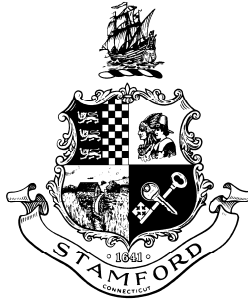


Minutes: June 13, 2013

MICHAEL PAVIA
MAYOR

TIMOTHY M. ABBAZIA
CHAIRMAN
MARY LOU T. RINALDI
VICE CHAIR
JOHN J. LOUIZOS
GERALD BOSAK, JR.
KATHLEEN MURPHY
DAVID MARTIN
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BOARD OF FINANCE

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

MINUTES

Regular Meeting

Thursday, June 13, 2013: 7:00 PM
Board of Finance Meeting Room, 4th Floor

Call to Order: (Video: 00:00: Hours, Minutes): Performed by Acting Chair Rinaldi at 6:59 pm; noting all Members were present, excepting Chairman Abbazia who was unable to attend due to a conflict.

Pledge of Allegiance: Led by Vice Chair Rinaldi

Approval of Minutes: May 9, 2013: Regular Meeting

Approved

5-0-0

Motion by

G. Bosak

Seconded

D. Martin

Video: 00:00

Public Participation: None

Reports to the Board: (Video: 00:02) Mr. Martin advised that he held a Financial Policy Committee meeting last week, noting that they discussed a proposed policy for bond refinancing; amending it by incorporating an illustration within. (also see Item # 15, below). The Committee also discussed the possibility entering into a potential hedging opportunity using a rate lock, but decided to pass after discerning that 80% of any savings would be spent to lock in the rate. Alluding to the cash forecast item on the agenda, Ms. Murphy said that she was still very concerned about the city's cash position. Mr. Louizos advised that he chaired an Audit Committee meeting, noting that a report was on file, and added that they discussed the upcoming FY 2012-13 annual audit, the possibility of engaging auditors on retainer, and heard a report from Internal Auditor Teresa Viscariello.

Note: Items are Shown in order of Consideration

BOARD OF EDUCATION

Unexpended Funds

- Item 1** Pursuant to Law 10-248a, request for approval of usage of unexpended funds in accordance with agreement –to be provided- between the City of Stamford and the Board of Education. **Not Heard**
- Action* Discussion/Approval of Unexpended Funds agreement
- Requested:*
- Amount:* \$
- Fund/Budget:* Board of Education
- Submitted by:* Superintendent Winnie Hamilton, Board of Education
- Video: 00:00 The Board did not take this item up, noting that the agreement was still in process.

Old Town Hall Lawsuit

- Item 5** Request for Additional Appropriation to settle legal claim: Kronenberger v. Old Town Hall Redevelopment Authority (OTHRA) (and related entities) and Kronenberger v. City of Stamford **Approved**
- Action Requested:* Additional Appropriation **4-0-1**
- Amount:* \$354,876.77 **Motion by**
- Fund/Budget:* Contingency **D. Martin**
- Submitted by:* Laure Aubuchon, Director of Economic Development **Seconded**
- Video: 00:05 On a motion by Mr. Louizos, which was seconded by Mr. Bosak, the Board decided by unanimous vote to enter executive session to discuss this item due to on-going negotiations and pending legal matters. After approximately 25 minutes, the Board exited executive session, with Ms. Rinaldi stating that no action was taken. Mr. Martin then made a motion to approve an additional appropriation in the amount of \$354, 876.77 representing the negotiated settlement. Ms. Murphy seconded this motion, and the additional appropriation was approved by a vote of 4-0-1, with Mr. Louizos abstaining. **K. Murphy**

GRANTS

Community Development Office: Annual Action Plan for Year 39

- Item 2** Request for Approval of Annual Action Plan for Year 39- July 1, 2013-June 30, 2014 for use of Community Development Block Grant (CDBG) & HOME Investment Partnership Program funds. **Approved as Amended**
- Action Requested:* Approval of Annual Action Plan-CDBG & HOME **5-0-0**
- Amount:* \$ **Motion by**
- Fund/Budget:* HUD: Grants- CDBG: amended to \$933,989/ HOME: amended to \$390,137 **J. Louizos**
- Submitted by:* Tim Beeble, Community Development Director **Seconded**
- Video: 00:32 These funds were approved as amended due to finalization of expected funds. Mr. Beeble explained that these funds would be used for building and rehabbing affordable housing and also to provide services to homeless shelters. **G. Bosak**

