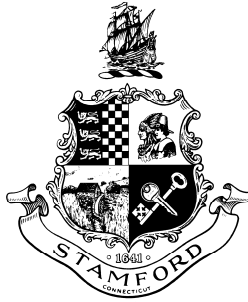


Minutes: February 9, 2010

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BOARD OF FINANCE

STAMFORD GOVERNMENT CENTER
888 WASHINGTON BOULEVARD
P.O. BOX 10152
STAMFORD, CONNECTICUT 06904-2152

MINUTES

Regular Meeting

Tuesday, February 9, 2010: 7:00 PM
Board of Finance Meeting Room, 4th Floor

Call to Order: Conducted by Chairman Joseph Tarzia

Members Present: Joseph Tarzia, Bob Kolenberg, Gerry Bosak, Mary Lou Rinaldi, Tim Abbazia, Kathleen Murphy.

Pledge of Allegiance: Led by Chairman Tarzia, after which the Board observed a moment of silence for the victims of the Middletown power plant explosion which occurred on Monday.

Approval of Minutes: December 10, 2009: 7:00 PM: Regular Meeting: On a motion by Ms. Murphy which was seconded by Mr. Abbazia, these minutes which were held at the January meeting, were approved as amended, by unanimous vote.

**Approved as
Noted**

January 14, 2010: 7:00 PM: On a motion by Ms. Rinaldi which was seconded by Mr. Abbazia, the Board approved these minutes by a vote of 5-1-0, with Ms. Murphy dissenting due to her objection of some of the details of the minutes.

Public Participation: None

Reports to the Board: None

OFFICE OF ADMINISTRATION

OPM

Item 1 Discussion: Status of City budget: Second Quarter Projections: FY 2009-10

Discussion Only

Action Discussion

Requested:

Amount: \$

Fund/Budget:

Presented by: Peter Privitera, Director of OPM

OPM Director Privitera reported briefly on the first half-year financial results before reviewing the expected full year projections. Regarding the latter, Mr. Privitera predicted a year end positive variance of approximately \$16K. He reviewed the factors which would result in this balance as being favorable variances in departmental revenues (\$1m) including savings in solid waste haulaway expense, unfilled vacancies, and an increase in Smith House revenues as well as an increase in ECS Grant funds and collection of a tax abatement grant not included in the adopted budget. Unfavorable variances were created by a \$600K decrease in interest earnings and a projected \$4.8 M negative variance in the public safety departments due primarily to a \$2.1 M overage in unbudgeted police overtime and an increase in Fire Department overtime of \$800K. Mr. Privitera reported that the initial contingency reserve of \$4.7 million was depleted by expected public safety payroll adjustments and budget reductions made to Smith House during the budget adoption process. He reported that the remaining \$1.5 m contingency would be set aside for unforeseen or unplanned events such as winter storms, additional public safety overtime and the possibility of uncollected property taxes.

Director of Administration

Item 2 Status Update: Actuarial Recommendations for Pension Contributions

Discussion Only

Action Requested: Discussion

Amount: \$

Fund/Budget:

Presented by: Fred Flynn, Director of Administration

New Director of Administration Flynn provided the Board with an update on the actuarial recommendations to date along with the City's Actuary, Hooker & Holcomb's Bill Woollacott who joined the meeting by phone. Ms. Murphy asked what diligence was performed to check the previous actuary's figures which were used to provide this report. Chairman Tarzia asked if it was customary to utilize another company's data to provide their own conclusions. Mr. Woollacott stated that the standard type of work was performed to review and validate information provided by the former actuary. Mr. Woollacott also stressed that his pending report is an interim valuation, and that a full valuation report will be completed next year. Mr. Flynn advised that the results suggested no changes in the OPEB contribution were warranted and that the required contribution for fiscal 2011 is estimated at \$4.3M, an increase of approximately \$2.2M over this year's amount. The estimated contribution adheres to the City ordinance requiring that 50% of the

projected amount be funded in fiscal 2011. Mr. Woollacott pointed out that last year's annual required contribution (ARC) was based on a 30 year amortization schedule which the City subsequently changed to a 20 year schedule, which acted to increase the required contribution amount. Regarding the estimated pension contribution, Mr. Woollacott noted that it would likely take time for the City's pension assets to rebound from the approximate \$100M reduction in market value at 6/30/09. Mr. Flynn stated that after reviewing other highly rated municipalities' practices, he proposed changing the cap assumption from 120% to 130% noting that such a change would be in line with widely prevailing market practice and also partially mitigate the projected increase in the City's fiscal 2011 pension contribution. Mr. Woollacott confirmed that such a change was not out of the ordinary. Mr. Woollacott added that next year when a full valuation is performed, all the assumptions such as interest rate, mortality, age at retirement will be reviewed.

OPM

Item 3 Request to Approve Resolution to issue \$40 million of Bond Anticipation Notes (BAN's) to replenish the City's cash flow for capital projects for the current fiscal year.

