

**TOWN OF HAMDEN, CONNECTICUT
LEGISLATIVE COUNCIL
MINUTES OF MEETING**

February 21, 2023

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A meeting of the Legislative Council was held on Tuesday, February 21, 2023. This was a hybrid meeting held both in person and electronically via Zoom, due to the Covid-19 Pandemic. The meeting was called to order at 7:08 P.M. by Council President Dominique Baez. The Clerk took the roll followed by the Pledge of Allegiance. Ms. Sweet then read the Land Acknowledgement followed by a moment of silence.

Z= On Zoom P= In Person

MEMBERS PRESENT:

Dominique Baez (P)	Abdul Osmanu (Z)
Katie Kiely (P)	Jeron Alston (Z)
Justin Farmer (Z)	Ted Stevens (Z)
Sarah Gallagher (Z)	Paula Irvin (Z)
Laurie Sweet (Z)	Adrian Webber (Z)
Bob Anthony (P)	Lesley DeNardis (Z) (after roll call)
Cory O'Brien (Z)	

MEMBERS ABSENT: Betty Wetmore; Kristen Zaehringer

PRESIDING: Dominique Baez, President

ALSO IN ATTENDANCE: Sean Grace, Chief of Staff; Curtis Eatman, Finance Director; Sue Gruen, Town Attorney; Dave Cappelletti, CPA; Tim Wydra, Acting Chief of Police; Stephen White, Town Engineer

This meeting had 0 in person audience members and 8 attendees on Zoom.

PUBLIC INPUT SESSION: There were no speakers and 3 written comments which can be viewed here: <https://www.hamden.com/DocumentCenter/View/7869/02-21-2023>

(Written comments can be sent to LCpublicinput@hamden.com)

After the Pledge of Allegiance Mr. Farmer said he wanted to thank the Fire Department for their promptness in covering a fire over the weekend in his district.

CORRESPONDENCE: None

REPORT OF THE PRESIDENT: None

REPORTS OF BOARDS AND DEPARTMENTS: None

REPORTS OF COUNCIL LIAISONS: None

EXECUTIVE SESSION: None

APPROVAL OF PREVIOUS MINUTES: Ms. Baez requested a motion to approve the minutes of the February 6, 2023 meeting. Moved by Ms. Sweet, seconded by Mr. Webber and approved unanimously. Ms. Baez then requested a motion to approve the minutes of the February 8, 2023 meeting. Moved by Ms. Sweet, seconded by Mr. Webber and approved unanimously.

CONSENT CALENDAR: Mr. Farmer requested #'s 1 thru 3 and #6 be pulled off consent. Ms. Baez pulled those items and requested a motion for approval of the consent calendar which now includes item #'s 4 and 5. Moved by Mr. Farmer, seconded by Ms. Kiely and approved unanimously.

- 4. Order providing for the appointment of a Mayoral appointment (Keith C. Marus – Tax Collector)**
- 5. Order authorizing interdepartmental transfer 2022-2023 Fiscal Year Budget- (Town Attorney) \$217,000**

REGULAR AGENDA:

1. Audit presentation and motion to accept audit

-- Moved by Mr. Anthony, seconded by Ms. Kiely. **DISCUSSION** Mr. Eatman started by saying that the General Fund Balance is now at 12.9 million dollars, an increase of 6.4 over the last period. He then emphasized that the Town has one more debt restructuring that it needs to do. Mr. Eatman said this will bring our fund balance in line with other communities and that this has been the highest fund balance this Town has had in the last 20 years.

Mr. Cappelletti displayed the audit on the screen as he went over it. He started by saying that Finance Director Eatman is correct in that you have an operating surplus of 6.4 million which brings the undesignated fund balance up to 12.9, and this does not include the sale of the school.

As Mr. Cappelletti went through the audit he gave some key points as follows:

- Progress over the last 3 years, and the deficits between the budget to actual, have reduced drastically, especially in property taxes. The only thing that needs a little bit of work is the miscellaneous but he thinks that's been corrected in the 2023 budget.
- Revenues and operating expenses are now in a positive position and we can add to our general fund balance.
- A substantial amount of the surplus came from the reorganization of debt, which is a one-time item, but even if removing that you would have still had a positive operating balance.

