



Fiscal Committee - Board of Representatives

Jay Fountain, Chair

Frank Cerasoli, Vice Chair

Report of Meeting

Date: Monday, August 18, 2014

Time: 7:00 p.m.

Place: Democratic Caucus Room, 888 Washington Boulevard, Stamford, CT
06905-2098

The Fiscal Committee met as indicated above. In attendance were Chair Fountain, and Committee Member Reps. Di Costanzo, Fedeli, Kooris, Mitchell and Silver Day, DeLuca and Figueroa. Absent or excused Committee Member Reps. Vice Chair Cerasoli. Also present were Reps. McMullen, Nabel, Reeder, Coppola, Heaphy, McMullen, Reeder, Ryan, and Zelinsky; Jim Hricay, OPM; Assistant Chief Matheny; Mark Turndahl, SWPCA; Agnes Cawai and Karen Vitale, and David Yanik, Controllers Office; Ernie Orgera, Director of Operations; Michael Handler, Director of Administration; David Panico, Attorney; Milton Puryear, Arthur Selkowitz, Mill River Collaborative; and Kathy Emmett, Law Department.

Item No.	Description	Committee Action
¹ 1. F29.200 \$5,550.00	ADDITIONAL APPROPRIATION (Grants Budget); Program Supplies; purchase 3 electric vehicle chargers - 2 for Government Center garage; 1 for Summer St. garage. 100% grant funded. 07/24/14 – Submitted by Mayor Martin 08/14/14 – Approved by Board of Finance	Approved 10-0-0
² 2. F29.201 \$57,099.00	ADDITIONAL APPROPRIATION (Operating Budget); Police Department, Overtime, Differential; funding to deploy four foot patrols during Thursday, Friday & Saturday nights from mid-July to mid-September. 08/04/14 – Submitted by Mayor Martin 08/14/14 – Approved by Board of Finance	Approved 9-0-1

¹ Video Time Stamp 01:14:11

² Video Time Stamp 01:15:31

- ³3. [F29.190](#) ADDITIONAL APPROPRIATION (Operating Budget); Leased Facilities; pay for expenses related to the day to day operations of the CTE/Lathon Wider Center; building occupied by Police Training Division, Library branch and Shelter for the Homeless. **Approved 8-0-2**
\$162,665.00
07/01/14 – Submitted by Mayor Martin
07/10/14 – \$197,665 approved by Board of Finance
07/28/14 – \$35,000 of total request approved by Committee, remainder held

Members of the committee asked a number of questions concerning what the city's long range plans for the facility are and the need to obtain a community organization so children can begin to use the facility again. Mr. Orgera stated that the state is now reviewing applications for community service providers and once they have approved an organization the city plans to negotiate a contract with them for use of Lathon Wider.

- ⁴4. [F29.194](#) RESOLUTION; with respect to the Authorization, Issuance and Sale of Not Exceeding \$22,000,000 City of Stamford General Obligation Refunding Bonds to defease Mill River TIF Bonds. **Approved 10-0-0**
07/03/14 – Submitted by Director Handler
08/14/14 – Approved by Board of Finance

The members of the committee and other Board of Representatives members present asked a number of questions including the reason for the refunding, any additional risk the city is taking by using G.O. Bonds and whether this is the best time to proceed with a refunding. The Director of Administration and fiscal advisor provided answers including that this is a time of very low interest rates, especially for G.O. Bonds and that there are significant savings (Present Value of about \$5 million dollars) that will be received because of the refunding. They state that the TIF bonds carry an effective interest rate of 7% while the G. O. Bonds used for the refunding would carry an estimated effective interest rate of about 3.5%. They also noted that there is very little additional risk to the city as it is unlikely that the city would allow the TIF Bonds to default if they are left in place so the taxpayers of the city would be responsible in any case. It was also noted that the cash flow saving would occur in the later years because the TIF Bonds being refunded have a final maturity in 2014 and the G.O. refunding bonds have a final maturity in 2033.

³ Video Time Stamp 01:27:50

⁴ Video Time Stamp 00:00:40

- ⁵5. [F29.202](#) RESOLUTION; Amending the Local Real Estate Conveyance Tax Rate. 08/06/14 – Submitted by Mayor Martin **Approved amendment 10-0-0; Approved for publication/public hearing as amended 10-0-0**

Committee members asked about the details of the increase in the Conveyance tax being proposed and were told that the increase from .35% to .5% would be effective only for the value of property above \$1 million. This addressed at least some of the concern of members about the effect on low and moderate income individuals selling their home. It was concluded that this resolution needed a public hearing so the original motion was amended.

- ⁶6. F29.203 REVIEW; City of Stamford 2013 Management Letter from the Auditors and Corrective Action Plan. 08/11/14 – Submitted by Chair Fountain **Report Made**

Mr. Janik discussed the management letter comments from 2013 and what the city is doing to address them. He told the committee that all serious comments have been addressed. He also said that the administration has identified a situation that could result in a serious comment from the auditors for the 2014 fiscal year. That situation is that the BOE has submitted capital projects with grant proceeds included in situations where the grants have not been received. Therefore the project cost exceeds the amount budgeted for that project. The administration is developing a plan for addressing this situation.

- ⁷7. F29.104 REVIEW; WPCA Management Letter from the auditors and corrective action plan. 06/04/14 – Submitted by Rep. Reeder 06/09/14 – Held at Steering **Report Made**

Mr. Turndahl from the WPCA addressed the management letter comments received on the 2013 audit and stated that other than the timeliness of information about capital assets they are being addressed. WPCA is still having difficulty finalizing the information necessary to capitalize all capital assets as of yearend but is working on ways to correct that issue.

Respectfully submitted,

Jay Fountain, Chair

This meeting is on [video](#).

⁵ Video Time Stamp 01:41:40

⁶ Video Time Stamp 02:20:12

⁷ Video Time Stamp 02:34:11