Agreement

- Item 3** Request for Approval of Agreement between the City of Stamford and Fairfield County Communications, Inc. for Telecommunications Maintenance and Design Services for a term of three years, commencing on July 1, 2013. **Approved**

Action Requested: Approval of Agreement **4-0-1**
Amount: \$100K + **Motion by**
Fund/Budget: **D. Martin**
Submitted by: Mike Pensiero, Director of Information Technology **Seconded**
Video: 00:34 Mr. Pensiero advised that this agreement was for **J. Louizos**
Video: 01:32 maintenance of the City's equipment & phone lines, including the Board of Education. Ms. Murphy asked about Exhibit A, which was noted as the RFP for the service. Mr. Martin asked Mr. Pensiero to locate the RFP and then they could re-visit this item. After approximately 1 hour, Mr. Pensiero returned with copies of the RFP. The Board then acted to approve this agreement by a vote of 4-0-1, with Ms. Murphy abstaining.

Agreement

- Item 4** Request for Approval of Agreement between the City of Stamford and Tax Management Associates for Personal Property Tax Audits for a period of three years commencing upon execution of agreement. **Approved**

Action Requested: Approval of Agreement **4-0-1**
Amount: \$150,000: FY 2013-14 **Motion by**
Fund/Budget: **J. Louizos**
Submitted by: Frank Kirwin, Assessor **Seconded**
G. Bosak
Video: 00:38 Mr. Kirwin explained that the City went out to bid due to the expiring contract and again chose Tax Management Associates to perform property tax audits. Mr. Privitera advised that they did not have the RFP for this agreement. Mr. Kirwin stated that the RFP did not change from the previous one and advised the Board that the services of this firm generated well over \$1M in additional tax revenue. Mr. Martin asked if firms were targeted for audits due to an assumption of expected revenue. Mr. Kirwin stressed that the recommended firms were selected totally at random. While the Board acted to approve this agreement, they stated that all exhibits to contracts should be provided in the future. Ms. Murphy abstained from voting on this agreement.

Amendment to Agreement

- Item 6** Request for Approval of Amendment to Loan Agreement between the City of Stamford & OTHRA. **Withdrawn**

Action Requested: Approval of Agreement
Amount: \$
Fund/Budget:
Submitted by: Joe Capalbo, Dir. of Legal Affairs

HUMAN RESOURCES

Advisory Opinion

- Item 7** Pursuant to *Section C6-20-7 (b)* of the City charter, request for Advisory Opinion to the Mayor- on the tentative Agreement between the City of Stamford and the Assistant Corporation Counsel Union: AFSME Local # 1303-191 for the period July 1, 2010 through June 30, 2014. **Advisory to be Provided**

Action Requested: Advisory Opinion
Amount:
Fund/Budget:
Submitted by: Emmet Hibson, Director of Human Resources
Video: 00:45
On a motion by Mr. Martin, which was seconded by Ms. Murphy, the Board decided by unanimous vote to enter executive session to discuss this item due to on-going union negotiations. After approximately 20 minutes, the Board exited executive session, with Vice Chair Rinaldi advising that no action was taken.

OFFICE OF ADMINISTRATION

Transfer

- Item 8** Request for Approval of Transfer in the amount of \$4,182,526 from FY 2012 Fund Balance to the Rainy Day Fund. **Approved**

Action Requested: Transfer **5-0-0**
Amount: \$4,182,526 **Motion by**
Fund/Budget: Fund Balance: Prior Year Surplus **G. Bosak**
Submitted by: Michael Handler, Director of Administration **Seconded**
Video: 00:46 **D. Martin**

Transfer

- Item 9** Request for Approval of Transfers totaling \$475,541 among various accounts to balance City accounts for the Fiscal Year ended June 30, 2013. **Approved for Lesser Amount**

Action Requested: Transfer **5-0-0**
Amount: \$475,541 Requested; \$466,741 Approved **Motion by**
Fund/Budget: Operating **J. Louizos**

Submitted by:

Video: 00:46

Peter Privitera, Director of OPM

Mr. Privitera explained that these transfers would balance all accounts for the current fiscal year by drawing from unused funds and putting them where they were needed. Ms. Rinaldi wanted an explanation for a few of the transfers including HR seasonals, car allowance & salaries. Mr. Privitera advised that vacant positions were filled at a higher level &, car allowance was a contractual obligation; but the need for seasonal help was not explained to Ms. Rinaldi's satisfaction. After Mr. Privitera advised that OPM would be requesting an additional transfer in July, the Board opted to approve the lesser amount excluding transfers for HR seasonals and salaries, noting that they could again request these at the next meeting.

