Strategic Fixed Income portfolio manager will move to MIM and continue to manage your portfolio with support from the broader MIM team, ensuring continuity in the investment process.

**Q: Who will be my client service representative at MIM?**

- As we make this transition, MIM's existing team of experienced client service professionals will be involved in servicing client relationships going forward.
- In addition, Servia Rindfleish is expected to transition to MIM, representing the High Yield team, while David Nirtaut will manage the client service transition for the Strategic Fixed Income team. Eric Welt, who has been with the Equity Management team for more than 10 years, will continue to provide client service for those clients.
- As such, clients should expect the continuity of both their investment and client service teams.

**Q: When will the acquisition close?**

- We expect the acquisition to close on February 28, 2025, subject to customary closing conditions.

**If you have further questions, please reach out to your Mesirow client relationship manager.**

As of 9.30.2024 unless otherwise noted. | 1. "Assets under supervision" includes regulatory assets under management; assets under advisement; and non-securities currency assets under management. For these purposes: (1) regulatory assets under management ("RAUM") is calculated in accordance with Instruction 5A of Form ADV and includes all assets of securities portfolios (both discretionary and non-discretionary). (2) Some assets under advisement ("AUA") are on a 45-to-90-day lag due to time needed to confirm away assets. (3) Currency assets under management includes AUM associated with (i) active and passive currency risk management products \$173.90 billion, (ii) non-fx overlay strategies such as equitization and beta overlays \$908.34 million, and (iii) alpha strategies \$1.63 billion. In all such cases, AUM is calculated based on notional value of currency investments. Additionally, AUM for alpha strategies is adjusted because clients can select a volatility target (generally between 2% and 12% annualized), which is normalized to 2% in order to create a consistent depiction of alpha strategy AUM. This results in a "scaled" AUM, which is higher than the actual aggregate notional value of all alpha strategy portfolios if clients have selected a volatility target higher than 2%. As of 9.30.2024, the "unscaled" AUM for alpha strategies was \$383.56 million. | 2. As of 3.31.2024 (updated annually in June).

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Securities offered through Mesirow Financial, Inc. member FINRA, SIPC.

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December 20, 2024

2025 JAN 24 A 11:40

To Town of Branford ("**Client**" or "**you**):

  
BRANFORD TOWN CLERK

I am excited to announce that Mesirow Financial Investment Management, Inc. and Mesirow Institutional Investment Management, Inc. (collectively, "**Mesirow**") have formalized an arrangement with MetLife Investment Management ("**MIM**"), the institutional asset management business of MetLife, Inc., to acquire our High Yield Fixed Income, Strategic Fixed Income, and Small-Cap Equity teams and certain investment products associated with these teams (the "**Transaction**").

We believe the Transaction is a great opportunity maintain a consistent investment philosophy and process, while leveraging MIM's scaled operating platform and resources. By joining MIM, we will be able to offer clients a broader set of solutions to meet your investment needs.

MetLife Investment Management is the institutional asset management business of MetLife, Inc. and offers global public fixed income, private capital and real estate investment solutions tailored to institutional investors worldwide. MIM's clients include public and private pension plans, insurance companies, endowments, funds and other institutional clients. As of September 30, 2024, MIM had assets under management of \$609.3 billion. Additional information about MIM is attached to this letter as **Exhibit A**.

With your consent, your advisory and/or other service agreements with Mesirow (collectively, your "**Agreement**") will be assigned to MetLife Investment Management, LLC in connection with the Transaction. The Transaction must satisfy customary closing conditions, but is expected to close on or about February 28, 2025 (the "**Closing Date**").

