



Fiscal Committee - Board of Representatives

Monica Di Costanzo, Chair

Lindsey Miller, Vice Chair

Committee Report

Date: Monday, November 26, 2018

Time: 6:30 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 Miller and Committee Member Reps. Fedeli, Figueroa, McMullen, Morson, Nabel, Pendell and Pia. Absent or excused were Reps. Coleman and Jacobson. Also present were Reps. Sherwood and Stella; Jay Fountain and Anthony Romano, OPM; David Yanik and Teresa Viscariello, Controller's Office; Ted Jankowski, Director of Public Safety; Jim Travers and Frank Petise, Transportation, Traffic and Parking Bureau; Mike Handler, Director of Administration; Dudley Williams, Nia Rhodes Jackson and Arthur Selkowitz, Mill River Collaborative; and Ed Czescik.

Chair Di Costanzo called the meeting to order at 6:30 p.m.

A motion to suspend the rules to take up Item 8 was made, seconded and approved by a vote of 7-0-0 (Reps. Di Costanzo, Miller, Fedeli, Figueroa, Morson, Nabel and Pia in favor).

Under a Suspension of Rules:

¹8. ~~F30.114~~ RESOLUTION and public hearing; Approving **APPROVED 7-1-1**
F30.113 Administrative Fee for Police Extra Duty Services.
10/04/18 – Submitted by Mayor Martin
10/22/18 – Approved by Committee 8-1-1

Chair Di Costanzo opened the public hearing. Mr. Czescik stated that he had questions about the process to be followed in deciding when cars will be used. In particular, he is concerned about getting sufficient notice to pass the cost on to his customers, and what the criteria will be for requiring a vehicle. There being no other members of the public wishing to speak, the public hearing was closed.

Mr. Jankowski responded to the questions raised by Mr. Czescik as well as committee members as follows:

- Assignment of a vehicle will be based on safety, not comfort of officers on extra duty
- They are likely to be used on busy roads; the assignment is at the discretion of the extra duty desk, in consultation with the Director of Public Safety and Chief of Police
- The City will communicate the decision-making process
- A contractor would be pulling a permit for the work
- The contractor still pays the cost if it is City paving

¹ Video Time Stamp 00:00:55

- A flag person can be used if it is determined that no officer is available
- A project may be halted if an officer needs to cover an emergency

Committee members discussed the expense this would create. It would make Stamford more expensive than neighboring communities; Stamford is larger and more complicated than neighboring communities in Southern Fairfield County.

A motion to approve Item No. 8 was made, seconded and approved by a vote of 7-1-1 (Reps. Di Costanzo, Miller, Fedeli, Morson, Nabel, Pendell and Pia in favor; Rep. McMullen opposed; Rep. Figueroa abstaining).

Item No.	Description	Invitee(s) or Designee(s)
² 1. F30.119 \$500,000.00	ADDITIONAL APPROPRIATION (Operating Budget); Fund Mold Remediation at Stamford Schools/Sites from Contingency. 11/08/18 – Submitted by Mayor Martin 11/08/18 – Approved by Board of Finance	APPROVED 9-0-0

Mr. Fountain reviewed the [attached contingency report](#). After taking this \$500,000 out of contingency, there will be \$240,000 remaining. This is an operating expense. An account is being set up in Grants Fund 24 for the schools and the City will seek an appropriation from this account next month. Based on quarter one projections, it is estimated that at least \$2,000,000 more will be required this fiscal year to address this issue.

A motion to approve Item No. 1 was made, seconded and approved by a vote of 9-0-0 (Reps. Di Costanzo, Miller, Fedeli, Figueroa, McMullen, Morson, Nabel, Pendell and Pia in favor).

2. F30.120 \$20,339.00	ADDITIONAL APPROPRIATION (Capital Budget); Roadway Improvements & Reconstruction; Fair Share Contribution from TMC New England LLC for West Avenue and West Main Street Intersection. 11/08/18 – Submitted by Mayor Martin 10/30/18 – Approved by Planning Board 11/08/18 – Approved by Board of Finance	APPROVED 9-0-0
---	--	-----------------------

A motion to approve Item No. 2 was made, seconded and approved by a vote of 9-0-0 (Reps. Di Costanzo, Miller, Fedeli, Figueroa, McMullen, Morson, Nabel, Pendell and Pia in favor).

³ 3. F30.114	REVIEW; Update on Marina Fund Audit. 10/31/18 – Submitted by David Yanik	REPORT MADE
-------------------------	---	--------------------

Ms. Viscariello reviewed the status of her audit FY2014-18. She noted that it is premature to reach conclusions or make recommendations. She detailed the work she has completed, the work in progress, and the work she still has to do, as follows:

² Video Time Stamp 00:18:40

³ Video Time Stamp 00:24:45

Work Completed:

- Employee use of P-Cards,
 - Obtain guidelines for P-Card usage & restrictions, [Completed]
 - Compile/summarize Marina Supervisor's P-Card charges, [None found]
 - Select samples of P-Cards usage for review & testing, if any [None found]
- Use of "Draw Down" Purchase Orders,
 - Review Purchasing Ordinances pertaining to use of "drawdown" PO's, [None found]
 - Review Purchasing Department procedures and guidelines, [Completed]
 - Selected sample Marina Fund "drawdown" PO's and test and trace to appropriate system submissions, acceptance, and approvals, [Completed]
 - Based on preliminary test results, internal audit will perform additional testing of certain vendor PO's. [There were some additional misappropriations]

Work in progress/ongoing:

- Review of certain employee hiring practices/background checks:
 - Review City of Stamford Municipal Code & Classified Civil Service Rule, [In progress]
 - Job application submitted by former Marina Supervisor, [Completed]
 - Candidate screening, interviews, and ranking process, [In progress]
 - Records of document retention policy. [In progress]

Work not completed:

- "Draft" Internal Audit review of procedures & policies of City's Special Revenue Marina Fund F2014-2018 with recommendations and management responses.

