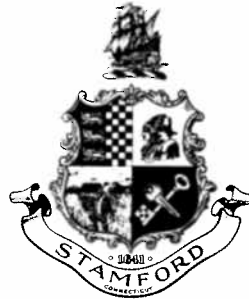


Minutes: January 9, 2014

DAVID R. MARTIN
MAYOR

JOHN J. LOUIZOS
CHAIRMAN
MARY LOU T. RINALDI
VICE CHAIR
GERALD BOSAK, JR.
SAL GABRIELE
RICHARD FREEDMAN
DUDLEY N. WILLIAMS, Jr.
TEL: (203) 977-4699



BOARD OF FINANCE

STAMFORD GOVERNMENT CENTER
888 WASHINGTON BOULEVARD
P.O. BOX 10152
STAMFORD, CONNECTICUT 06904-2152

MINUTES

Regular Meeting

Thursday, January 9, 2014: 7:00 PM
Board of Finance Meeting Room, 4th Floor

Call to Order: (Video:Hours/Minutes): 00:00) Performed by Chairman Louizos at 7:12 PM, noting all Members were present.

Pledge of Allegiance: Led by Chairman Louizos

Approval of Minutes: December 12, 2013: 7:00 PM: Regular Meeting Mr. Williams abstained from voting as he was not able to attend this meeting. Video: 00:01	Approved
	5-0-1
	Motion
	G. Bosak
	Second
	M. Rinaldi

Public Participation: None

Minutes: Thursday, January 9, 2014

Reports to the Board: Video: 00:02 Richard Freedman, who Chaired an Audit Committee meeting held just prior to this meeting, advised that the Committee discussed both the Management Letter & a Revaluation Audit, noting that a report would be filed shortly.

Note: Items are Shown in Order of Consideration

DEPARTMENT OF ADMINISTRATION- Controller's Office

City CAFR as of June 30, 2013

Item 1	Management Letter: Review FY 2012-13		No Action Taken
	<i>Action Requested:</i>	Discussion	
	<i>Amount:</i>	\$	
	<i>Fund/Budget:</i>		
	<i>Submitted by:</i>	David Yanik, City Controller	
	Video: 00:03	<p>City Auditors Bruce Blasnik and Rob Daniele presented the Management Letter related to the Financial Statements as of June 30, 2013 at the Audit Committee meeting held just prior to this meeting. Auditor Bruce Blasnik reviewed the terms for auditing standards -which include material weaknesses (none were found) significant deficiency (5 were found) as well as control deficiencies (10 were noted). Mr. Blasnik reviewed each deficiency found in every category as well as their recommendations to remedy the issue. The Committee talked about the Controller's office implementing monthly and quarterly closings in addition to the annual closing in order to improve Audit Readiness (a significant deficiency) as well as touching on acquiring a new financial system as the current system was noted as very old. (Also, see Auditor's presentation provided to the Board, attached). Chairman Louizos then recommended that in order to finalize the Audit, the Board act on disposition of the FY 2012-13 surplus (cited in the Audit), whereupon the Board turned to suspension of the rules Item # 12.</p>	

ITEM HEARD UNDER SUSPENSION OF THE RULES

Designation of FY 2012-13 Surplus

Item 12	Request for Approval of Designation of FY 2012-13 Surplus totaling \$10,912,936 as follows: Board of Education \$4,417,829 for \$3,092,480 to the Capital non-recurring Account and \$1,325,349 for Contribution to OPEB and balance of \$6,495,107 to Rainy Day Fund in the amount of \$3,000,000; Capital Non-Recurring (City) \$1,495,107 and Reserve for Weather: \$2,000,000.	Approved
<i>Action Requested:</i>	Designation of Prior Year Surplus	6-0-0
<i>Amount:</i>	\$10,912,936	Motion by
<i>Fund/Budget:</i>	Fund Balance	M. Rinaldi
<i>Submitted by:</i>	Michael Handler, Director of Administration	Seconded
Video: 00:09	On a motion by Ms. Rinaldi, which was seconded by Mr. Bosak, the Board agreed by unanimous vote to hear this item under suspension of the rules. Director Handler reviewed the Administration's recommendation for designation of prior year fund balance as noted above, noting that the intent was to increase the Rainy Day Fund to the recommended 5% of General Fund Revenues. Mr. Gabriele asked what the present level of Fund Balance was, which was noted by Mr. Handler as \$18M. Vice Chair Rinaldi stated that she believed that the recommended designations were a reasonable use of the surplus and made a motion to approve the designations as stated. Mr. Williams seconded the motion and the Board approved this item by unanimous vote.	D. Williams

