

CITY OF STAMFORD 19TH CHARTER REVISION COMMISSION FINANCE COMMITTEE

Shelley Michelson, Chair

Members

Susan Halpern

Steven Kolenberg

Alex Martinez

Clemon Williams

MEETING REPORT

Special meeting between the Finance Committee of the Charter Revision Commission and the Board of Finance

Thursday April 20, 2023

7:00 P.M

This meeting was conducted remotely

As a result of late delivery of the pertinent agenda, this special meeting was called to order at 7:03 P.M under the Suspension of the Rules. In attendance were Finance Committee Commissioners Sue Halpern, Alex Martinez, Shelley Michelson and Clemon Williams as well as Commission Chairman Tom Lombardo and Commissioners Karen Camporeale, Frances Lane, Jeannette Bilicznianski, Anthony Pramberger, and Jackie Pioli. Finance Board attendees at the outset or joining us during the meeting were Chairman Richard Freedman, Vice Chair Mary Lou Rinaldi, J.R. McMullen, Laura Burwick, Dennis Mahoney and Geoff Alswanger. Attorney Mednick was in attendance to present the proposed reorganization and amendment of Part 8: of the Charter: Budgetary Procedures.

Certain members of the Board of Finance questioned the magnitude of the changes, principally relating to the reorganization which was performed to present the budget in a clear, organized fashion from beginning to end. During the presentation, Attorney Mednick committed to ascertaining that all defined terms were consistent throughout the document and that, following comments from the meeting, certain sections would be further reorganized to achieve the linear budget presentation that would be clear to all reading this section of the Charter. Consultation with Attorney Cassone to obtain clarification of certain aspects of **C8-30-8, Action on Board of Education Budget** and further clarification regarding the length of the IRS allowed **Capital Project Sunset Provision (C-20-10)** may necessitate amendment to this section. In addition, the availability of physical copies of the budget book would conform to FOIA regulations. Certain changes in nomenclature will be evaluated and amended.

Proposed Action Items including new and modified sections that were presented to the Board of Finance without Members' objections included Required Cooperation Clauses, Reporting Requirements, Report on Budget Impact of Multi-year Contracts and Agreements required reports, Tax for Sanitation and Public Engagement procedures to include the initiation of a September public hearing with the Mayor, Board of Finance, Board of Representatives, Planning Board and Board of Education to solicit budgetary input.

Discussion followed on the Commission's approval of **Charge #79**, permitting the Board of Representatives to restore a budget cut by the Board of Finance by a 2/3 vote of the body. No member of the Board of Finance was in favor of this Charge, citing its general oversight responsibilities and its efforts to restrain the growth of tax increases in the City, which was deemed the most important function of the Board of Finance. The Commission will revisit its vote on this Charge at its next scheduled meeting.

The other major discussion centered around the requirement that the Rainy Day Fund be capped at 5 percent of General Fund expenditures. Finance Board Member Rinaldi indicated that perhaps the cap should be lifted. Chairman Freedman indicated that Stamford retains a AAA rating despite having a rainy day fund that is much lower dollar wise and percentage wise than that which the rating agencies prefer. The rating is based on growth of the grand list, the high tax collection rate and the demonstrated willingness to tax, if and when necessary. Commissioner Bilicznianski mentioned that the rating agency requirements for a AAA rating could become more stringent in the future and maintaining such a low rainy day fund could cause the City's rating to decline. In addition, lifting the cap would not require any percentage to be maintained in this fund, so the removal would provide the City with the maximum amount of flexibility which could be used to keep the fund at a 5% maximum or to increase the fund, to allow the City's financial management team to respond to financial and market conditions. At the close of the meeting, Chairman Freedman conceded to a removal of the cap. However, subsequent to the meeting, he indicated that he and the Board of Finance consulted with the Director of Administration and they preferred to maintain the cap. Consideration of removal of the cap will be discussed at the next full Commission meeting, as it was tabled at the previous meeting. In addition, it may be necessary to re-name Section 8-30-3 for clarity.

Commissioner Martinez made a motion to adjourn the meeting, which was seconded by Commissioner Halpern and with the Committee's concurrence, the meeting was adjourned at 9:02 P.M.

Respectfully submitted,
Commissioner Michelson

This meeting is on [video](#)