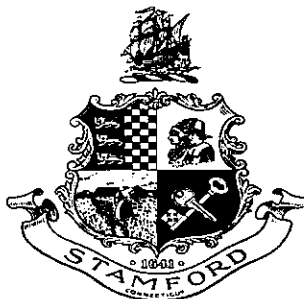


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BOARD OF FINANCE

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April 20, 2017

ACTION REPORT (MINUTES) OF THE BOARD OF FINANCE SPECIAL BUDGET MEETING

Thursday, April 20, 2017
Stamford Government Center
Board of Finance Conference Room

A special meeting to approve the Mayor's Proposed FY 2017-2018 Operating, Special Fund, and Capital and the Board of Education Budgets of the City of Stamford was held by the Board of Finance on Thursday, April 20, 2017 at the Stamford Government Center in the Board of Finance Conference room on the 4th Floor. *Members present* were Chairman Richard Freedman, Vice-Chair Mary Lou Rinaldi, and Board members Dudley N. Williams, Sal Gabriele, David Kooris and Shelley A. Michelson. Also present were Jay Fountain, Interim Director of OPM, Lee Berta, OPM Assistant Director, David Villalva, OPM Management Analyst, Michael Handler, Director of Administration, Cindy Grafstein, Mayors Office, and Julie Lazcano, Acting Clerk of the Board. Chairman Freedman opened the meeting at 6:09 PM and invited all to recite the Pledge of Allegiance to the Flag.

Chairman Freedman reviewed the budget process to this point, thanked the public for their input noting their participation in the joint public hearing, which is live-streamed, and thanked his colleagues on the Board, noting the countless hours the Board spent on thoughtful analysis and consideration of the budget.

Chairman Freedman then asked all to turn to page 285 of the budget book to start with the Board of Education.

The Board adjourned the meeting at 9:32 PM after passing the following motions:

BUDGET MOTIONS PASSED

OPERATING BUDGET

On a motion by Mr. Williams which was seconded by Ms. Rinaldi, Mr. Williams stated that on behalf of the Education Committee, and after careful review, that he proposed to cut **\$3,250,800** from the **Board of Education total budget**. Board Member Gabriele further made a motion to amend the cut to a lower amount of **\$1,433,000**, which was seconded by Ms. Michelson. The amended motion failed by a vote of 2-4-0 with Mr. Freedman, Mr. Williams, Ms. Rinaldi and Mr. Kooris voting no. The Board then took up the original proposed cut of **\$3,250,800**, which was approved by a vote 4-2-0 with Mr. Gabriele and Ms. Michelson voting no. See Exhibit 1

Mr. Gabriele made a motion, seconded by Ms. Michelson, to make a general cut to the **Operating Budget of \$3,000,000**. The motion failed 2-4-0 with Ms. Rinaldi and Messrs. Freedman, Williams, and Kooris voting no.

On a motion by Ms. Michelson, seconded by Mr. Gabriele, the Board voted unanimously to cut the **Leaf Collection: Overtime** budget by **\$10,000**.

On a motion by Mr. Freedman, seconded by Ms. Rinaldi, the Board voted 5-0-1 with Mr. Gabriele abstaining to cut the **Police Vehicle Maintenance: Full Time Salary** budget by **\$50,000**.

On a motion by Ms. Rinaldi, seconded by Mr. Williams, the Board voted unanimously to cut the **Recycling: Full Time Salary** budget by **\$94,739**.

On a motion by Ms. Michelson, seconded by Mr. Gabriele, the Board voted unanimously to cut the **Traffic Maintenance: Overtime** budget by **\$10,000**.

On a motion by Mr. Williams, seconded by Ms. Rinaldi, the Board voted unanimously to cut the **Transportation, Planning, & Engineering: Full Time Salary** budget by **\$35,879**.

On a motion by Ms. Michelson, seconded by Mr. Gabriele, the Board voted 4-2-0 with Mr. Freedman and Ms. Rinaldi voting no to cut the **Special Events: Supplies** budget by **\$20,000**.

On a motion by Mr. Kooris, seconded by Mr. Williams, the Board 5-1-0 with Mr. Gabriele voting no to cut the **Building Inspection: Full Time Salary** budget by **\$50,012**.

On a motion by Mr. Gabriele and seconded by Ms. Michelson, the Board voted unanimously to cut the **Operations Administration: Full Time Salary** budget by **\$91,358**.

On a motion by Mr. Freedman and seconded by Ms. Rinaldi, the Board voted unanimously to make a general reduction to the **Emergency Communication Center** budget by **\$20,000**.

On a motion by Mr. Williams, seconded by Ms. Rinaldi, the Board voted unanimously to cut the **Social Services: Full Time Salary** budget by **\$47,297**.

