



Fiscal Committee - Board of Representatives

Jay Fountain, Chair

Frank Cerasoli, Vice Chair

Committee Report

Date: Monday, December 22, 2014
Time: 7:00 p.m.
Place: Legislative Chambers, 888 Washington Boulevard, Stamford, CT 06905-2098 at 7:00 p.m.
Democratic Caucus Room, 888 Washington Boulevard, Stamford, CT 06905-2098 at 7:30 p.m.

The Fiscal Committee met as indicated above. In attendance were Chair Fountain, Vice Chair Cerasoli and Committee Member Reps. Coleman, Day, DeLuca, Di Costanzo, Fedeli, Figueroa, Kooris, Mitchell and Silver. Also present were President Skigen; Clerk of the Board Summerville; Reps. Adams, Buckman, Coppola, Franzetti, Giordano, Mahoney, McMullen, Nabel, Okun, Quinones, Ryan, Savage, Watkins and Zelinsky; Kathryn Emmett, Corporation Counsel; Dr. Winnie Hamilton, Superintendent of Schools; Hugh Murphy, Tamu Lucero, Michael Fernandez and Jackie Heftman, BOE; Chief Trevor Roach, SFD; Jim Hricay, OPM; Kevin Murray, Parks & Facilities Manager; Ted Jankowski, Director of Public Safety, Health & Welfare; Ernie Orgera, Director of Operations ; Robert Mislow, Smith House; and David Yanik, Controller.

Chair Fountain called the meeting to order at 7:07 p.m.

Item No.	Description	Committee Action
May be in Executive Session:		
¹ 1. F29.241	REVIEW; Financials and the impact on the budget as related to the investigation of the recent incidents at Stamford High School. 12/01/14 – Submitted by Rep. Fedeli	Report Made

Secondary Committee: Committee of the Whole

Ms. Emmett explained that:

- The Law Department will be incurring expenses for an independent investigation in response to the inappropriate relationship at Stamford High School.
- The expenses will be reimbursed by the Board of Education.

¹ Video Part 1

- The estimate of the individuals hired is that the cost could be \$100,000, but it could be less or more depending upon the extent of the cooperation they receive and the information available from the police investigation.
- She described the expertise of the team hired: Judge Robert Holzberg, who was a Superior Court judge for 22 years; Michael McKeon, who is an expert on school law; Steven Bonafonte, who has white collar investigation expertise and just concluded a successful investigation for the Hartford School System, and Rachel Ginsburg, an associate with a good resume. She feels this is a good team to do this investigation
- The firm will be charging on an hourly basis at a reduced rate because Stamford is a municipality.
- The team will be looking at the nature and timing of the relationship was occurring; the suspicions that were shared with staff, administration and Board of Education; whether any staff or administration failed to comply with laws or policies regarding mandatory reporting and, if so, the reasons for such failure, such as lack of training, lack of policies or a culture that does not encourage reporting.
- She has told the team that they have her full authority to follow this investigation however far it goes
- The team has agreed not to exceed \$100,000 without written permission from the Office of Corporation Counsel
- Accelerated Rehabilitation is not a guilty plea; it is a diversionary program in the criminal justice system available to someone who is unlikely to get into trouble in the future. In effect it that leaves the person in a probationary status and does not require an admission of guilt. A person who successfully completes AR will have their charges dismissed. A person who gets into trouble during the program would then be criminally prosecuted for the original claim.
- The Town Clerk has received notices of intent to sue from students
- It is the Superintendent's sole authority to impose discipline based upon a thorough understanding of what happened and until then, the administrators will have no loss of pay under the terms of their Collective Bargaining Agreement.