She has found \$32,900 of additional losses. She expects to have a completed report in 30 to 60 days.

Mr. Handler explained that the individual plead guilty and that restitution is a condition of his release by the State's attorney. The City has notified its insurance carrier and has seized his boat. The City will get the funds from the sale of the boat, but he or the insurance carrier will have to make up the shortfall. The employee is not pension eligible.

- ⁴4. [F30.117](#) REVIEW; Accounting sources and Uses of funds for Mill River Park as presented to the Board of Finance Nov. 8, 2018. To include Structure and Financial Arrangements of the TIF District for Mill River Park. 10/31/18 – Submitted by Reps. Sherwood, Stella, de la Cruz and Nabel **REPORT MADE**

Mr. Fountain, Mr. Handler, Mr. Williams, Ms. Jackson and Mr. Selkowitz reviewed the [attached memo](#), including five project descriptions and funding sources (not all Mill River corridor projects), and discussed this item with the Committee as follows:

- They will return to the Board of Finance in several months with an analysis of Fund 15; the Board of Finance did not ask for a review of operating expenses for the Mill River
- The City provides 50% of the proceeds of the incremental increase in the property values due to the TIF to the Mill River Collaborative and retains the other 50%.

⁴ Video Time Stamp 00:33:53

- The City loaned the \$3.3 million to the Mill River because at the time it was too expensive to issue tax free bonds (the MRC still owes about \$2.1 million and intends to continue repayment and clear as soon as possible.) The TIF bonds which were issued by URC at 7% were refunded several years ago with GO bonds by the City at 3%, which substantially reduced the cost of the bonds
- The TIF revenue is first used to pay off the debt service, then to the City (approximately \$500,000 this year) and then to the Mill River Collaborative (“MRC”) for operating expenses
- The City has an objective to provide MRC with a minimum of \$500,000 Mill River Park for operating funds (MRC received \$662,000 for operating 2018-19)
- The MRC and the City use TIF money to fund capital projects in the district; there are 2 types of capital projects, some managed by the City and some managed by the MRC (the Ice Rink and the Discovery Center are completely funded and managed by the MRC)
- The MRC was formed after the TIF and is charged by the City, under a contract with the City, to develop and manage the park.
- 50% of the increment goes into Fund 15 for the entire TIF district. The debt service is paid out of those funds (information back to base year, the MRC memorandums of understanding, & audited financial statements are available in the Board office); the City chooses how funds are disbursed from Fund 15
- It will be the City’s determination to give funds to the MRC once development of the park is complete; the City may choose to use the funds for other purposes within the TIF
- The City collects all of the revenue, not the MRC; currently 50% of the increment goes to the City and 50% goes to fund 15 for the MRC (a portion of which is used to pay the debt service.) The rest of the funds remain in Fund 15 until a capital project is approved by the Boards
- The MRC is guided by the Master Plan and goes through the same approval process as other developers; the master plan includes park expansion from Scalzi park to Boccuzzi park and through Harbor Point to Koskiusko park
- Once the park is fully developed, there will be other priorities, possibly affordable housing, with the incremental tax revenue as the driving force
- The MRC goes through the same budget process as the other non-profits
- The \$640,000 the MRC received this year is about 1/3 of the cost to maintain the park
- Director Handler will provide the present value owed for GO bonds as of year-end 2018 to the Board of Representatives office

⁵5. [F30.116](#) REVIEW; Life cycle of a City of Stamford Capital Project, from Project Generation to Project Closeout, With a Specific Focus on all Financial Decision Points. **REPORT MADE**
10/31/18 – Submitted by Reps. Stella and Sherwood

Mr. Romano reviewed the [attached handout](#) with the Committee members, clarifying the terms used on Capital Project Request forms and in quarterly updates of the final adopted Capital Budget documentation. In addition, he discussed this item with the Committee as follows:

⁵ Video Time Stamp 01:51:45

- A project with 4 years of inactivity can be rescinded
- Closeout funds cannot be transferred into the operating budget (a list of projects with a fund balance remaining to be provided)
- The prior “other” funding source has been eliminated

⁶6. [F30.115](#) REVIEW; FY2018-19 First Quarter Projections. **REPORT MADE**
10/31/18 – Submitted by Jay Fountain

Mr. Fountain reviewed the [attached handout](#) with the committee.

⁷7. F30.118 REVIEW; Status Report from Budget Subcommittee. **REPORT MADE**
11/08/18 – Submitted by Reps. Miller and Di Costanzo

Rep. Miller explained that the subcommittee met in order to be able to disseminate more financial information so that everyone on the Board has the information as the Board goes into budget season and the second was to look at the budget of each of the departments more than just at budget season. The recommendation is to have each department come to their respective committees twice each year. The subcommittee came up with a 3 page presentation for each department head to present, starting in December. As chair of the subcommittee, he will put these items on the Steering Agenda

Chair Di Costanzo adjourned the meeting at 9:17 p.m.

Respectfully submitted,
Monica Di Costanzo, Chair

This meeting is on [video](#).

⁶ Video Time Stamp 02:27:16

⁷ Video Time Stamp 02:40:43