Approved

Action Requested: Approval of Resolution to Issue BAN's
Amount: \$40 Million
Fund/Budget: Capital
Presented by: Peter Privitera, Director of OPM

**5-1-0
Motion
R. Kolenberg
Seconded by
G. Bosak**

Director Flynn reported that the plan to issue the BAN's would both replenish the City's cash flow and mitigate the cost of bond issuance for next year. Mr. Privitera added that the intent was to secure permanent financing prior to years end to capture interest savings through the use of 'build America bonds'. Asking Mr. Privitera to account for how the prior \$19 million in bond proceeds were applied, Ms. Murphy stated that the charter was clear in that the particular capital projects must be specified which were being funded through each issuance. Mr. Privitera advised that the list of capital projects were provided when the previous bonds were authorized, noting that the previous \$58 million authorization would be spent first and that by reviewing capital needs and closing projects, the attempt was being made to further mitigate the 2010-11 capital request. Ms. Murphy maintained that the Board needed to know what specifically was being financed prior to authorization. On a motion by Mr. Kolenberg which was seconded by Mr. Bosak, the Board then voted to approve this resolution by a vote of 5-1-0 with Ms. Murphy casting the dissenting vote.

OFFICE OF LEGAL AFFAIRS

Lease Agreement: SEMS: 684 Long Ridge Road

Item 4 Request for Approval of Lease Agreement between the City of Stamford and Stamford Emergency Medical Services for premises located at 684 Long Ridge Road for 5 years for operation of an emergency medical service which may be extended for four consecutive five-year terms at the sole discretion of the City of Stamford (Lessor).

Approved

Action Requested: Lease Agreement

6-0-0

Amount: \$10.00 (total rent)

Motion

Fund/Budget:

R. Kolenberg

Submitted by: Michael Larobina, Office of Legal Affairs
While the Board acted to approve this lease agreement, Ms. Murphy recommended that the City delete the indemnity clause which favored the lessee and also require that any workers be required to have workers compensation coverage.

Seconded by

T. Abbazia

Lease Agreement: SEMS: 80 Fairfield Avenue

Item 5 Request for Approval of Lease Agreement between the City of Stamford and Stamford Emergency Medical Services for premises located at 80 Fairfield Avenue consisting of one interior garage bay and two parking spaces for 5 years which may be extended for four consecutive five-year terms at the sole discretion of the City of Stamford (Lessor).

Approved

Action Requested: Lease Agreement

6-0-0

Amount: \$10.00 (total rent)

Motion

Fund/Budget:

M. Rinaldi

Submitted by: Michael Larobina, Office of Legal Affairs
The Board also acted to approve this agreement, with Ms. Murphy noting that the same concerns about the 684 Long Ridge Road contract (see item # 4, above) also applied to this agreement.

Seconded by

G. Bosak

OFFICE OF OPERATIONS: CAPITAL ITEMS

Safe Routes to School Grant

Item 6 Request for Approval of Supplemental Capital Appropriation in the amount of \$370,000 for installation of new sidewalks on Martin street & west side of Willowbrook Avenue, ramps at intersection of Horton Street @Cove road to allow children a safe route to walk to school.

Approved

Action Requested: Supplemental Capital Appropriation

6-0-0

Amount: \$370,000

Motion

Fund/Budget: Federal Grant: 100%

T. Abbazia

Submitted by: Mani Poola:Traffic Engineer / Karen Cammarota:Grants
Mr. Tarzia stated that he reviewed this request prior to the meeting with Traffic Engineer Poola, signaling that he supported its approval. Mr. Poola advised that he expected the work to be completed before the end of the fiscal year.

Seconded by

R. Kolenberg

Street Patch Resurfacing

- Item 7** Request for Approval of Supplemental Capital Appropriation in the amount of \$18,089.80 to patch and resurface Stamford's roadways. **Approved**

Action Requested: Supplemental Capital Appropriation
Amount: \$18,089.80
Fund/Budget: Capital: C56182
Submitted by: Ernie Orgera, Director of Operations

**6-0-0
Motion
M. Rinaldi
Seconded by
R. Kolenberg**

Capital Project Close-out Recommendation

- Item 8** Request for Acceptance of Capital Close-out of Projects CP2211, CP8212, CP6030, CP9251 & CPB004 in the total amount of \$394, 681.81 to be applied toward the Bartlett Arboretum Renovation Project CP4215 (see requested Item # , below). **Accepted**

Action Requested: Acceptance of Capital Close-Outs
Amount: \$394,681.81
Fund/Budget: CP2211,CP8212, CP6030, CP9251, CPB004
Submitted by: Ernie Orgera, Director of Operations
The Board agreed that by charter, close-outs of capital projects (also see item # 12 below) do not require approval in the affirmative, but rather by not taking action to overturn the planned close-out, it was deemed acceptable to this Board.

