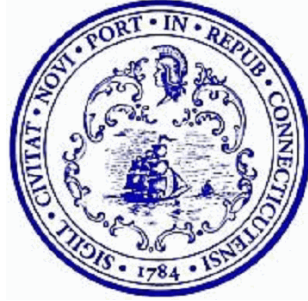


City of New Haven

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Meeting Minutes

Tuesday, May 12, 2020

6:00 PM

<https://bit.ly/3cfn3Rt>

Finance Committee

Aldermanic Notice New Haven

The Finance Committee will hold a public hearing on Tuesday, May 12, 2020, at 6:00 P.M, via video conference at <https://bit.ly/3cfn3Rt> and by phone at 1 646 558 8656 Webinar ID: 868 4527 7413. (For required password contact alucas@newhavenct.gov on the day of the meeting.)

The Finance Committee will hear and act on the following items;

1. [LM-2020-0101](#) ORDER TO READ AND FILE THE UPDATED BUDGETARY AND FINANCIAL REPORTS FOR THE MONTH OF DECEMBER 2019 IN COMPLIANCE WITH ARTICLE VIII SECTION 5 OF THE CHARTER.
This Resolution was Favorable Reportto the Board of Alders

2. [LM-2020-0133](#) ORDER TO READ AND FILE THE UPDATED BUDGETARY AND FINANCIAL REPORTS FOR THE MONTH OF JANUARY 2020 IN COMPLIANCE WITH ARTICLE VIII SECTION 5 OF THE CHARTER.
This Order was Favorable Reportto the Board of Alders

3. [LM-2020-0183](#) ORDER TO READ AND FILE THE UPDATED BUDGETARY AND FINANCIAL REPORTS FOR THE MONTH OF FEBRUARY 2020 IN COMPLIANCE WITH ARTICLE VIII SECTION 5 OF THE CHARTER.
This Resolution was Favorable Reportto the Board of Alders

4. [LM-2020-0205](#) ORDER TO READ AND FILE THE UPDATED BUDGETARY AND FINANCIAL REPORTS FOR THE MONTH OF MARCH 2020 IN COMPLIANCE WITH ARTICLE VIII SECTION 5 OF THE CHARTER.
This Order was Favorable Reportto the Board of Alders

5. [OR-2019-0051](#) ORDINANCE AMENDMENT TO APPROPRIATING ORDINANCE # 1 AUTHORIZING BUDGET TRANSFER #202-20-1 TRANSFERRING FUNDS FROM DEBT SERVICE ACCOUNT IN THE AMOUNT OF TWO MILLION DOLLARS TO THE FIRE SUPPRESSION OVERTIME ACCOUNT
This Ordinance was Favorable Reportto the Board of Alders

These items are filed with the City Clerk and may be inspected at Room 202, 200 Orange St., New Haven. Per order: Hon. Evette Hamilton, Chair. Attest: Michael Smart, City Clerk.

If you need a disability related accommodation, please call three business days in advance 946 8122 (voice) or 946 8582 (TTY).

**Public may join the meeting via video conference at <https://bit.ly/3cfn3Rt> and by phone at 1 646 558 8656 Webinar ID: 868 4527 7413 or send public comment to publictestimony@newhavenct.gov.
For required password contact alucas@newhavenct.gov on the day of the meeting.**

Minutes

Alder Evette Hamilton, Chair, called the public hearing to order at 6:02 p.m.

Present were Alders Evette Hamilton, Chair; Adam Marchand, Vice Chair; Salvatore DeCola; Jeanette Morrison; Tyisha Walker-Myers; Anna Festa; Richard Furlow; Evelyn Rodriguez; Ron Hurt; and Charles Decker.

1. ORDER TO READ AND FILE THE UPDATED BUDGETARY AND FINANCIAL REPORTS FOR THE MONTH OF DECEMBER 2019 IN COMPLIANCE WITH ARTICLE VIII SECTION 5 OF THE CHARTER.
2. ORDER TO READ AND FILE THE UPDATED BUDGETARY AND FINANCIAL REPORTS FOR THE MONTH OF JANUARY 2020 IN COMPLIANCE WITH ARTICLE VIII SECTION 5 OF THE CHARTER.
3. ORDER TO READ AND FILE THE UPDATED BUDGETARY AND FINANCIAL REPORTS FOR THE MONTH OF FEBRUARY 2020 IN COMPLIANCE WITH ARTICLE VIII SECTION 5 OF THE CHARTER.
4. ORDER TO READ AND FILE THE UPDATED BUDGETARY AND FINANCIAL REPORTS FOR THE MONTH OF MARCH 2020 IN COMPLIANCE WITH ARTICLE VIII SECTION 5 OF THE CHARTER.