**Seconded
D. Martin**

Appropriation: OPEB

Item 10 Request for Approval of Appropriation from FY 2013-14 Contingency in the amount of \$58,100 in order to make required contribution to OPEB for the 13-14 Fiscal Year.

Approved

Action Requested: Appropriation

4-1-0

Amount: \$58,100

Motion by

Fund/Budget: Contingency: FY 2013-14

D. Martin

Submitted by: Michael Handler, Director of Administration

Seconded

Video: 00:56

Mr. Privitera advised that this appropriation, along with the item # 11, below, is being requested in advance of FY 2013-14 to allow for approvals to be in place by both Boards in July so the necessary payments can be made. Ms. Murphy stated that she wanted the OPEB valuation before deciding on this appropriation. Mr. Privitera said that while the numbers were determined, the report was not yet finalized, and he did not expect these numbers to change. The Board acted to approve this item by a vote of 4-1-0, with Ms. Murphy dissenting.

J. Louizos

Appropriation: Pensions

Item 11 Request for Approval of Appropriation from FY 2013-14 Contingency in the amount of \$787,376 in order to make required contribution to Fire & Police pensions for the 13-14 Fiscal Year.

Approved

Action Requested: Appropriation

5-0-0

Amount: \$787,376

Motion by

Fund/Budget: Contingency: FY 2013-14

D. Martin

Submitted by: Michael Handler, Director of Administration

Seconded

Video: 01:01

Mr. Privitera advised that this item, along with the transfer below, would put the Police & Fire pension funds in order.

G. Bosak

Transfer: Pensions

- Item 12** Request for Approval of Transfer from the Human Resources: CERF Pension account to the Police: Pension Fund account in the amount of \$77,624 as the funds are needed in the Police Pension Fund as opposed to the CERF. **Approved**
- Action Requested:** Transfer **5-0-0**
Amount: \$77,624 **Motion by**
Fund/Budget: Operating **D. Martin**
Submitted by: Michael Handler, Director of Administration **Seconded**
Video: 01:01 Mr. Privitera advised that this item, along with the **G. Bosak**
appropriation above, would put the Police & Fire pension
funds in order.

Acceptance of Capital Project Close-Out

- Item 13** Request for Acceptance of partial Capital Project close-out in the amount of \$510,000 from.CPB092: Roof Replacements in order to segregate funds per State Grant requirements (see below). **Withdrawn**
- Action Requested:** Acceptance of Capital Project close-out
Amount: \$510,000
Fund/Budget: CPB092: Roof Replacements
Submitted by: Ernie Orgera, Director of Operations
- This item was withdrawn by the department as the Planning Board had not yet acted on the related supplemental capital appropriation below (see item # 14).

Supplemental Capital Appropriation

- Item 14** Request for Approval of Supplemental Capital Appropriation in the amount of \$510,000 to re-allocate the Roof Replacement Project (see above) to its own project. **Withdrawn**
- Action Requested:** Supplemental Capital Appropriation
Amount: \$510,000
Fund/Budget: TBD: Roof Replacements
Submitted by: Ernie Orgera, Director of Operations
This item was withdrawn by the department.

Financial Policies

- Item 15** Request for Approval of Resolution(s) pertaining to proposed new Financial Policie(s). **Approved**
- Action Requested:** Approval of Resolution(s) **5-0-0**
Amount: \$ **Motion by**
Fund/Budget: **D. Martin**
Submitted by: David Martin, Financial Policy Committee Chairman **Seconded**
Video: 01:07 Fiscal Policy Chairman Martin explained that the **K. Murphy**

Committee amended the proposed Fiscal Policy for Bond Refunding by providing a hypothetical example of the effects of both proportional and level basis to account for interest savings resulting from bond re-financing. He noted that while the underwriter advised that using the proportional approach was common, both were used and the Board could decide after a refunding to look at both methodologies and decide which was best at the time. The Board acted to approve this new financial policy by unanimous vote.