In response to questions from the Committee, Ms. Emmett stated:

- A person could be found subject to discipline in an employment situation for an act that could be a criminal act without being found criminally liable
- The team estimates that the investigation will take 60-75 days
- The State prosecutor is not currently conducting an investigation into this, but there would be nothing to preclude the City from conducting a parallel investigation
- The Mayor made the determination to conduct an independent investigation, because of concerns about potential conflicts of interest
- The report will be made public; personal private information will have to be redacted, but the intent is that the rest of the report be public
- This team brings unique skills which no other team offered; hiring people from different firms would be a greater expense; the investigation would be beyond the knowledge and staffing of the Law Department
- The Law Department has the authority to hire outside counsel; she is hopeful it will be within their budget, but they have had to go to the Board for additional appropriations in the past
- She will provide the Board with the statements read at the press conference

- The hourly rates being charged are \$400/hr for partners; \$210-265/hr for associates and \$220/hr for paralegals; travel time will be billed at \$250/hr; Judge Holzberg normal rate is \$500/hr.
- The Administrator's legal fees would be covered under the Collective Bargaining agreement if the criminal charges are dismissed. The AR program does result in a dismissal of the charges if the program is successfully completed
- Under both the school staff indemnity provision and the City employee indemnity provision is it required that an employee will be indemnified for damages unless their action is wanton or willful. This is a state statute

Dr. Hamilton stated that:

- To date, the acting principal has been paid \$19,002 to date and the acting assistant principal has been paid \$11,500 to date
- If they remain for the rest of the year, the acting principal will receive \$91,200 and the acting assistant principal will receive \$50,000
- The principal has received \$33,498 to date and the assistant principal has received \$27,775 to date

A motion to go into executive session to discuss confidential and strategic information about litigation, with Mr. Muphy, Ms. Emmett and Ms. Hamilton invited to attend was made, seconded and approved by unanimous vote (Reps. Fountain, Cerasoli, Coleman, Day, DeLuca, Di Costanzo, Fedeli, Mitchell and Silver in favor.)

The Committee returned from Executive Session and Chair Fountain stated that no action was taken in executive session. The Committee then took a 10 minute recess.

- ²2. [F29.236](#) RESOLUTION; Authorizing an Agreement with the State Department of Energy & Environmental Protection for an Open Space Grant for 60 & 70 Main Street. **Approved 9-0-0**
11/20/14 – Submitted by Mayor Martin

Ms. Cammarota explained that this is an open space grant from the State for land to become part of the Mill River Park Open Space Program. A motion to approve this item was made, seconded and approved by unanimous vote. (Reps. Fountain, Coleman, Day, DeLuca, Fedeli, Figueroa, Mitchell and Silver in favor.)

- ³3. [F29.238](#) RESOLUTION; Authorizing an Agreement with the State Department of Energy & Environmental Protection for an Open Space Grant for 205 Magee Avenue. **Approved 11-0-0**
11/26/14 – Submitted by Mayor Martin

Ms. Cammarota explained that this is an open space grant from the State. They expect to have the agreement for the Mayor to sign next month. The intent is that the agreement will cover the entire City-owned parcel. A motion to approve this item was

² Video Part 2 Time Stamp 00:00:20

³ Video Part 2 Time Stamp 00:02:36

made, seconded and approved by unanimous vote. (Reps. Fountain, Cerasoli, Coleman, Day, DeLuca, Di Costanzo, Fedeli, Figueroa, Mitchell and Silver in favor.)

- ⁴4. [F29.237](#) APPROVAL; Bank of America, N.A. Agreement, Pursuant to RFP #633, Comprehensive Banking Services. **Approved 11-0-0**
11/25/14 – Submitted by Mayor Martin
12/17/14 - To be approved by Board of Finance

Mr. Yanik explained that the RFP was issued in January with the understanding that separate contracts could be awarded for different services. The contract is for a 3 year term with 3 1 year extensions for a maximum of 6 years. There were 9 responses on one or both of the service offerings. The contract for 4 banking services was temporarily awarded to BOA pending approval by the Boards. There was a wide range of responses with a variety of prices on price lists. In terms of both service and price they narrowed it down to 4 banks and had presentations from those. The lowest bidder did receive the award; they also had the best service presentation. Some of the charges are per transaction and others are fixed monthly charges. They applied the cost codes to the typical monthly transactions. He will send down the pricing worksheet comparison to the committee before the full board meeting. He will also make sure that the Committee receives a contract signed by Anne Marie Mones. The previous bank provided the service for 6 or 7 years. A motion to approve this item was made, seconded and approved by unanimous vote. (Reps. Fountain, Cerasoli, Coleman, Day, DeLuca, Di Costanzo, Fedeli, Figueroa, Mitchell and Silver in favor.)