After the Transaction's completion, you will continue to receive the same level of service, care and dedication as you have come to expect from us. Your management fee rates will not change as a result of the Transaction, and there will not be any interruption to the services you have with us. MIM shares our focus on in-depth fundamental research, investment performance, client service and risk management, and therefore, we do not anticipate changes in the investment process for your account. David Nirtaut, Senior Portfolio Manager from the Strategic Fixed Income team, will join MIM as a portfolio manager on MIM's High Grade investment team. David will continue to manage the portfolios, along with other portfolio managers and the backing of a robust trading, research, and operational platform. David will continue to be based in Chicago, working closely with the other team members in Whippany, New Jersey and Philadelphia, Pennsylvania.



Your Agreement and, where applicable, the U.S. Investment Advisers Act of 1940, as amended, require your consent to assign your Agreement to MIM (the "**Assignment**"). You do not need to take any action to provide your consent to the Assignment. You will be deemed to have provided your consent to the Assignment unless you deliver written notice to Mesirow no later than February 7, 2025 stating that you do not consent to the Assignment. Again, your approval of the Assignment will not affect any of the terms of your Agreement, including the fees or services, and the rights you now have under the Agreement will remain in full force and effect. Upon your consent, your Agreement will be assigned to MIM as of the closing date of the Transaction. If you notify Mesirow that you do not consent to the Assignment, your Agreement will terminate upon the closing date of the Transaction and Mesirow's services to you will cease.

We appreciate your support during this transition. Should you have any questions or need additional information, please do not hesitate to contact your service representative.

Very truly yours,

MESIROW FINANCIAL INVESTMENT MANAGEMENT, INC.

By: 

Name: David Nirtaut

Title: Senior Managing Director

OFFICE OF THE TREASURER  
BRANFORD, CONNECTICUT



1019 MAIN STREET  
POST OFFICE BOX 150

(203) 315-0663  
Fax: (203) 315-3736  
www.branford-ct.gov

Date: January 23, 2025  
To: Joseph Mooney, Chairman Board of Finance  
From: James Finch, Finance Director  
Re: Revaluation and the Tax Levy

*Wesley S. Griffin*  
BRANFORD TOWN CLERK

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2025 JAN 24 P 4: 27

**Background**

As the board may recall, last January we discussed Branford's needs, challenges and a framework for moving forward. Those needs included additional staff for fire and police and a proforma debt plan. These future initiatives were then incorporated into a multi-year plan to estimate future budget and tax requirements.

In April I provided a letter looking at these financial needs and challenges through the lens of revaluation. While the analysis was admittedly deterministic (we did not have sufficient sales data to make a projection), it accurately reinforced the premise that real estate values have risen dramatically, and we will see a realignment in the tax burden among property classes. Finally, the letter reinforced that the revaluation is required by law and that the purpose of conducting a revaluation is to address inequities that form through the years between revaluations. It should also be underscored that revaluation is not intended to raise additional tax revenue.

As in the past this memo will be organized in a frequently asked questions format:

**What is the resulting tax shift with these changes in grand list components?**

To accurately measure the impact of the grand list changes one must control the budget requirements and tax levy. Therefore, for the purpose of the analysis, I am using the adopted FY 2025 budget with the only change being the grand list and the corresponding mill rate change.

The attached worksheet demonstrates the shift in taxes pursuant to the estimated changes in the grand list. Please note that the tax levy remains constant and the mill rate drops. However, despite the drop in the mill rate it does not prevent a significant shift in the burden on residential taxpayers. As noted earlier in the memo, the revaluation is about fairness and thus one could argue in the years leading up to the revaluation non-

residential properties were subsidizing residential properties. While this argument is logical and compelling I have yet to see it take the sting out of the public's frustration.

**If the shift in tax burden is inevitable, does the town have other options?**

If one concedes the inevitability of the shift (since altering the values would severely undermine the intended purpose of the revaluation process), then the budget making process needs to turn away from changes in property values (shifts). An alternative is to focus on those items for which the board can exercise a degree of control. This approach shifts the focus to the tax levy and the year over year increase in the levy from FY 2025 to FY 2026.

