

CITY OF STAMFORD 19TH CHARTER REVISION COMMISSION FINANCE COMMITTEE

Shelley Michelson, Chair

Members

Susan Halpern
Steven Kolenberg
Alex Martinez
Clemon Williams

DRAFT MEETING REPORT

Thursday, October 27, 2022
7:00 P.M.

This meeting was conducted remotely

The meeting was called to order at 7:05 P.M. In addition to our guests, Richard Freedman, and Dennis Mahoney of the Board of Finance, in attendance were Commissioners Kolenberg, Martinez and Williams. Also joining us were Commissioners Bowser, Lane and McMullen.

When asked what changes to the Charter the members of the Board of Finance would propose, Mr. Freedman mentioned that since additional capital appropriations come before the BOF and BOR frequently, that a simple majority on the BOR, rather than a 2/3 majority of the BOR members present, should be sufficient to guarantee passage. See Sections C8-20-9 and C8-30 -12 below. Notice that a vote of 2/3 of the BOF is required.

Sec. C8-20-9. - Approval Requirements for Increasing Capital Projects Budget.

The procedures outlined in Section C8-20-7 for increasing an existing capital projects budget shall require the affirmative vote of four members of the Board of Finance, and its adoption by the Board of Representatives shall require a two-thirds vote of those present at the meeting, which two-thirds shall not be less than a majority vote of the entire membership.

Sec. C8-30-12. – Additional Appropriations.^[138]

If any emergency arises in the fiscal year, adjustments in allocations shall be made at that time to avoid a deficiency at the end of the fiscal year, but no adjustments shall require transfers exceeding ten percent of any department's outstanding appropriations. No additional appropriations shall be granted to any department, board, commission, authority or agency, unless the Mayor, or in the case of requests for special appropriations for education, the Board of Education, shall make a special request therefor with a statement from the Controller certifying to its probable effect on the tax rate for the current or succeeding year based on the last published Grand List and also the probable effect on the tax rate of the total of the additional appropriations made as a result of special requests since the then current budget was adopted. Approval of such request shall require the affirmative vote of four members of the Board of Finance, and its adoption by the Board of Representatives shall require a two-

thirds vote of those present at the meeting, which two-thirds shall not be less than a majority of the entire membership. Within five days of such adoption, the Board of Finance may, subject to the approval within ten days of the Board of Representatives, lay a special tax to finance the appropriation. If such special tax is not laid, then the amount of such appropriation shall be included in the taxes for the next fiscal year.

In response to a suggestion made by Anita Carpenter of the Grants office that the BOF and the BOR approve applications for grants before they are submitted to avoid a situation where grants that have been applied for and are awarded are turned down, causing the city to lose grant access in the future, both Mr. Freedman and Mr. Mahoney did not think such a change in process was necessary because they felt that few, if any grants were rejected with such rejections generally limited to additional costs to the City. Some research was to be done on the number of rejected grants over the last several years. Neither BOF members had a strong opinion on whether the grants office should handle all grants, but it appeared that if consolidated, personnel would need to be consolidated as well and that such consolidation could possibly lead to the acquisition of more grants for the City.

Both Mr. Freedman and Mr. Mahoney agreed that the annual budget cycle was working well, providing fiscal discipline and they felt that switching to a biennial budget (Charge #73, C8-30-2) would not allow for sudden and deeply impactful changes in financial and environmental conditions, such as COVID 19, to be anticipated and incorporated into the budget without difficulty. In addition, it was believed that a new incoming mayor elected between budget cycles should not have to live with a prior mayor's budget. Both Ms. Dennies and Ms. Carpenter favored a biennial budget to streamline the work load and to assure the retention of hired positions.

Both BOF members were not in favor of having the Board of Education budget be considered earlier in the process (Charge #74, C8-30-4) since all budgetary items must come together to set the mill rate.

We did not elicit any new suggestions on how residents can have a greater degree of participation in affecting the budget (Charges 75,76, 77, 111). Charter Section C8-20-5, Hearing of Proposed Capital Program provides that "Any resident of the City may attend such hearings, but shall not have the right to be heard." C8-30-9 provides that joint public hearings by the BOF and the BOR shall be held on budgets as proposed by the Mayor and the Board of Education on or before the 8th day of April after 3 days of public notice. As noted by both Mr. Freedman and Mr. Mahoney, these meetings are seldom well-attended and it is not clear whether resident suggestions are incorporated into the budgets since the budgets are well-established at this time and the tax rates for the coming fiscal year are set towards the end of May, as provided for in C8-30-10. ***It seems as if there is no effective way in which the residents of Stamford can impact the budget in any formal manner.***

Consolidation of the operation of the golf courses, a suggestion that was made by Commissioner Martinez as a remedy for poor physical conditions at the Brennan golf course, has been considered in the past and is contemplated in the Charter via the following Sections:

SUBDIVISION F. - GOLF COMMISSION (Brennan)

Sec. C6-130-3. - Elimination by Superseding Ordinance

The Board of Representatives, by ordinance, may supersede the provisions of this Charter concerning the existence, organization or duties of the Golf Commission. Unless and until

such an ordinance shall become effective, the Golf Commission shall operate under the authority of this Charter.