- ⁵5. [F29.239](#) REJECTION; of a Capital Project Closeout in the amount of \$53,000; CP5901: Emergency Generator & Electrical Upgrades. **No action taken**
11/25/14 – Submitted by Mayor Martin
12/17/14 - To be approved by Board of Finance
6. [F29.240](#) ADDITIONAL APPROPRIATION (Capital Budget); **Approved 11-0-0**
\$53,000.00 CP5340 - Belltown Building & External Improvements; building repairs & conversion of bunk room.
11/25/14 – Submitted by Mayor Martin
12/17/14 - To be approved by Board of Finance

The Committee discussed Item Nos. 5 & 6 together. The Belltown Firefighters have been planning this capital project. The bids came back higher than the funds in the account. Since these renovations are a priority, they will closeout the generator account and they will raise the funds for the generator themselves. No action was taken on Item No. F29.239. A motion to approve Item No. F29.240 was made, seconded and approved by unanimous vote. (Reps. Fountain, Cerasoli, Coleman, Day, DeLuca, Di Costanzo, Fedeli, Figueroa, Mitchell and Silver in favor.)

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14. [F29.244](#) RESOLUTION; Amending the Capital Budget for Fiscal Year 2012-2013 by Increasing the Appropriation by \$53,000 for the CP5340 Belltown Building and External Improvements Project to be Funded by Close-Outs.
 12/17/14 – Submitted by Jim Hricay
 12/17/14 – To be considered by Board of Finance **Approved 11-0-0**

A motion to suspend the rules to take up this item was made, seconded and approved by unanimous vote. A motion to approve this item was made, seconded and approved by unanimous vote. (Reps. Fountain, Cerasoli, Coleman, Day, DeLuca, Di Costanzo, Fedeli, Figueroa, Mitchell and Silver in favor.)

- ⁶7. [F29.242](#) \$25,000.00 ADDITIONAL APPROPRIATION (Operating Budget) and RESOLUTION - Private Donation; Special Assistant to the Mayor. **Approved 7-0-4**
 12/01/14 – Submitted by Mayor Martin
 12/17/14 - To be approved by Board of Finance

Jim Hricay explained that this is an additional appropriation and resolution accepting a donation from Garden Homes Fund. This person is being hired as a Special Assistant to work 20 hours per week for special projects. The person is currently working on the new budget format. There is no cost to the City for this. This person started 6 weeks ago. There was available money in the department at that time. Members expressed concerns about whether this donation is a conflict of interest or an appearance of a conflict of interest. A motion to approve this item was made, seconded and approved by a vote of 7-0-4 (Reps. Fountain, Cerasoli, Coleman, Di Costanzo, Kooris, Mitchell and Silver approved; Reps. Day, DeLuca, Fedeli and Figueroa abstained.)

- ⁷8. F29.116 REVIEW; Financial Controls, Reporting Requirements and Other Contractual Obligations between the City of Stamford and Funded Third-Party Organizations **Held in Committee**
 06/03/14 – Submitted by Rep. Buckman
 06/09/14 – Held at Steering
 08/11/14 – Held at Steering
 09/29/14 – Report Made & Held in Committee
 10/14/14 – Held at Steering
 11/17/14 – Held in Committee

Secondary Committee – Legislative & Rules

Chair Fountain stated that Ms. Emmett has asked that this be held until the January meeting.