GRANTS

Education through Adventure

Item 2	Request for Approval of Additional Appropriation in the amount of \$280,000 to fund part-time and seasonal trained adventure facilitators at Scalzi Park.	Approved
<i>Action Requested:</i>	Additional Appropriation	6-0-0
<i>Amount:</i>	\$280,000	Motion by
<i>Fund/Budget:</i>	100% User Fees	G. Bosak
<i>Submitted by:</i>	Teresa Drew, Youth Services	Seconded
Video: 00:14	Justin LeBuerre, who runs the program, advised that these funds, received 100% through user fees, were used to run an educational through experience program. The Board acted to approve this appropriation by unanimous vote.	D. Williams

Access Health CT

Item 3	Request for Approval of Additional Appropriation in the amount of \$6,000 to help fund seasonal assistants to the bi-lingual outreach worker to counsel residents on the Affordable Health Care Act. Grant will also pay for social security costs, outreach worker's travel & program and office supplies.		Approved
	Action Requested:	Additional Appropriation	5-0-1
	Amount:	\$6,000	Motion by
	Fund/Budget:	100% Grant Funded	J. Louizos
	Submitted by:	Ann Fountain, Director of Health	Seconded
Video: 00:15	Ms. Fountain explained that these funds, which were 100% from grants, were utilized to help people enroll in the State Affordable Health Care insurance on Connecticut's website. Mr. Gabriele abstained from this vote.	R. Freedman	

Update

Item 4	Update: Mid-year Financial Status for FY 2013-14: Smith House		No Action Taken
	Action Requested:	Update	
	Amount:	\$	
	Fund/Budget:		
	Submitted by:	Chairman Louizos	
	Presented by:	Bob Mislow, Executive Director	
Video: 00:17	Bob Mislow provided revenue & expense projections as of November, 2013 with a projected deficit of approximately \$2.4M; a comparison chart to other Nursing Facilities in the State & other detail. Board Member Richard Freedman summarized the provided chart of Nursing Facilities in Connecticut which he said was now more useful, and demonstrated that Smith House's labor rate was well above the average in every category, noting that these structural costs would not go away. Ms. Rinaldi asked what the expense was by bed count, which were calculated at approximately \$116K for each bed. Chairman Louizos asked how many bed days per year were occupied by Stamford citizens. Mr. Mislow said he would need to compute this and would provide this data. Mr. Gabriele, who serves as the Board's designee to the Smith House Board, stated that the City should either fund Smith House all the way or sell it. Mr. Bosak suggested that Smith House could generate more revenue from shared services with Scofield which was located around the corner. The Board agreed that it would be preferable to utilize Smith House for more diverse uses as was the case with Nathaniel Witherall, which was noted as operating at a surplus. The Board thanked Messrs. Mislow & Robitaille for this presentation with		

	Chairman Louizos stating that that the Board was trying to both understand Smith Houses' finances as well as holding them accountable.	
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OFFICE OF LEGAL AFFAIRS

Discussion

Item 5	Update: Status review of Volunteer Firehouses	No Action Taken
	Action Requested: Discussion	
	Amount: \$	
	Fund/Budget:	
	Submitted by: Chairman Louizos	
	Presented by: Kathryn Emmet, Director of Legal Affairs	
	Video: 00:50 Chairman Louizos requested that the Law Department provide an update of the court proceedings for the Volunteer Firehouses requesting City funding at the December meeting. Director Emmet advised that the court ruled that the Charter revisions were constitutional and did not entitle the City to take over the Volunteer Firehouses, but to establish a unified department. She explained that the charter revisions did not void the management agreements with the Firehouses and that the Volunteer companies have a continuing importance within the context of a unified Fire Department. She advised that no appeal was considered, and the court's decision was both beneficial and contrary to each side. She stated that they were engaged in talks with the Firehouses in a positive way. Chairman Louizos suggested that the Board enter executive session to discuss pending litigation and strategy. On a motion by Mr. Bosak, which was seconded by Mr. Freedman, the Board then agreed by unanimous vote to enter executive session. The participants who took part in executive session included Board of Finance Members John Louizos, Mary Lou Rinaldi, Richard Freedman, Dudley Williams, Gerald Bosak and Sal Gabriele, along with Director of Legal Affairs Kathryn Emmet, Deputy Corporation Counsel Vicki Cooper and Director of Public Safety Ted Jankowski. After approximately 30 minutes, the Board exited executive session with Mr. Louizos advising that no action was taken.	