On a motion by Mr. Freedman, seconded by Ms. Rinaldi, the Board proposed to cut **\$45,000** from **Economic Development: Full Time Salary**. Mr. Gabriele made a motion that was seconded by Mr. Kooris to amend the motion to a lower amount of **\$22,000**. The amendment failed by a vote of 2-4. The Board then voted on the original proposed cut of **\$45,000** that was approved by 4-2-0 with Mr. Kooris and Ms. Michelson voting no.

On a motion by Ms. Rinaldi, seconded by Ms. Michelson, the Board proposed to cut **\$10,000** from **Mayor's Office: General Reduction**. Mr. Gabriele made a motion that was seconded by Ms. Michelson to amend the motion to a cut of **\$25,000**. The amendment failed by a vote of 2-4. The Board then took up the original proposed cut of **\$10,000** that failed by a vote of 3-3-0 with Mr. Kooris, Mr. Gabriele, and Mr. Williams voting no.

On a motion by Mr. Gabriele, seconded by Ms. Michelson, the Board proposed to cut the **Board of Representatives: Overtime** budget by **\$10,309**. The proposed cut failed by a vote of 1-5-0 with Mr. Gabriele voting in favor.

On a motion by Ms. Michelson, seconded by Mr. Gabriele, the Board proposed to cut the **Board of Representatives: Overtime** budget by **\$1,300**. The proposed cut failed by a vote of 1-5-0 with Ms. Michelson voting in favor.

On a motion by Mr. Williams, seconded by Mr. Kooris, the Board voted to cut the **Cultural & Environmental: Stamford Museum & Nature Center** budget by **\$10,000** by a vote of 4-2-0 with Mr. Gabriele and Ms. Rinaldi voting no.

On a motion by Mr. Freedman, seconded by Ms. Rinaldi, the Board voted to cut the **Cultural & Environmental: Ferguson Library** budget by **\$80,000** by a vote of 4-2-0 with Mr. Gabriele and Ms. Michelson voting no.

On a motion by Mr. Freedman, seconded by Ms. Rinaldi, the Board voted to cut the **Cultural & Environmental: Mill River** budget by **\$35,000** by a vote of 5-1-0 with Mr. Gabriele voting no.

On a motion by Ms. Rinaldi, seconded by Mr. Kooris, the Board proposed to cut the **Cultural & Environmental: United Way** budget by **\$12,400**. The vote failed by a vote of 1-5-0 with Ms. Rinaldi voting yes.

On a motion by Ms. Rinaldi, seconded by Mr. Williams, the Board voted unanimously to cut the **Cultural & Environmental: Stamford Partnership** budget by **\$10,000**.

On a motion by Ms. Rinaldi, seconded by Mr. Freedman, the Board voted to cut the **WIC Grant: Full Time Salary** budget by **\$41,924** by a vote of 4-1-1 with Mr. Gabriele voting no and Ms. Michelson abstaining.

On a motion by Ms. Rinaldi, seconded by Mr. Freedman, the Board voted to cut the **Aids Education Risk Reduction Grant** budget by **\$477,380** by a vote of 5-1-0 with Mr. Gabriele voting no.

On a motion by Mr. Freedman, seconded by Ms. Rinaldi, the Board voted to cut the **Health Risk Reduction Grant** budget by **\$31,942** by a vote of 4-2-0 with Mr. Gabriele and Ms. Michelson voting no.

On a motion made by Ms. Michelson, seconded by Mr. Gabriele, the Board proposed to cut the Capital Budget **Bicycle and Pedestrian Facilities Implementation** budget by \$250,000. The motion failed with a vote of 2-4-0 with Mr. Gabriele and Ms. Michelson voting yes.

On a motion by Mr. Kooris, seconded by Ms. Michelson, the Board voted to cut the Capital Budget **Strawberry Hill Ave Improvements** budget by **\$750,000** by a vote of 5-1-0 with Mr. Gabriele voting no.

On a motion by Mr. Freedman, seconded by Ms. Rinaldi, the Board voted to cut the Capital Budget **Generator Replacement** budget by **\$100,000** by a vote of 5-1-0 with Ms. Michelson dissenting.

Julie Lazcano, Acting Clerk of the Board

The Board of Finance is recommending a reduction of \$3,250,800 or 1.2% to the proposed Board of Education budget for 2017-18. This reduction includes adjustments in OPEB expense of \$1,433,000, pension costs of \$107,000 and additional reductions of \$1,710,000. The revised budget of \$269,736,292 represents a 2.2% increase over the allocated budget for the current school year.

While the Board of Finance has no line-item control of the Board of Education budget, it has been our practice in recent years to provide the rationale behind our reductions. Our recommendation is the result of two meetings devoted solely to a review of the BOE budget with district administration, a review of supporting material provided by the BOE and considerable deliberation.