Mr. Cappelletti stated there was some tremendous improvements that were made to the budget when it was developed which led to some positive information for the year. He said he was going to stick with the management letter and gave some more information as follows:

- Although there is an increase to the fund balance they're noting that there is a slow increase to the long term debt. Over the last 6 years it's moved from \$285,000,000 over to \$308,000,000.
- Concerned with the height of debt but stated progress is being made to the net pension obligation and other debt services. The net pension obligation (ARC) has been raised up to \$23,000,000 which has more than doubled, and the pension is being paid down quicker than ever before in the past even though we're seeing an increase. Mr. Cappelletti highlighted that there was a 22% rate of return on investments that was given in 2022, so to look at this would go from \$298,000,000 which was actually reduced to \$294,000,000 after years of growth, so it not only stopped the growth of the net pension liability, but we've now started to lower it.
- Net pension obligation is being reduced quicker than the debt, but warns that the debt is something to consider and how high the debt could become. We were able to rebuild our fund balance, but at a cost, and one of those costs was long term liabilities.

Mr. Cappelletti went over the debt and explained some of it comparing long term, bonds, and notes payable. He said this is basically all the long term liabilities and the only thing that he was mentioning previously was the outstanding bonds, actual notes and bonds payable. He pointed out that he put in here an area of concern, which has always been a concern, so much that there is a state oversight, and that we bonded a portion of that but he did not talk about any of the other long term liabilities. Some more points are as follows:

- OPEB, which is the medical retirement, has an estimated value of \$676,000,000 of liabilities, and is an estimate that the Actuaries develop based on present information to forecast what future liabilities may be.

- The \$57,000,000 reduction is because of the inflation, or movement to the bond index, and was an adjustment of an estimate.
- One of today's warnings and his concern is still having 1.2 billion dollars of debt.

Mr. Cappelletti went back to the budget and actual report of the general fund after Ms. DeNardis asked about an option to pay down more debt and how we achieved a surplus in the operating budget. Mr. Cappelletti said we had a 6.4 million operating surplus and the interest in restructuring gave a 4.9 million dollar savings on our restructuring of debt. In lieu of paying it the current year it pushed out the debt for further years. Instead of paying down the debt, and refinancing instead, meant that savings went into the general fund.

Ms. DeNardis asked about maybe next year at this time if we'd be able to, instead of that one-time restructuring, be able to pay down the debt further as opposed to putting it back into the fund balance. Mr. Cappelletti said these are bond payment schedules and are already marked on a schedule of payments, but one of his comments in the manager letter is that in the capital projects there are some funds available meaning a project is over but some appropriation is still there and by reviewing each project individually you might find savings there to reduce the debt.

Mr. Cappelletti then went over and explained areas of the Town in general, and non-major government programs:

- The difference between the general fund and the budget to actual did not include the surplus of the sale of Wintergreen School.
- With the sale of the school and some other revenues the fund balance is actually \$28,000,000 however, the difference between the 12.9 and 28 is it's either the legislature has committed it for a specific purpose or there's an outstanding grant.
- This year the Town was able to fund some deficits in certain programs. Specifically the Ice Rink was \$1,000,000 in funding and they've reallocated some of those expenses to the general fund so that it's on a long term program to pay off that deficit.
- The insurance fund which was hit by the tornado of 2017 or 2018 and had a million dollar debt and has been funded through appropriations from the general fund, and also some FEMA grants, and is also on a long term plan for funding.
- The big surplus is in the education programs who still have some spending there.

Mr. Cappelletti then ran through the education surplus and explained some of the unspent funds there, a majority being Covid dollars and some from the National School Lunch Program which he explained. Key points here were:

- They're still keeping an eye on the Ice Rink and Public Emergency Fund which have yet to be funded but are being worked on to have long term funding plans.

