



Fiscal Committee - Board of Representatives

Monica Di Costanzo, Chair
Anzelmo Graziosi, Vice Chair

Committee Report

Date: Monday, July 23, 2018
Time: 6:00 p.m.
Place: Democratic Caucus Room, 4th Floor, 888 Washington Boulevard,
Stamford, CT 06905-2098

The Fiscal Committee met as indicated above. In attendance were Chair Di Costanzo, Vice Chair Graziosi, and Committee Member Reps. Coleman, Fedeli, Figueroa, McMullen, Miller, Morson, Nabel, Pendell and Pia. Also present were Reps. Cottrell, de la Cruz, Kolenberg, Sherwood and Summerville; Jay Fountain, OPM; David Yanik, Controller; Erik Larson, Purchasing; Dan Colleluori, Recycling; Ted Jankowski, Director of Public Safety, Health & Welfare; and Karen Cammarota, Grants.

Chair Di Costanzo called the meeting to order at 7:00 p.m.

Item No.	Description	Committee Action
1. F30.084	APPROVAL; Agreement With Milliman – Consulting for Actuarial Services, Under RFP No. 738. 07/10/18 – Submitted by Mayor Martin 07/12/18 – Approved by Board of Finance	Approved 5-2-2

Mr. Fountain explained that

- This item was approved by the Board of Finance pending signature and no significant changes.
- There were 11 members on the RFP committee; H&H was supposed to perform audit services this year but since there were problems with the timeliness of their work, the City opted to start with Milliman effective July 1, 2018.
- One of the major points in Milliman's favor was that they have a substantial Connecticut presence and do government work
- This is a 3 year contract, with 2 one year extensions
- All of the proposals contained an annual increase

A motion to approve this item was made, seconded and approved by a vote of 5-2-2 (Reps. Di Costanzo, Graziosi, Nabel, Pendell and Pia in favor; Reps. Coleman and Miller opposed; Reps. Fedeli and Morson abstaining).

2. [F30.079](#) ADDITIONAL APPROPRIATION (Grants Budget); Approved 10-0-0
\$26,776.00 WIC (Women, Infant and Children); Grant larger than
anticipated (100% grant funds).
07/10/18 – Submitted by Mayor Martin
07/12/18 – Approved by Board of Finance

Mr. Jankowski explained that the City received additional funds for this grant. There is no cost to the City. The Health Department is taking advantage of being able to get additional funds.

A motion to approve this item was made, seconded and approved by a vote of 10-0-0 (Reps. Di Costanzo, Graziosi, Coleman, Fedeli, Miller, Morson, Nabel, Pendell and Pia in favor).

3. [F30.080](#) ADDITIONAL APPROPRIATION (Grants Budget); Approved 10-0-0
\$40,000.00 State Department of Emergency Management;
Upgrade Generator that Supports the Emergency
Operations Center and 911 Call Area; (100% grant
funds).
07/10/18 – Submitted by Mayor Martin
07/12/18 – Approved by Board of Finance

Mr. Jankowski explained that the City is working on replacing this generator and trying to fund the entire project through grants. They are hoping to complete the project by the fall. The current generator is 25 years old and has reached the end of its useful life.

A motion to approve this item was made, seconded and approved by a vote of 10-0-0 (Reps. Di Costanzo, Graziosi, Coleman, Fedeli, Miller, Morson, Nabel, Pendell and Pia in favor).

4. [F30.081](#) ADDITIONAL APPROPRIATION (Grants Budget); Approved 10-0-1
\$444,755.00 Education through adventure program; program staff;
supplies; social security; contracted services; (100%
donations and fees).
07/10/18 – Submitted by Mayor Martin
07/12/18 – Approved by Board of Finance

A motion to hold this item pending Ms. Cammarota's arrival was made, seconded and approved by a vote of 10-0-0 (Reps. Di Costanzo, Graziosi, Coleman, Fedeli, Figueroa, Miller, Morson, Nabel, Pendell and Pia in favor).

Ms. Cammarota explained that these appropriations are of funds received from donors for the ropes course. A motion to approve this item was made, seconded and approved by a vote of 10-0-1 (Reps. Di Costanzo, Graziosi, Coleman, Fedeli, Figueroa, Miller, Morson, Nabel, Pendell and Pia in favor; Rep. McMullen abstaining).

5. [F30.082](#) ADDITIONAL APPROPRIATION (Operating Budget); Approved 10-0-0
\$14,800.00 to Audit and Evaluate the Current 457 & 401(A)
Vendor Performance.
07/10/18 – Submitted by Mayor Martin
07/12/18 – Approved by Board of Finance

Mr. Fountain explained that this is a recurring contract. This is needed for the City to fulfill its fiduciary responsibilities. When the City consolidated the 457 and 401(a) vendors from 3 to 1 they received a commitment from the vendor to pay for this audit.

