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BOARD OF FINANCE
STAMFORD GOVERNMENT CENTER
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MINUTES

Thursday, November 8, 2018 - 7:08 PM
Board of Finance Meeting Room, 4th Floor

Call to Order: Chair Richard Freedman (*Video 00:00:00*)

Pledge of Allegiance: Chair Richard Freedman

Approval of Minutes:		Approved 5-0-0 Motion by: S. Gabriele Second by: M. L. Rinaldi
October 11, 2018 Regular Monthly Meeting	<i>(Video: 00:00:45)</i>	

Public Participation: There was none.

Reports to the Board:

1. Contingency Update – FY 2018-19 (As of 10/31/18)
2. FY 2018-19 YTD Board of Finance and Administrative Transfers

OFFICE OF THE MAYOR

Possible Discussion – Pending Contract Negotiations

<i>Item 1</i>	The Mayor may address the Board of Finance in executive session on any pending contract negotiations.		There was no discussion.
	Action Requested:	Possible discussion	
	Amount:		
	Fund/Budget:		
		Mayor David Martin	

BOARD OF EDUCATION

Advisory Opinion – Tentative Agreement – Stamford Administrative Unit (SAU) – Board of Education

<p><i>Item 2</i></p>	<p>On October 12, 2018, the Stamford Administrative Unit (SAU) and the Board Negotiations Committee reached a tentative agreement in the reopener negotiations on salary for 2019-2020. In accordance with Section C6-20-7 (c) of the City Charter, the Board Negotiations Committee must now present the Tentative Agreement to the Board of Finance and request “an Advisory Opinion to the Board of Education of the total cost and potential long-term burden of the proposed agreement.”</p>		<p>Favorable Advisory Opinion 5-0-0 Motion by: D. Kooris Second by: R. Freedman</p>
	<p>Action Requested:</p>	<p>Advisory Opinion</p>	
	<p>Amount:</p>		
	<p>Fund/Budget:</p>		
	<p>Submitted by:</p>	<p>Dr. Stephen Falcone, Executive Director of Human Resources</p>	
	<p><i>Video: 00:01:29</i></p>	<p>Present: Mr. Stephen Falcone; Counsel Melika Forbes, Shipman & Goodwin; members Board of Education (BOE) Negotiations Team; district administrator Dr. Tamu Lucero, Assistant Superintendent; and Andy George, Board of Education. Ms. Forbes outlined different aspects of the tentative agreement and answered questions raised by members of the Board. She said the only items addressed in the reopener negotiations were related to salary. There are 74 administrators in the SAU and the contract is limited to just 1 year. The projected increase is \$258,544 or a 2.84% increase.</p>	

Advisory Opinion – Contract Settlement – Stamford Education Association (SEA) – Board of Education

<p><i>Item 3</i></p>	<p>On October 17, 2018, the Stamford Education Association (SEA) and the Board Negotiations Committee reached a Tentative Agreement on a new two-year contract with modest salary increases in each of two (2) years. In accordance with Section C6-20-7(c) of the City Charter, the Board Negotiations Committee must now present the Tentative Agreement to the Board of Finance and request “an advisory opinion to the Board of Education of the total cost and potential long-term burden of the proposed agreements.”</p>		<p>Favorable Advisory Opinion 5-0-0 Motion by D. Kooris Second by: R. Freedman</p>
	<p>Action Requested:</p>	<p>Advisory Opinion</p>	
	<p>Amount:</p>		
	<p>Fund/Budget:</p>		
	<p>Submitted by:</p>	<p>Dr. Stephen Falcone, Executive Director of Human Resources</p>	
	<p><i>Video: 00:01:52</i></p>	<p>Present: Stephen Falcone; Counsel Melika Forbes, Shipman & Goodwin; members Board of Education Negotiations Team; and district administrators. Ms. Forbes again outlined different aspects of the tentative agreement and answered questions raised by members of the Board. There was tentative agreement to extending the contract to a 2-year contract with the only other changes being to salary and inserting a step, which now establishes a 16-step schedule as opposed to a 15-step schedule. Step 14 will remain the same and the new Step 15 will be halfway between Step 14 and the new Step 16. There are 1560 teachers total. The projected total cost is \$3,915,646 or a 2.99% increase.</p>	