Supplemental Capital Appropriation: Engineering-Bartlett Arboretum Renovations

- Item 9** Request for Supplemental Capital Appropriation in the amount of \$394,682 to be applied to the balance of funds in CP4215 for renovations of the Education Center Building at the Bartlett Arboretum (also see item #9, above). **Approved**

Action Requested: Supplemental Capital Appropriation
Amount: \$394,682
Fund/Budget: Capital: New
Submitted by: Ernie Orgera, Director of Operations
Mr. Casolo, who presented this request, noted that by closing out the project above along with approval of this request, would reduce the FY 2010-11 capital request. Mr. Tarzia added that he believed that the Bartlett Arboretum did a good job of securing private contributions.

**6-0-0
Motion
M. Rinaldi
Seconded by
G. Bosak**

Transfer

- Item 10** Request for Approval of Transfer in the amount of \$30,680 from the Office of Operations: vehicle maintenance salaries account to the Mayor's Office salary account to fund a Special Assistant position in the latter from payroll savings in the former. **Approved as amended**

Action Requested: Transfer
Amount: \$30,680
Fund/Budget:

**5-1-0
Motion
R. Kolenberg**

Submitted by:

Peter Privitera, Director of OPM

**Seconded by
G. Bosak**

The department amended the request such that the transfer be made from the Office of Operations rather than the Office of Public Safety. Messrs. Flynn & Privitera advised that the job duties for this position included management communications, such as dealing with Scofieldtown emergency and developing/managing all external and internal communications for the Mayor, adding that the selected individual was a communication specialist. Ms. Murphy stated that by asking other City departments to make cuts while the Mayor's Office was adding a new position, sent mixed signals. Mr. Tarzia relayed that the Mayor chose not to fill the Public Safety Director position and was also turning back the monthly expense allowance allotted to this office. Ms. Murphy cast the dissenting vote.

BOARD OF FINANCE

Discussion

Item 11 Approval of Budget Presentation calendar for 2010-11 Budget

Approved

Action Requested:

Discussion

Amount:

Fund/Budget:

Submitted by:

Lorraine Gilden, Staff

The Board agreed to accept the calendar schedule as presented.

ITEMS HEARD UNDER SUSPENSION OF THE RULES

Capital Project Close-out Recommendation

Item 12 Request for Acceptance of Capital Close-out of Project CP2211: Replace Salt Dome- in the amount of \$250,000 to be applied towards a project for a UConn Study of the Scofield Area Contamination noted below.

Accepted

Action Requested:

Acceptance of Capital Close-Out

Amount:

\$250,000

Fund/Budget:

CP2211

Submitted by:

Ernie Orgera, Director of Operations

On a motion by Mr. Kolenberg which was seconded by Mr. Bosak, the Board voted unanimously to suspend the rules to hear items numbered 12 & 13. The Board agreed that by charter, close-outs of capital projects (also see item # 8 above) did not require approval in the affirmative, but rather by not taking action to overturn the planned close-out, that it was deemed acceptable to this Board. Mr. Abbazia asked why the funds to replace the salt dome were not utilized. Mr. Casolo advised that instead of replacing the dome, only the deficiencies were re-built with no resultant safety issues.

Minutes: Tuesday, February 9, 2010

Supplemental Capital Appropriation: UConn Study-Scofieldtown Area Contamination

Item 13 Request for Supplemental Capital Appropriation in the amount of \$250,000 to pay for a UCONN study in the area of Scofieldtown Road Park to assist the City in evaluating the potential sources of the pesticide contamination and in making decisions regarding contaminant monitoring and remediation. (See item # 12, above). **Approved**

Action Requested: Supplemental Capital Appropriation
Amount: \$250,000
Fund/Budget: Capital: New
Submitted by: Ernie Orgera, Director of Operations

**5-1-0
Motion
T. Abbazia
Seconded by
G. Bosak**

On a motion by Mr. Kolenberg which was seconded by Mr. Bosak, the Board voted unanimously to suspend the rules to hear this item and item # 12 above. Ms. Murphy asked how residents viewed this study (Mr. Casolo stated that he believed they were accepting), if an RFP was used (it was not, for expediency), what the resultant contract deliverables would be (Mr. Casolo did not see the proposal) and whether the contract would be a cost +plus contract (this was not known). Mr. Casolo did state that the study did necessitate work on private property for which permission would have to be secured, and that discussions with the legal department would have to be had to safeguard the City's interests. While Mr. Privitera added that next month the contract and bid waiver would be put before the Board, giving it another opportunity to consider the study, Ms. Murphy dissented from approving this appropriation, stating that at this time, very little was known about the contract.

Next Regular Meeting of the Board: Thursday, March 11, 2010 @ 7:00 P.M.

Adjournment: On a motion by Mr. Kolenberg which was seconded by Ms. Murphy, the Board unanimously elected to adjourn this meeting at 9:08 PM.

Lorraine C. Gilden

Lorraine C. Gilden
Clerk/Staff Analyst