A motion to approve this item was made, seconded and approved by a vote of 10-0-0 (Reps. Di Costanzo, Graziosi, Coleman, Fedeli, Figueroa, Miller, Morson, Nabel, Pendell and Pia in favor).

6. [F30.083](#) ADDITIONAL APPROPRIATION (Operating Budget); Approved 10-0-0
\$700,000.00 ~~To Rebid~~ To adjust the appropriation for The Hauling
And Disposal Of Single Stream Recycling (from
Contingency).
07/10/18 – Submitted by Mayor Martin
07/12/18 – Approved by Board of Finance

Mr. Colleluori explained that China is no longer taking recycling, so what was a revenue stream is now an expense. (See [attached articles](#).) There were 2 responses to the bid request: \$80/ton or \$65/ton less the commodity market price. This is a global problem. Garbage costs \$70/ton. There is a legal requirement to recycle.

The budget anticipated \$93,000 in revenue from recycling. Stamford is currently paying more than other municipalities.

A motion to approve this item was made, seconded and approved by a vote of 10-0-0 (Reps. Di Costanzo, Graziosi, Coleman, Fedeli, Figueroa, Miller, Morson, Nabel, Pendell and Pia in favor).

7. F30.085 REVIEW; Opportunities for Process Improvements Report Made &
(Cost Reductions, Efficiency Gains, Investments, Etc.) Held 10-0-1
in City Departments; Discussion And Opportunities to
Limit or Avoid Growth in The City's Operating Budget.
07/11/18 – Submitted by Reps. de la Cruz, Pratt,
Aquila, Cottrell, DiCostanzo, Jacobson, Lee, Lion,
Matherne, Michelson, Miller, Nabel, Roqueta,
Sherwood, Stella, Morson, Coleman, Wallace and
Zelinsky.

Rep. de la Cruz explained that he put this on the agenda because there is interest in the budget and cuts and he believes the Board of Representatives needs to get involved earlier. More than 80% of the budget is structural fixed or semi-fixed items. He believes each department can look at what can be improved

Committee members discussed the goals of this proposed review:

- Part of the process will be to make the budget more transparent
- Part of the Committee's job is to ask hard questions about what can be cut
- The Committee needs to be precise about what it is asking

Mr. Jankowski explained that the police chiefs all keep their budget very tight; he meets with the chiefs once a month to discuss process improvements. He recommends reviewing the annual reports for the departments. The Mayor does meet with each department at the beginning of the budget process and ask for cuts

Committee members continued:

- A different department head could be invited each month
- There might be process improvements that require investment but result in savings
- There should be operational audits of each department
- This should be approached without political bias
- Committee members need to be better prepared to meet with departments

A motion to form a subcommittee to organize the meetings and presentations was made, second and approved by a vote of 10-0-1 (Reps. Di Costanzo, Graziosi, Coleman, Fedeli, Figueroa, Miller, Morson, Nabel, Pendell and Pia in favor; Rep. McMullen abstaining).

8. [F30.086](#) REVIEW; Drawdown Account Processes. Report Made & Held 10-0-0
7/11/2018 – Submitted by Reps. Sherwood and Cottrell

Rep. Sherwood stated that she put this item on the agenda because of the \$60,000 incident which involved drawdown accounts and she wanted a better understanding of how the accounts work.

Mr. Larson reviewed the attached [power point presentation](#).

Mr. Larson and Mr. Yanik discussed this with the Committee as follows:

- The purpose of this process is administrative; for purchases made throughout the year from the same vendor
- The department acknowledges that the goods are purchased and received
- Internal Audit has not received the police report and has not examined what the police had; Internal Audit has been asked to review drawdown accounts, pCard use and the hiring of the individual
- Mr Yanik has agreed to go back to the Board of Finance in 2 months and provide an update, whether or not the audit is completed and will do the same for the Board of Representatives Fiscal Committee
- Smaller departments have less structure for drawdowns accounts; there is a reliance on the manager to carry out internal controls
- Red flags would be exhaustion of amounts early in the year or 3 POs that bring the department over the threshold
- Not all 786 accounts have \$10,000; it depends upon the nature of the expenditures
- Drawdowns are managed by budget and managerial review
- The external audit is geared toward financial reporting

A motion to hold this item was made was made, second and approved by a vote of 10-0-0 (Reps. Di Costanzo, Graziosi, Coleman, Fedeli, Figueroa, McMullen, Miller, Nabel, Pendell and Pia in favor).

Chair Di Costanzo adjourned the meeting at 8:40 p.m.

Respectfully submitted,
Monica Di Costanzo, Chair

This meeting is on Video ([Part 1](#) and [Part 2](#))