The Board of Finance would like to acknowledge the Superintendent Kim for his efforts in submitting a budget that clearly evidenced fiscal responsibility. We offer several observations:

- We recognize the District's efforts to provide more support for struggling students and to better support special needs students with services provided in-district. However, fiscal constraints prevented us being able to fund the total number of additional teacher positions requested this year. We are encouraged by the district's initiatives and look forward to hearing about their impact on student outcomes.
- We appreciate that the responsibilities of building principals continue to expand and understand the value of the AI position, both in terms of administrative support and leadership development. However, fiscal constraints prevent us from being able to recommend funding all three requested new positions this year.
- We anticipate that in a transportation budget approaching \$14 million that routing efficiencies and other savings can yield \$250,000.
- The proposed Tuition budget represents a 7% increase over the current year. An increase of this magnitude would require a significant increase in out-of-district placements and/or tuition rate increases. Current statistics don't readily support such an increase, and we anticipate at least modest savings.

Our recommended cuts are as follows:

Recommended Reductions	
\$1,433,000	Reduction in OPEB expense
\$107,800	Reduction in Pension expense
\$300,000	Teacher Salary account, vacancy savings or other
\$400,000	Reduction in 5 teaching positions (SRBI and Special Education)
\$110,000	Reduction of 1 Administrative Intern Position
\$250,000	Transportation
\$250,000	Tuition
\$50,000	Teacher Extra Service
\$100,000	Contracted Services
\$250,000	Health Insurance
\$3,250,800.00	Total

Control Sheet
FY17/18 Budget

Description	FY 2016-17		FY 2017-18 Mayor's		Variance	FY 2017-18 BOF		BOR Reductions	FY 2017-18 BOR		Variance Change Over Approved Budget	Percentage Change
	Approved Budget	Proposed Budget	Proposed Budget	BOF Reductions		Amended	BOR Reductions		Final			
Debt Service Fund	0	57,168,347	57,168,347	0	57,168,347	0	57,168,347	0	57,168,347	57,168,347		
Grants	10,422,301	10,744,333	10,744,333	(551,246)	322,032	(551,246)	10,193,087	0	10,193,087	(219,214)	-2.20%	
Harbor Management Commission	45,016	34,421	34,421	0	(10,595)	0	34,421	0	34,421	(10,595)	-23.54%	
Marina	370,012	364,166	364,166	0	(5,846)	0	364,166	0	364,166	(5,846)	-1.58%	
Parking Fund	6,100,000	6,710,000	6,710,000	0	610,000	0	6,710,000	0	6,710,000	610,000	10.00%	
WPCA	25,838,165	26,524,012	26,524,012	0	685,847	0	26,524,012	0	26,524,012	685,847	2.65%	
Police Extra-Duty	9,247,000	9,003,000	9,003,000	0	(244,000)	0	9,003,000	0	9,003,000	(244,000)	-2.64%	
E.G. Brennan	1,355,939	1,540,017	1,540,017	0	184,078	0	1,540,017	0	1,540,017	184,078	13.58%	
Active Medical Fund	38,758,400	40,433,265	40,433,265	0	1,674,865	0	40,433,265	0	40,433,265	1,674,865	4.32%	
Risk	13,795,993	14,223,430	14,223,430	0	427,437	0	14,223,430	0	14,223,430	427,437	3.10%	
Total Other Funds	\$ 105,932,826	\$ 166,744,991	\$ 166,744,991	\$ (551,246)	\$ 60,812,165	\$ (551,246)	\$ 166,193,745	\$ -	\$ 166,193,745	\$ 60,260,919	56.89%	
Total Expense All Funds	\$ 636,266,846	\$ 725,768,144	\$ 725,768,144	\$ (4,770,653)	\$ 89,501,298	\$ (4,770,653)	\$ 720,997,491	\$ -	\$ 720,997,491	\$ 84,730,645	13.32%	
Check	\$ 636,266,846	\$ 725,768,144	\$ 725,768,144	\$ (4,770,653)	\$ 89,501,298	\$ (4,770,653)	\$ 720,997,491	\$ -	\$ 720,997,491	\$ 84,730,645	13.32%	
Check Database	\$ 636,266,846	\$ 725,768,144	\$ 725,768,144	\$ -	\$ 89,501,298	\$ -	\$ 725,768,144	\$ -	\$ 725,768,144	\$ -		
Variance				\$ 4,770,653	\$ -	\$ 4,770,653	\$ -	\$ -	\$ 4,770,653	\$ -		

Note: Contingency, reserves, and revenue from tax levy as well as amount to be raised from taxes are all tentative and will be finalized at the Board of Finance meeting scheduled for May 17th.