OFFICE OF PUBLIC SAFETY

Long Ridge Volunteer Fire Department

Item 6	Request for Approval of Additional Appropriation in the amount of \$588,958.35 to cover funding through June 30, 2014.		Approved for Lesser Amount as noted
	Action Requested:	Additional Appropriation	6-0-0
	Amount:	\$588,958.35 Requested. \$117,791.67 Approved.	Motion by
	Fund/Budget:	Contingency	M. Rinaldi
	Submitted by:	Ted Jankowski, Director of Public Safety/Chief Teittlebaum	Second
Video: 00:51	After asking OPM Director Hricay to state the monthly allocations for the Volunteer Firehouses requesting funding, Ms. Rinaldi made a motion to amend the amount provided to Long Ridge Volunteer Firehouse as one month of funding, noted as \$117,791.67. Mr. Gabriele seconded this motion, and the Board agreed by unanimous vote to approve the lesser amount. After making similar motions for the remaining two Firehouses (see items numbered 7 & 8, following), Chairman Louizos asked the Clerk of the Board to put a standing monthly request for the same monthly allocation for each of the 3 Firehouses until the annual allocation was exhausted. He then advised Mr. Berger (member & past President of TOR) that his presence was not required at said meetings, which would not be a factor in the Boards determination of the standing appropriations. Also, see action on Items # 7 & 8, following.	S. Gabriele	

Turn of the River Volunteer Fire Department

Item 7	Request for Approval of Additional Appropriation in the amount of \$128,333.35 to cover funding through June 30, 2014.		Approved for Lesser Amount as noted
	Action Requested:	Additional Appropriation	6-0-0
	Amount:	\$128,333.35 Requested. \$25,666.67 Approved.	Motion by
	Fund/Budget:	Contingency	S. Gabriele
	Submitted by:	Ted Jankowski, Director of Public Safety/Chief Jacobellis	Second
Video: 00:51	See minutes in Item # 6 above. On a motion by Ms. Rinaldi, which was seconded by Mr. Gabriele, the Board agreed by unanimous vote to approve the lesser amount of \$25,666.67, cited as one month of funding.	M. Rinaldi	

Springdale Volunteer Fire Department

Item 8	Request for Approval of Additional Appropriation in the amount of \$64,166.65 to cover funding through June 30, 2014.		Approved for Lesser Amount as noted
	Action Requested:	Additional Appropriation	6-0-0
	Amount:	\$64,166.65 Requested. \$12,833.33 Approved.	Motion by
	Fund/Budget:	Contingency	M. Rinaldi
	Submitted by:	Ted Jankowski, Director of Public Safety/Chief Fahan	Second
	Video: 00:51	See minutes in Items # 6 & 7 above. On a motion by Ms. Rinaldi, which was seconded by Mr. Gabriele, the Board agreed by unanimous vote to approve the lesser amount of \$12,833.33, cited as one month of funding.	S. Gabriele

Public Safety GIS: Agreement

Item 9	Request for Approval of Agreement between the City of Stamford and Tri Tech Software Systems for Software License and Support Agreement for Public Safety GIS.		Approved
	Action Requested:	Approval of Agreement	6-0-0
	Amount:	\$139,985.5	Motion by
	Fund/Budget:		G. Bosak
	Submitted by:	Ted Jankowski, Dir. of Public Safety	Seconded
	Video: 00:53	Rec 12/23	D. Williams
		Director Ted Jankowski advised that he was requesting approval of this agreement in order to update the 911 communication center mapping software to improve the City's emergency response and the 911 dispatching which he said was a necessity. He also advised that the necessary funding for this agreement was already in place, having been approved at a previous Board of Finance meeting. Mr. Freedman asked if the amount noted was a one-time charge or a recurring expense. Mr. Jankowski advised that it was one-time, but that there were software support charges. The Board acted to approve this agreement by unanimous vote.	