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- ⁸13. [F29.235](#) REVIEW; Smith House revenue YTD and projections for the fiscal year 2014 -2015. **Report Made**
11/19/14 – Submitted by Rep. Fountain

Mr. Mislow distributed the [attached handout](#), which he reviewed with the Committee. They are working on maintaining their census over the proper payer source in order to minimize their budget gap. The number of Medicare patients being discharged to skilled nursing facilities has decreased from 60% in 2005 and they are projecting this shift to continue down to 40% because of the pressure from the federal government for people to be discharged home. They are targeting this to be 14% of their budget.

- ⁹9. F29.222 REVIEW; Initial Report on Status of 2014 Financial Statements and Results. **Report Made**
10/22/14 – Submitted by Rep. Fountain
11/17/14 – Report Made & Held in Committee

Mr. Yanik explained that the Pension liability information is currently at the actuaries. They are hoping to have the new liability numbers in January and they are ready to meet their deadline by the end of January.

- ¹⁰10. F29.232 REVIEW; Stamford Police Department overtime spending YTD and projections for the fiscal year 2014 -2015. **Report Made**
11/19/14 – Submitted by Rep. Fedeli

Mr. Jankowski explained that they believe they will meet the budgeted amount but this may be pushed up by additional training for Ebola and the additional summer foot patrols. There have been 8-10 retirements this calendar year. They are in the process of hiring 3 additional officers who are starting the academy in January, and will not impact overtime for another 10 months. If a contract is signed, he predicts 25 -35 retirements, which will affect their overtime. They would like to hire as many officers as they can, but are limited by the number of spots they can get in the training academy. Overtime has decreased since last year.

- ¹¹11. F29.233 REVIEW; Stamford Fire Department overtime spending YTD and projections for the fiscal year 2014 -2015. **Report Made**
11/19/14 – Submitted by Rep. Fedeli

Chief Roche explained that they are about \$400,000 over budget. They ran a training academy for 14 new firefighters, which increased their overtime cost for the instructors until the firefighters started in November. The firefighters no longer carry over time after January 1, which has changed the pattern. They are running 84.4% minimum capacity. The new hires are impacting overtime which should be back to more normal levels for the remainder of the fiscal year.

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¹²12. F29.234 REVIEW; Operations Department spending YTD and projections for the fiscal year 2014 -2015.
11/19/14 – Submitted by Rep. Fountain

Report Made

Mr. Hricay stated that this relates to the facilities maintenance division . They had projected a shortfall for Facilities Maintenance of \$445,000 due to seasonal, overtime and vehicle maintenance. Mr. Murray and Mr. Orgera described what the division is responsible for and the staffing needs. Mr. Murray explained that they oversee 58 parks (over 900 acres) and over 80 buildings (1.75 million ft²). They have 7 custodians and 10 maintenance workers and rely heavily on seasonal employees during the busy season. During budget process 88.93% of their \$6.2 million budget request is non-discretionary, which leaves them about 687,000 to operate with. Mr. Orgera noted that the Board of Finance and Board of Representatives cuts last year left them with \$535,000 of discretionary funds. They have to service 80 buildings, with 1 foreman, 900 acres or parkland with 10 maintenance workers and prepare 23 ball fields with 2 full time employees and 2 seasonals every week. They have opened up the parks 1 month earlier and closed 1 month later, but won't be able to do it this year without an additional appropriation. Mr. Murray stated that the beach machine starts in April as does field use. Once the parks open April 1, the bathrooms are open, and need to be cleaned and closed every day. In addition each park needs maintenance every day. This means an additional 2 months of overtime that have never been funded. Mr. Orgera pointed out that they are now responsible for the CTE building, including gym use at night. Mr. Hricay pointed out that it is difficult to fund the overtime.

Committee members noted that they would like a detailed explanation of what has been done to cut expenses before considering an additional appropriation.

Chair Fountain adjourned the meeting at 10:20 p.m.

Respectfully submitted,

Jay Fountain, Chair

This meeting is on video ([Part 1](#) & [Part 2](#))

¹² Video Part 2 Time Stamp 01:34:38