- **ARTICLE I. - STAMFORD GOLF AUTHORITY (Sterling)**

- **Sec. 6-1. - Creation; purposes.**

There is hereby created, in accordance with the provisions of Sections 7-130a through 7-130n, General Statutes, an authority known as the "Stamford Golf Authority" for the purpose of acquiring, constructing, operating, maintaining and managing a project or projects as defined in such enabling act relating to golf courses and as further defined herein.

The Golf Authority is created for the purposes stated in Section 7-130a(d) as they relate specifically to public golf courses. However, nothing herein shall preclude the Authority from providing for other forms of public recreation listed in such Subsection (d) on any land which may be acquired for the primary purpose of golf. The Authority shall work in cooperation with the Parks and Recreation Commission ^[3] in any such establishment and operation of other forms of public recreation facilities.

Suggestions were made that, absent consolidation, changes could be made in the flow of funds, such that lease rental payments from Sterling could be re-directed to capital uses at Gaynor.

Consolidation of pension assets among some of the pension funds was suggested by the Human Resource Department with the aim of both improving investment choices and investment returns. Mr. Freedman was a member of former Mayor Martin's Pension Task Force. Although the Charter contemplates consolidation of pension assets via Section C7-10-7, collective bargaining agreements are paramount and the City's various unions would most likely oppose any such consolidation. Mr. Freedman instead recommended that the members of the pension boards be vetted for their knowledge and expertise in pension investing, possibly via amendment to Section C7-10-2. ***In essence, it appears that the goal of pension consolidation would be too difficult for the Commission to achieve.***

Sec. C7-10-7. - Merger with Other Pension Fund; Master Trusts

It is recognized that at some time or times in the future, the Trustees may deem it in the best interest of the employees that the Trust Fund be merged, consolidated, amalgamated, or joined in some other manner with other pension trust funds covering other employees, or that the Trust Fund accept funds from other pension trust funds in connection with a merger, consolidation or amalgamation, or that one or more trust funds may become subject to a master trust agreement. The Trustees may investigate, evaluate and negotiate any such merger, consolidation, amalgamation or creation of a master trust agreement, and enter into an agreement to consummate the same, provided that such action is approved by Trustees and a majority of the employees.

Charge numbers 78, 79 and 110 that would allow the BOR to increase any item in the budget and permit the BOR to rescind cuts by the BOF were opposed by both members of the BOF for potential conflicts with Connecticut State Statutes and for the reason that the BOR is a legislative body and not as attuned to the finances of the City and the impacts of the additional costs on the tax bills of the City's residents.

Charge #s 80, 81, and 83 are sections for review and comment for a future meeting and Charge #82 pertaining to disclosure of total annual debt service could be added to C8-30-2 (b() 3) or b(4). Disclosure of material City litigation may not be a Charter issue but rather handled as a procedural or ordinance issue. Advice from counsel will be sought.

The Committee learned that American Rescue Plan money has provided funds for stormwater management and engineering projects as well as air quality remediation in the City's Schools; to date it is estimated that \$35-40 million has been expended. The Committee learned that ESSER grants received by the Stamford Board of Education have not been allocated to capital, to the dismay of the BOF. ***The budget of the BOE is largely outside the domain of the Mayor, cuts made to the BOE budget by the BOF and the BOR can be applied anywhere within the BOE budget by the Superintendent. Thus, the largest piece of the City's budget is without significant control by the City and its elected representatives.***

A chart depicting our Committee's progress on review of the Charges and additional Charter revision suggestions will be distributed at a future meeting.

Commissioner Kolenberg made a motion to approve the meeting notes from the Finance Committee meeting of September 21st which was seconded by Commissioner Martinez and approved unanimously. There was no other business discussed and a motion was made to adjourn the meeting by Commissioner Kolenberg which was seconded by Commissioner Martinez. With unanimous approval, the meeting was adjourned at 9:24 P.M.

Respectfully submitted,
Commissioner Michelson

This meeting is available on [video](#).