ITEMS LISTED IN ORDER THEY WERE HEARD

OFFICE OF POLICY AND MANAGEMENT

First Quarter Financial Projections: FY 2018-19

<i>Item 9</i>	Review: FY 2018-19 First Quarter financial results and projections.	UPDATE
	Action Requested:	Update
	Amount:	
	Fund/Budget:	FY 2018-19
	Submitted by:	Jay Fountain, Director of OPM
	<i>Video: 00:25:47</i>	<p>Mr. Fountain said that a shortfall of \$1,665,000 is being projected for this quarter. The City shortfall is \$1,378,000 and the BOE shortfalls are \$257,000 and a small amount, \$30,000, in support services; the primary reason for the shortfall is the mold issue. He added that there is a request this evening for a \$500,000 appropriation for remediation of mold. He is projecting the Task Force will need an additional \$2,000,000 at least for mold remediation - and that amount may be more.</p> <p>With regard to revenues, Mr. Fountain projected revenues \$244,000 less than budgeted, primarily due to the tax levy being \$1.3 million short. Tax appeals are also less than anticipated.</p> <p>Assessor Greg. Stackpole said personal property, specifically cables and conduits, was miscalculated during the 2017 revaluation and over-assessed by approximately \$85 million. He said some accounts had to be corrected resulting in a reduction in assessments and a reduction in tax revenue for the year of \$2.2 million. He explained the cause of the miscalculation and steps his office had taken to prevent the same from happening in the future.</p> <p>Mr. Fountain continued the conversation by outlining revenue and expenditure increases and decreases for the first quarter.</p> <p>Mr. Clarence Zachery, BOE Chief Fiscal and Operations Support Officer, was present and made his projection for the BOE due to the mold remediation effort and expense. From October 29 any costs associated with mold remediation and testing will be borne by the City of Stamford.</p> <p>Real-time information pertaining to the Task Force is available on the City website.</p>

BOARD OF EDUCATION

Emergency Supplemental Appropriation for Mold Remediation in Schools/Sites

<i>Item 4</i>	The Mold Task Force requests approval of an emergency supplemental appropriation for mold remediation in Stamford Public Schools/Sites.	Approved 5-0-0
	Action Requested:	Approval of Supplemental Appropriation
	Amount:	\$500,000
	Fund/Budget	Contingency
	Submitted by:	Michael Handler, Director of Administration
	<i>Video: 01:06:40</i>	<p>Mr. Fountain interpreted the Contingency Report and answered questions posed by members of the Board.</p> <p>A discussion followed pertaining to the mold remediation management.</p>
		Motion by: D. Kooris Second by: S. Gabriele

SUSPENSION OF THE RULES

(Video: 01:14:22) A motion to suspend the rules to hear the following request was made by Ms. Rinaldi, seconded by Mr. Gabriele and passed unanimously (5-0-0).

Bid Waiver #1010 – Mold Remediation in Stamford Public Schools/Sites

<i>Item 4(a)</i>	<p>A bid waiver is requested per Sec. 23-18.3 A – Critical emergency purchases. Emergency procurement shall be limited to purchases authorized and accounted for in a separate account(s) for Mold Task Force-related projects.</p> <p>*The amount authorized by this waiver shall include the current and any future emergency supplemental appropriations provided for, and accounted in, said account. This waiver shall apply to the current supplemental appropriation of \$500,000 and any future emergency supplemental appropriations provided for, and accounted in, said account.</p>	<p>Approved 4-0-1 Motion by: D. Kooris Second by: S. Gabriele Abstained: K. Ryan</p>
	Action Requested: Approval of Bid Waiver	
	Amount: \$500,000 *note	
	Fund/Budget:	
	Submitted by: Michael Handler	
	<p>Video: 01:14:26</p> <p>Mr. Handler provided the rationale for the wording of the Bid Waiver covering the * noted above and answered questions on contracts that might be needed for this project.</p> <p>It is the expectation of the Board of Finance that during this remediation work the administration will ultimately build a team of contractors and have it in place for any future mold work that may be needed. Mr. Handler agreed.</p>	

CONTROLLER’S OFFICE

Review: Draft Comprehensive Annual Financial Report – Fiscal 2018: Blum Shapiro

<i>Item 6</i>	<p>City Auditors Blum Shapiro will review the highlights of the draft Comprehensive Annual Financial Report (CAFR) for Fiscal 2018, speaking to the various phases of the Audit including fieldwork, status of the Audit, WPCA open items and next steps.</p>	DISCUSSION
	Action Requested: Discussion	
	Amount:	
	Fund/Budget:	
	Submitted by: David Yanik, Controller	
	<p>Video: 01:28:30</p> <p>Controller David Yanik introduced Blum Shapiro Auditors Nikoleta McTigue and Santo Carta. Ms. McTigue provided a</p>	Continued...

	<p>preliminary report (draft format) to the members of the Board and outlined certain items that are still needed before the final report can be completed.</p> <p>She said they performed their preliminary fieldwork in July and the final fieldwork for the month of September started on September 28. She added information on departments that need to provide information so the CAFR can be completed and management can have its discussion.</p> <p>There was a request from a Board member that Mr. Yanik notify the departments who have not complied with the request for information and strongly suggest that they present needed documents so the auditors can complete their audit.</p> <p>Ms. McTigue pointed out that when the final report is created and finished the Board will notice a significant increase in liabilities this year because of GASB 75, which accounts for OPEB liabilities.</p> <p>Following a lengthy discussion, Mr. Freedman thanked the Blum Shapiro representatives for their report and their time.</p> <p><i>Please refer to the video for a comprehensive understanding of this discussion.</i></p>
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ADMINISTRATION