PUBLIC TESTIMONY

Michael Gormany, 45 Jefferson Road, Branford, presented the March 2020 Monthly Budget Report. Reviewed how there is a small increase in high value claims. Reviewed how medical benefits show an uptick in claims for March and retiree costs. Reviewed how for April the claims went down, which they feel was driven by doctor's offices being closed and other factors driven by COVID-19.

Reviewed how the city is seeing fewer workers' compensation claims. Reviewed how they are implementing new measures to save the city on future litigation for these claims.

Reviewed how the city is looking at a \$15 million-dollar deficit in part to COVID-19. Reviewed how collection for balance due taxes has been delayed. Spoke about how although the past due taxes do not go away, the funds may not be booked until the next fiscal year. Reviewed how building permit fees have been delayed as well. Reviewed how parking meters and tags have decreased and how that income will be lost (not just delayed).

Reviewed how regarding expenditures pre-COVID-19, the police and fire departments was showing a cost savings regarding overtime.

Spoke about how in the last quarter of the fiscal year, expenditures have been limited, especially

since many employees are telecommuting. Reviewed how new programs have been halted.

Reviewed how Board of Education has reduced their deficit from almost \$7 million to less than \$3 million.

Reviewed how if they have a deficit for 2019-2020, it will affect the fund balance and will not transfer to the next fiscal year.

Reviewed how approximately \$3 million in current COVID-19 costs. Spoke about how they will work with FEMA to determine eligible reimbursable costs, which should be reimbursed by 75%. Reviewed how the city will need to come up with the additional 25%. Reviewed how he will move a line item from storm cleanup to COVID-19, so when the city must reconcile the accounting with FEMA, the funds will be available. Reviewed how this process is expected to take over one year, which gives the city time to be proactive.

In response to Alder Marchand, Mr. Gormany confirmed that there may be an increase amount of health care claims due to people not going to doctor during the pandemic. Reviewed how when he issues an expenditure control memo in response to what is occurring and needs to be addressed. Spoke about how they are looking at everything from paperclips to travel. Reviewed how taxes that come in through August, which were due for this fiscal year, could still be attributed to this fiscal year because the books are not closed out until August. However, if they are not booked until after the books are closed, then it would be too late to attribute them to the current budget. Reviewed how some permit fees, if paid in the first week of July, may be attributed to this fiscal year, depending on the advice of auditors. Reviewed how the Board of Education saved funds regarding transportation costs, utilities, and other fees affected by COVID-19.

In response to Alder DeCola, Mr. Gormany reviewed how he has assigned one person in his office to handle FEMA paperwork.

In response to Alder Walker-Myers, Mr. Gormany reviewed how he will need to follow-up regarding how preventive measure requirements are affecting the city's healthcare costs. Reviewed how they are looking at ways they can be better prepared for emergency situations including ways to accept online payments and technology to help employees work more effectively from home.

In response to Alder Festa, Mr. Gormany discussed how he can provide additional information through the chair regarding whether COVID-19 claims, when contracted by city employees, would be processed as healthcare or workers' comp claims. Reviewed how it does depend on the type of work the employee is doing, how they contracted COVID-19, and other factors. Reviewed how there was advance permit fees building into the contract for the neuroscience center. Two million has been paid in advance. Needs to confirm if additional payments have been made. Six million is forthcoming from the hospital. Reviewed how overtime for fire department may increase due to the city's needs regarding the pandemic. Spoke about how times are uncertain. Reviewed how the rating agencies are basing their decisions on several factors and are considering the implications of COVID-19 on municipalities. Spoke about how he does not expect the city to be

downgraded, but it is a possibility.

In response to Alder Furlow, Mr. Gormany reviewed how the decrease in the city's fund balance is one of the factors rating agencies use to determine municipalities ratings. Reviewed the fund balance and how it will be greatly decreased, but they are still expecting to end the fiscal year with almost a \$1 million fund balance, if everything in March holds true. Reviewed how he does think the rating agencies will give leniency and will take into consideration COVID-19's effects on the city. Alder Furlow, through the chair, would like to know what the city's current credit rating is and track it over the next few months or quarter to get an idea of COVID-19's effect on the city's credit rating.

In response to Alder E. Rodriguez, Mr. Gormany advised that he would respond through the chair with a breakdown of the expenses incurred by the city for COVID-19 testing and how they are paid either through a special fund or by insurance.

In response to Alder Decker, Mr. Gormany reviewed rating agencies use various factors to rate municipalities, but he believes they will take the pandemic into consideration when determining how to rate cities. Reviewed how they are trying to maximize grants to offset the costs of COVID-19. Spoke about how the plans are still being worked out. Reviewed how business as usual will not happen on the 20th, and the city is working to ensure employees will be adequately protected when returning to work.