Future Agenda Items

- | | | |
|----------------|---|----------------------|
| Item 16 | Review: Possible future Agenda Discussion Items | Not discussed |
| | <i>Action Requested:</i> Discussion | |
| | <i>Amount:</i> | |
| | <i>Fund/Budget:</i> | |
| | <i>Submitted by:</i> Tim Abbazia, Chairman | |

ITEMS HEARD UNDER SUSPENSION OF RULES: 6/13/13

Bond Authorization

- | | | |
|----------------|--|------------------|
| Item 18 | Request for Approval of Resolution pertaining to Bond Authorization for two WPCA Capital Projects approved in 2011, but without bond authorization. | Approved |
| | <i>Action Requested:</i> Bond Resolution | 3-1-0 |
| | <i>Amount:</i> \$2.7M | Motion by |
| | <i>Fund/Budget:</i> WPCA | D. Martin |
| | <i>Submitted by:</i> Michael Handler, Director of Administration | Seconded |
| | Video: 01:12
On a motion by Mr. Bosak, which was seconded by Mr. Martin, the Board agreed by a vote of 4-0-1, with Ms. Rinaldi abstaining, to hear items # 17 & 18 under suspension of the rules. Ms. Rinaldi advised that she was leaving the floor and would not participate in these items. Mr. Privitera explained that these projects were already approved in 2011, but the bond authorization was not taken up. He said that they were revenue bonds, the resolution incorporated the latest language regarding the 20% rule of moving the money and due to the downward mobility in the market, he wanted to price these as quickly as possible. After some discussion, the Board acted to approve this item by a vote of 3-1-0, with Ms. Murphy casting the dissenting vote. | G. Bosak |

WPCA Bond Authorization

<p>Item 17 Request for Approval of Resolution related to the authorization and issuance of approximately \$14M of WPCA Revenue Bonds.</p> <p><i>Action Requested:</i> Bond Resolution</p> <p><i>Amount:</i> Amended to \$12,770,000</p> <p><i>Fund/Budget:</i> WPCA</p> <p><i>Submitted by:</i> Michael Handler, Director of Administration</p> <p>Video: 01:22</p>	<p>On a motion by Mr. Bosak, which was seconded by Mr. Martin, the Board agreed by a vote of 4-0-1, with Ms. Rinaldi abstaining, to hear items # 17 & 18 under suspension of the rules. Ms. Rinaldi advised that she was leaving the floor and would not participate in these items. Mr. Privitera advised that they were seeking authorization for \$12,770,000 of project specific revenue bonds so that the WPCA could move forward with its capital plan. He noted that the WPCA Board met and authorized these projects and that the issue of repaying the City back was taken care of in the audit, the Engineers report was completed, and that they were taking the steps they needed to get to where they wanted to be. Mr. Martin questioned what would happen if the rating was not favorable. Mr. Handler advised that they would not issue the bonds. Ms. Murphy voiced concerns about creditors ‘piercing the veil’ and coming back to the City in the event of a WPCA default. Mr. Privitera stated that it was clear in the resolution that the City was not backing these revenue bonds, but in the event of a catastrophe, the City would need to step in and help the WPCA. Mr. Louizos said that he was less concerned about ‘piercing the veil’ than he was with the public health risk from a malfunction from the WPCA not being able to secure the funds they needed to make repairs and move forward, adding that he was more apprehensive than most, but they needed to move forward on this. On a motion by Mr. Martin, which was seconded by Mr. Bosak, the Board acted to approve this Bond Resolution by a vote of 3-1-0, with Ms. Murphy casting the dissenting vote.</p>	<p>Approved</p> <p>3-1-0</p> <p>Motion by</p> <p>D. Martin</p> <p>Seconded</p> <p>G. Bosak</p>
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Next Regular Meeting of the Board: Thursday, July 11, 2013 @ 7:00 P.M.

Adjournment: Ms. Rinaldi said that on behalf of the Board, it was a real pleasure to work Mr. Privitera over these many years and wished him great luck in his new position. She thanked him for his guidance and patience in his dealings with this Board and said that the Board would miss him. Mr. Privitera said that though all the spirited discussions, it has been great and he will miss this place, but admitted that it was a quality of life issue accepting a job closer to his home. All of the members expressed their well wishes to Peter. On a motion by Mr. Louizos, which was seconded by Mr. Bosak, the Board agreed by unanimous vote to adjourn this meeting at 9:20 PM and have some cake for Peter.

Lorraine C. Gilden

Lorraine C. Gilden
Clerk of the Board