- The Ice Rink is \$170,000 increase in surplus to lower that and the emergency fund you see a \$453,000 increase to bring that 1.5 down close to 1 million.

After discussion about the ice rink and concern on the liability of it, Mr. Farmer asked if the new Finance Commission would be getting education from Mr. Cappelletti and receiving that restorative plan to make sure that that our CDBG funds are in line. Mr. Eatman said yes they will.

Ms. Kiely asked for more information on the Police Private Duty that requires attention. Mr. Cappelletti said if we remove that surplus portion from the general fund you would never have to worry about having budget amendments based on predictions, so he suggests netting the revenues and expenses in another fund so that you only take the surplus into the general fund. He said one reason is you're never forced to increase appropriations on the general fund.

There was then more discussion on the food program at the school with Mr. Cappelletti explaining how it works.

Mr. Farmer expressed his concern on having extra resources that haven't been used. He then asked where we fall in terms of our debt compared to other towns/cities of our size. Are we high, are we low? Mr. Cappelletti said as you're aware there is an oversight committee at the State reviewing the Town of Hamden's finances and what brought them in originally was the negative fund balance. He said the general fund balance is now positive, but they're going to continue monitoring until the Board is satisfied that the Town is in better financial position and believes one of those conditions might be the long term debt being 1.2 billion dollars. He stated the Town is still on the lower side of oversight.

There was then discussion on the general fund, the sale of Wintergreen, and medical funds.

Ms. Gallagher asked in mentioning how Wintergreen funds could benefit the Town what would he be looking for next year, in the next audit, that demonstrates that those funds have been used to the maximum to improve the position of the Town. Mr. Cappelletti then pointed out the following risks he mentioned here and said he'd like to see them reduced even further:

- Although the general fund is growing it's still not yet 5% and normally you want to see 10-12 %.
- Another risk is the vulnerability of the general fund, specifically medical and workers comp., but in medical right now there's only \$243,000 savings and he wouldn't mind seeing additional savings there.
- You have capital projects being funded by debt continually and he suggests using funds from the sale of Wintergreen for capital rather than bonding, or at least a portion.

Mr. Eatman said he just wanted to add that the importance of protecting the general fund and building up the general fund was critical, particularly when the Town incurs a 2.3 million dollar deficit. He said historically they have to rebuild that up which is why they did the debt reconstruction/mitigation plan, and also a reason why we have a fund balance policy protecting the general fund and do the things that they need to do was critical and he's glad and thankful the

Council supported the Fund Balance Mitigation Plan.

Mr. Eatman went on to say that there are several capital projects they'll be evaluating and decide on how to present to the Council where those funds will go and how best to utilize those funds going forward. Additionally, as the general fund becomes protected the goal is 7% of the adopted budget and unassigned fund balance. Once that has happened the idea of addressing long term debt progressively will take place and a plan will be submitted to the Legislative Council.

Ms. Baez mentioned they really didn't go through the second book and would like to table it until the following week so they can really sit on the information and maybe have some back and forth questions then. Mr. Farmer once again asked for reassurance that the Finance Commission will get all the documents they've seen. Mr. Eatman said yes, all documents presented tonight are available on the website and are available at the request of the Commission.

Ms. Baez moved a motion to table this until February 27th. The motion was seconded by Ms. Kiely and approved unanimously. – TABLED ITEM

2. Order to accept and expend finds from the State of Connecticut Department of Transportation 2023 Distracted Driving High Visibility Enforcement Program
3. Order to accept and expend funds from the State of Connecticut Department of Transportation 2023 Click It or Ticket Enforcement Program

Ms. Baez requested a motion to combine items 2 & 3. The motion was seconded by Mr. Anthony and approved with 1 opposed (Farmer)

Ms. Baez then moved a motion for approval of items 2 and 3, seconded by Mr. Anthony.