In response to Alder Festa, Mr. Gormany reviewed how PPE and similar incurred costs for city employees to be able to work, should be covered by FEMA. Reviewed how rating agencies do not just look at the fund balance amount but why the city got to those levels. Discussed how rating agencies can take two weeks to post ratings. Reviewed rating agencies will look at the overview of city financials and where the city will end up ending at the end of the fiscal year.

In response to Alder E. Rodriguez, Mr. Gormany reviewed how he has a purchasing agent researching purchasing masks, disinfectant, gloves, and other supplies needed for employees to return to work safely. Reviewed how FEMA will pick up some of the costs for PPE but not forever. Discussed how some departments already have budget line items for equipment that will need to absorb these costs.

COMMITTEE ACTION

Alder Marchand moved items # 1-4 to be read and filed, seconded by Alder Festa. All of the Alders spoke in favor of the item. The motion was unanimously approved, and the item passed.

5. ORDINANCE AMENDMENT TO APPROPRIATING ORDINANCE # 1 AUTHORIZING BUDGET TRANSFER #202□20□1 TRANSFERRING FUNDS FROM DEBT SERVICE ACCOUNT IN THE AMOUNT OF TWO MILLION DOLLARS TO THE FIRE SUPPRESSION OVERTIME ACCOUNT.

PUBLIC TESTIMONY

Michael Gormany, 45 Jefferson Road, Branford, and Fire Chief John Alston, 552 Grand Avenue, presented this item.

Fire Chief Alston reviewed how there will be initial costs to reopen the city will include ropes, PPE, and other equipment needed. Reviewed how they have responded to 771 confirmed COVID-19 calls and discussed their safety protocols to protect the firefighters.

Mr. Gormany and Fire Chief Alston reviewed the March Fire Services Report, and the need for transfer of these funds to the fire suppression overtime account.

In response to Alder Marchand, Fire Chief Alston reviewed how both sick leave, PTO, and the need of new recruits is affecting the overtime need. Mr. Gormany confirmed that the request for the transfer could be reduced to one million from two million, as current projections show that one million should be sufficient. Fire Chief Alston confirmed that if they needed to come back for more overtime funding, which he hopes they do not need to do, that they would have a better idea of the effects of COVID-19 on the need for overtime. Fire Chief Alston confirmed that the effects of firefighters being quarantined is not reflected on the current reports, and they would have to get very specific to show the effects of COVID-19 on NHFD overtime needs.

In response to Alder DeCola, Fire Chief Alston reviewed the funding they can get under FEMA to help with the additional COVID-19 expenses – supplemental aid to firefighters' grant. Reviewed how they are looking into other grants and institutions as well to assist.

In response to Alder Walker-Myers, Fire Chief Alston reviewed how these reports help them determine who is abusing sick pay. Spoke about how they send letters to them letting them know they are monitor their use of sick pay, when they determine there is potentially abuse and how they also send letters thanking employees who have perfect attendance.

In response to Alder Festa, Fire Chief Alston reviewed how an internal audit was launched due to allegations of overtime abuse and when it is completed will be released. Mr. Gormany reviewed how the breakdown of who is receiving overtime pay applies to all fire department employees with that title and confirmed there is only one Assistant Chief Operations. Fire Chief Alston reviewed how during the pandemic the Assistant Chief Operations has been working a 5-day workweek when they are scheduled for a 4-day workweek per their contract. Alder Festa through the chair requested a job description for the Assistant Chief Operations.

In response to Alder Rodriguez, Fire Chief Alston reviewed how the number of COVID-19 calls the NHFD has responded to is tracked by the Health Department. Reviewed how of the 19 quarantined, only one firefighter tested positive for COVID-19 and was moved to isolation.

COMMITTEE ACTION

Alder Marchand moved item # 5, seconded by Alder Festa. Alder Marchand moved to amend the item to reduce it from \$2 million to \$1 million, seconded by Alder Festa. All of the Alders spoke in

favor of the amendment, and the amendment was unanimously approved and passed. All of the Alders spoke in favor of the item. The motion was unanimously approved, and the item passed.

Alder Marchand moved to close the public hearing, seconded by Alder DeCola. The motion was unanimously approved at 8:43 p.m.

Alder Marchand moved to adjourn, seconded by Alder Festa. The motion was unanimously approved.

Adjourn: 9:01 p.m.

A recording of this meeting is on file in the Office of Legislative Services.

Respectfully submitted,
Misty Maza, J.D., Legislative Aide II