**How is tax levy determined?**

The tax levy represents the actual dollars to be raised from property taxes after considering the budget requirements (departmental requests) less nontax revenues (fees, grants, and fund balance) and the collection rate. As a result, changes in revenues and expenditures will impact this year over year increase.

**Should the Board of Finance consider actions in advance of the budget hearings which will positively impact the tax levy requirements?**

This is a rhetorical question with the short answer being yes. Therefore, in February we will provide some measures for the board to consider. A potential list of those strategies is highlighted below:

- Evaluate opportunities to reduce pension liabilities with an eye toward reducing future payments.
- Identify opportunities to leverage Branford's collective fund balances to reduce future appropriations.
- Reevaluate special education costs and reimbursements for budget purposes.
- Consider carrying over BOE's 2025 budget surplus into FY 2026.
- Selling assets and using the proceeds to offset costs.
- Reallocating existing cash balances on soon to be closed out projects (WIS.)
- Identify non-tax dollars to support debt payments (Foote Trust).
- Work with Branford's delegation to secure grant funding for capital projects.
- Continue to seek grant dollars to offset the costs of resiliency projects.

Estimated changes in the grand list

Property Type	Value	% of GL	Value	% of GL
Residential Real Estate	2,217,327,896	56.84%	3,600,143,430	62.77%
Condominiums	432,229,900	11.08%	751,309,700	13.10%
All Other	8,847,100	0.23%	10,227,600	0.18%
<b>Total</b>	<b>2,658,404,896</b>	<b>68.15%</b>	<b>4,361,680,730</b>	<b>76.05%</b>
Real Estate Commercial	394,361,740	10.11%	473,553,640	8.26%
Real Estate Apartments	79,665,550	2.04%	161,852,840	2.82%
Real Estate Industrial Other	191,250,509	4.90%	206,764,350	3.61%
<b>Total</b>	<b>665,277,799</b>	<b>17.06%</b>	<b>842,170,830</b>	<b>14.68%</b>
<b>Total Real Estate (Residential &amp; Commercial)</b>	<b>3,323,682,695</b>		<b>5,203,851,560</b>	
Personal Property	242,816,730	6.22%	242,545,332	4.23%
Motor Vehicle	334,198,087	8.57%	288,797,392	5.04%
<b>Total</b>	<b>3,900,697,512</b>	<b>100.00%</b>	<b>5,735,194,284</b>	<b>100.00%</b>

Estimated changes in the tax requirements due to revaluation using adopted budget

Tax Levy	Value	% of GL	Value	% of GL	Change
118,900,209					
<b>Property Type</b>	<b>Value</b>	<b>% of GL</b>	<b>Value</b>	<b>% of GL</b>	<b>Change</b>
Residential Real Estate	67,588,104	56.84%	74,637,019	62.77%	7,048,915
Condominiums	13,175,137	11.08%	15,575,912	13.10%	2,400,774
All Other	269,675	0.23%	212,035	0.18%	(57,640)
<b>Total</b>	<b>81,032,917</b>	<b>68.15%</b>	<b>90,424,966</b>	<b>76.05%</b>	<b>9,392,049</b>
Real Estate Commercial	12,020,848	10.11%	9,817,562	8.26%	(2,203,286)
Real Estate Apartments	2,428,348	2.04%	3,355,481	2.82%	927,133
Real Estate Industrial Other	5,829,656	4.90%	4,286,572	3.61%	(1,543,084)
<b>Total</b>	<b>20,278,852</b>	<b>17.06%</b>	<b>17,459,616</b>	<b>14.68%</b>	<b>(2,819,237)</b>
Personal Property	7,401,486	6.22%	5,028,372	4.23%	(2,373,114)
Motor Vehicle	10,186,953	8.57%	5,987,255	5.04%	(4,199,698)
<b>Total</b>	<b>118,900,209</b>	<b>3.05%</b>	<b>118,900,209</b>	<b>100.00%</b>	<b>-</b>