OFFICE OF ADMINISTRATION

Director of Administration

Item 10	Approval of Board of Finance Resolution concerning Certificate of Safe Debt Limit for Fiscal Year 2014-2015.	Approved for \$30 Million
Action Requested:	Approval of Safe Debt Limit	5-1-0
Amount:	\$30 million Requested	Motion by
Fund/Budget:		R. Freedman
Submitted by:	Michael Handler, Director of Administration	Seconded
Video: 00:54	<p>Director of Administration Michael Handler recommended that \$30M was the amount of funds, in his opinion, that the City may safely borrow for next six years. In response to a question from Mr. Freedman, he advised that the Board issue \$30M in GO Bonds for next year, irrespective of their action on the capital non-recurring account. Barry Bernabe, the City's Financial Advisor, provided the Board with various metrics which compared Stamford to other municipalities in several areas. He advised that Stamford's large Grand List was viewed as a positive by rating agencies, and that in terms of funding for Long-term liabilities such as OPEB, that Stamford was ahead of the curve. Chairman Louizos asked how the proposed \$30M impacted the 10% stated level of Stamford's debt service. Mr. Handler advised that this additional funding kept it flat, as existing debt service was paid off. Mr. Bernabe also reported that the City was moving in the right direction with increasing its Rainy Day Fund (also see Item # 12). Chairman Louizos asked Mr. Williams, who served on the Planning Board, for his opinion on safe debt. Mr. Williams said that it was clear that the City's needs were huge, but they had to be balanced with the resultant debt. Mr. Freedman made a motion that the Board approve the recommended \$30 Million, which was seconded by Mr. Williams. Mr. Gabriele made a motion to amend the safe debt to \$25Million, which he cited as a more comfortable level. Mr. Bosak seconded this motion, upon which Chairman Louizos called for a vote on the lesser amount. The Board failed the \$25 million recommendation by a vote of 2-4-0, with Messrs. Gabriele and Bosak in favor, and Messrs. Louizos, Freedman, Williams and Ms. Rinaldi dissenting. The Board then took up the original motion of \$30M, which was approved by a vote of 5-1-0, with Mr. Gabriele casting the dissenting vote.</p>	D. Williams

ITEM HEARD UNDER SUSPENSION OF THE RULES

Additional Appropriation: Operations: Salt Account

Item 13	Request for Approval of Additional Appropriation in the amount of \$318,942 to replenish salt domes to 100% capacity.	Approved
	<i>Action Requested:</i> Additional Appropriation	6-0-0
	<i>Amount:</i> \$318,942	Motion by
	<i>Fund/Budget:</i> Contingency	G. Bosak
	<i>Submitted by:</i> Ernie Orgera, Director of Operations	Seconded
	Video: 01:44 On a motion by Ms. Rinaldi, which was seconded by Mr. Bosak, the Board agreed by unanimous vote to hear this item under suspension of the rules. OPM Director Hricay explained that the purchase of salt was required now to replenish the salt domes to 100% capacity, but would last through the end of the current fiscal year.	D. Williams

Bond Resolution

Item 11	Request for Approval of Resolution Amending a Resolution with respect to the issuance and Sale of \$45M of General Obligation Bonds of the City of Stamford, Issue of 2011.	Withdrawn
	<i>Action Requested:</i> Bond Resolution Amendment	
	<i>Amount:</i> \$	
	<i>Fund/Budget:</i> Capital	
	<i>Submitted by:</i> Jim Hricay, Director of OPM	
	Video: 00:00	

Next Regular Meeting of the Board: Thursday, February 13, 2014 @ 7:00 P.M.

Adjournment: On a motion by Mr. Gabriele which was seconded by Ms. Rinaldi, the Board unanimously agreed to adjourn this meeting at 9:28 PM


Lorraine C. Gilden

Lorraine C. Gilden
Clerk of the Board