

# CITY OF STAMFORD 19<sup>TH</sup> CHARTER REVISION COMMISSION FINANCE COMMITTEE

Shelley Michelson, Chair

Members

Susan Halpern  
Steven Kolenberg  
Alex Martinez  
Clemon Williams

## DRAFT MEETING REPORT

Wednesday, November 16, 2022  
7:00 P.M.

*This meeting was conducted remotely*

### Guest Attendees:

David Yanik, Controller  
Dr. Elda Sinani, Director, OPM  
Lee Berta, Assistant Director, OPM  
Anthony Romano, Budget Manager, OPM

The meeting was called to order at 7:05 P.M. In addition to the guest interviewees listed above, in attendance were Commissioners Halpern, Martinez, Williams and Michelson. Commissioner Kolenberg was absent. Also joining us were Commissioners Bowser and Lane and Sandy Dennies, Director of Administration.

### Pension Issues: (includes Charge #s 69-72)

With regard to pensions, Mr. Yanik mentioned issues with management and independence in pension asset management and **recommended that the same outside advisers be chosen to advise each of the plans**. Ms. Dennies mentioned that each plan has its own asset allocation and believed that **best practices for pension management should be reviewed periodically with the Mayor and the Director of Administration participating. Commissioner Williams suggested that review be made of the fees charged for management of the defined benefit pension plans**. RFPs for defined benefit plan advisors are managed by the Human Resources Department.

### Biennial Budgeting: (Charge #73)

Go live implementation of the new Oracle IT system has now been pushed back to March 2023 to make sure all data is converted properly, according to Ms. Dennies. Mr. Yanik mentioned that not all features of the new system have been vetted and therefore implementation of a biennial budget should not be implemented currently. Dr. Sinani was in agreement with this recommendation. **Dr. Sinani submitted a marked draft of proposed changes relating to capital project close-outs and control of appropriations that the Committee should discuss at a future meeting.**

### Grants Issues

The Community Development Block Grants Program could be moved successfully to the City's Grant Office under Ms. Carpenter. BOE grants would need to remain separate. The Micro Grants program in which the City dispenses funds to various vetted recipients is monitored by Mr. Yanik's office. Because of the increase in the number of grants, Mr. Yanik has hired a project accountant just for grants who tracks the grants and liaises with both the BOE and the City's auditor.

### City Bond Issues

Mr. Romano reports that the City is doing a better job of tracking bond issue spending, making it easier to transfer money from non-shovel ready projects to shovel ready projects. OPM has developed a database and is optimistic that the new Oracle IT system will be an additional tracking aid. Projects are reviewed quarterly at meetings with the Mayor, department heads and managers. ***The question of proper project estimating, vetting and prioritizing projects that are truly shovel ready to avoid frequent "re-purposing" was not answered.***

### Board of Education Issues

A Chinese Wall exists between the City and the Board of Education although some coordination occurs with the City's Grants Office and the auditor. Ms. Dennies indicated that that the school construction grant process is long and cumbersome. The custodians are represented to be knowledgeable of the building conditions. Liaising with the Operations Department will occur to identify grant funds for BOE projects. Ms. Dennies indicated that better planning at the BOE is needed with department heads owning the process. The new computer system will be capable of tracking project status and sources of funding.

The Board of Education has a Shared Services Arrangement with the City including Accounts Payable, Payroll and other functions overseen by the BOE. The internal auditor is not capable of judging the BOE's oversight effectiveness. The BOE updates the BOF monthly but the updates do not include detailed reports, according to Mr. Yanik. ***Commissioner Martinez believes that outside auditors should be engaged periodically to conduct a detailed review of the BOE's line item expenditures, since neither the BOF nor the BOR have line item veto power over BOE expenditures.***

Ms. Dennis reported that the BOE has identified long term project funds needs from the City of \$35 million with additional grant monies identified. To fund these projects, the City is determining an allocation that will be divided between bond issuance and taxation. In this past fiscal year, \$20 million of BOR project funding was attributable to a tax set-aside. The State allows taxation of up to 4 mills for capital non-recurring projects.

Commissioner Halpern asked about the status of the school mold remediation issues and Mr. Romano indicated that over \$60 million has been spent with \$1.6 million left to be appropriated.

Mr. Yanik provided details of \$23k of internal audit's discovery of BOE overpayments to summer school employees resulting from improper timekeeping and rates of payments in the summer of 2021. The audit was conducted over a 3-4 month period with \$16k recovered by the end of the summer and the remainder over time. As a result of this audit, new recommendations were made and implemented.

### Golf Course Consolidation/Administrative Redirection of Funds

If lease payments from Sterling could be redirected to Brennan, Mr. Yanik indicated that the City could appropriate those funds quarterly for Brennan.

**Auditor's Management Letter**

The auditor identified timeliness and volume issues in the grants area that will be addressed by Ms. Carpenter's Office.

A resolution to approve the minutes was made by Commissioner Halpern and seconded by Commissioner Martinez and was approved unanimously.

A motion was made to adjourn the meeting by Commissioner Halpern which was seconded by Commissioner Williams, with unanimous approval, the meeting was adjourned at 8:41 P.M.

Respectfully submitted,  
Commissioner Michelson

This meeting is on [video](#)

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