Update and Discussion – Misappropriation of Marina Funds

<i>Item 5</i>	<p>The Board of Finance requested an update and discussion on the outcome of an investigation into the misappropriation of funds at the Marina Fund as first discussed at the June 14, 2018 meeting of the Board. This may require an Executive Session to discuss personnel and legal matters related to the ongoing investigation and resolution of the theft by the employee.</p>	UPDATE/ DISCUSSION
	<p>Action Requested: Update and Discussion</p>	
	<p>Submitted by: Michael Handler, Director of Administration</p>	
	<p><i>Video: 01:44:11</i></p> <p>Michael Handler said the City has taken steps with the State Attorney’s Office to recoup some of the loss that we knew at the time. There was a guilty plea with an agreement for restitution to the City. The City discovered in the audit that there are some additional losses (around \$32,000) that we are still finalizing. The agreement of the State Attorney’s Office is that a condition of the probation is that full restitution has to be made.</p> <p>When asked what the City is doing to prevent this happening again, Mr. Handler said the Internal Auditor will be presenting her report of audit at the January meeting of the Audit Committee of the Board of Finance.</p>	

OFFICE OF POLICY AND MANAGEMENT

Discussion – Sources and Uses Accounting – Mill River Park

<i>Item 7</i>	The Board of Finance has requested that the Mill River Collaboration provide it with a sources and uses accounting of the Mill River Park capital expenditures.		DISCUSSION
	Action Requested:	Discussion	
	Submitted by:	Board of Finance	
	<i>Video: 01:52:23</i>	<p>Mr. Fountain was asked to do a review of the Capital Projects budget and expenditures of the Mill River Park projects. Capital Projects are set up when City money is used.</p> <p>Also attending the meeting were Nia Rhodes Jackson, Director of Programs and Visitor Services and Arthur Selkowitz, Chairman of the Mill River Park Collaborative. The Mill River project has used approximately \$15,250,000 of its own funds through bonding, grants, and public donations for much of the work.</p> <p>Ms. Rhodes gave a history of the Mill River Park, the progress made to this point and plans for the future. The Collaborative has managed the work while adhering to City guidelines. Mr. Selkowitz added details and comments throughout the discussion.</p> <p>Mr. Fountain added that OPM is still reviewing the Mill River activity accounted for in Fund 15 and plan to report to the Board of Finance on this within the next two (2) months.</p> <p><i>Please refer to the video for a comprehensive view of the discussion.</i></p>	

Capital Project Appropriation Additional Request

<i>Item 8</i>	As one of the conditions for a Certificate of Occupancy the applicant, CVS, 1938 West Main Street, Stamford, was required to make a fair share contribution in the amount of \$20,339 towards the improvement of the West Avenue and West Main Street intersection to the City of Stamford based on trips generated from the site which will be using the improved intersection. A check in the amount of \$20,339 has been received by the City.		Approved 5-0-0 Motion by: D. Kooris Second by: S. Gabriele
	Action Requested:	Approval Capital Project Appropriation Request	
	Amount:	\$20,339	
	Fund/Budget:	FY 2018-19	
	Submitted by:	Jay Fountain	
	<i>Video: 02:37:34</i>	Mr. Fountain was present to answer any questions. There were none.	

**OPERATIONS
CUSTOMER SERVICES**

Discussion – Parking Operations Assessment Update

<i>Item 10</i>	The Board of Finance received a Parking Operations assessment at its September 13, 2018 meeting. Mr. Fedeli requested that he speak on the same topic.	WITHDRAWN
Action Requested:	Discussion	
Amount:		
Fund/Budget:		
Submitted by:	Frank Fedeli – Customer Services Supervisor	
Video: 00:00:00	This item was discussed at the Audit Committee Meeting held prior to the regular monthly meeting and has been withdrawn.	

Mr. Freedman received a request that the Board consider some joint presentations with the Board of Representatives during the budget season. Mr. Kooris made a recommendation that the Board of Finance meet initially with (1) the Mayor to go over his budget; (2) designate two nights in March (Monday and/or Thursday) to go through the operating, capital and WPCA budgets and determine a schedule to meet with departments it would like to have discussions with; (3) meet next with the Board of Education the following week to go through its budget; and, finally, (4) reserve four evenings later for calling in those departments it wishes to question. The Board of Finance will also consider any meetings for which a shared meeting with the Board of Representatives would be appropriate.

Members of the Board also discussed the regular monthly meeting schedule, which will be placed on the December agenda for approval.

Prior to the adjournment of the meeting, Mr. Fountain took a moment to compliment staff members Lee Berta, Assistant Director of OPM and Tony Romano, Management Analyst, OPM, who worked so diligently to prepare the Mill River Collaborative accounting.

[This Meeting is on Video.](#)

The meeting was adjourned at 10:03 p.m.

Next Regular Meeting of the Board: Thursday, December 13, 2018 at 7:00 P.M.

Adjournment: (Video: 02:56:46)

Cynthia R. Winterle
Cynthia R. Winterle
Clerk of the Board