DISCUSSION: Chief Wydra explained the additional backup he sent. He then said these are 2 grants completely funded by the Department of Transportation and has no cost to Hamden. He then talked about the data that the State compiles. Mr. Farmer asked in terms of Whitney Avenue how these programs interact with that. Chief Wydra said there are areas where they believe high volume occurs and there are several spots along Whitney that they target. Mr. Farmer, after expressing concern with the intersection of Whitney and Putnam, said he hopes we're doing education around Whitney and Putnam as we collect data. The Chief said he understands it's a difficult intersection. He then gave a list of Whitney intersections to be enforced and stated Whitney and Putnam is one of them.

Mr. Osmanu said he appreciates the data and asked if it was possible to get it in a map format. The Chief said he thinks that's possible and will look into it tomorrow.

Mr. Stevens mentioned a typo saying the last amount in the order says \$29,297.95 and he believes it should be the same as the other amounts mentioned in the order of \$20,297.95. Chief Wydra confirmed it's a typo.

Mr. Stevens moved a motion to correct the amount of \$29,297.95 to \$20,297.95. The motion was seconded by Mr. Farmer and approved unanimously.

Ms. Kiely asked will he have regular patrols covered before police can take this overtime and the Chief said yes.

There was discussion on this being an education campaign.

Ms. Baez asked what the profit is for the Town in giving out these tickets. Chief Wydra said he thinks \$10,000-\$12,000. Ms. Baez then asked about giving warnings to Hamden residents rather than a ticket. Chief Wydra said it's tough to order officers on what the stop will result in but he can convey the message to them. Ms. Baez said \$12,000 in our pocket isn't worth someone going into debt. Mr. Anthony said you can't warn the person from Hamden and fine the person from New Haven when they do the same thing. He said everyone goes to driving school and everyone knows the laws and if you start considering certain people you wind up with problems. He said if you can't pay the fine, don't do the crime.

A vote was taken and the items passed with 1 opposed (Farmer)

Items pulled from Consent Calendar:

6. Order agreement an amendment to a Memorandum of Agreement between the Hamden Police Department and the State of Connecticut Judicial Branch Court Support Services Division

-- Moved by Mr. Webber, seconded by Mr. Anthony. DISCUSSION: Mr. Farmer asked about the due process and if there was any more information on it. Chief Wydra said this only elevates the court personnel from having to visit police stations allowing interviews to arrestees remotely.

A vote was taken and the item passed unanimously.

1. Bid waiver for the installation of Bus Shelters at Dixwell Ave./Woodin Street and Newhall Street/Millrock Road (Engineering Dept.) – Columbia Equipment Company – \$33,944

-- Moved by Mr. Farmer, seconded by Ms. Kiely. DISCUSSION: Mr. Farmer asked if there's an update on art installations or future digital signage. Mr. White said it's technically possible but presents several other challenges. He said what they're getting now is a simple, steel structure with glass that may be modified depending on the project. He said he doesn't see a need to change what we're doing now.

A vote was taken and the item passed unanimously.

2. Resolution endorsing the development of a five year Capital Improvement Plan for the Town of Hamden

-- Moved by Ms. Baez, seconded by Ms. Kiely. DISCUSSION: Mr. White explained this was done in a resolution in order to request the funds saying the Council thinks it's a good idea and something they wanted to do. Mr. Farmer said he wants the administration to keep in touch with the BOE in case capital needs come up and they may need to revise this. Ms. DeNardis asked for a breakdown of expenditures for the \$350,000. Mr. White said he doesn't have that at this time and that they need to build a scope with a consultant so the details aren't understood yet. Ms. DeNardis asked if this was for a consultant and Mr. White said yes. Ms. DeNardis asked if the \$350,000 comes out of LoCIP. Mr. White said it's reimbursement. Every time we spend we request reimbursement.

A vote was taken and the item passed with 1 abstention (Anthony)

3. Resolution providing for interim/acting appointments – Acting Chief of Police Timothy F. Wydra

-- Moved by Ms. Baez, seconded by Ms. Kiely and approved with 1 opposed (Farmer)

There being no further business Ms. Baez announced the meeting recessed at 9:30 P.M.

Respectfully submitted,

Kim Renta
Clerk of the Council