



BOARD OF ALDERMEN  
CITY OF SHELTON  
SPECIAL FULL BOARD MEETING MINUTES  
AUGUST 17, 2023  
SHELTON CITY HALL, 54 HILL STREET, SHELTON CT  
*Live-Streamed at [www.cityofshelton.org](http://www.cityofshelton.org)*

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**Call to Order/Pledge of Allegiance**

Mayor Lauretti called the Special Board of Aldermen to order at 5:15 p.m. in the auditorium at Shelton City Hall. All those present stood and pledged allegiance to the Flag of the United States of America.

**Roll Call**

Alderman John F. Anglace, Jr., President – Present  
Alderman Eric McPherson, Vice President – Present  
Alderman Cris Balamaci – Present  
Alderman Lorenzo Durante – Present  
Alderman Porter McKinnon – Present  
Alderman Anthony Simonetti – Present via phone  
Alderman Bernie Simons – Present  
Alderman Kevin Kosty – Present

**Administration**

Mayor Mark A. Lauretti  
Fran Teodosio, Corporation Counsel  
Kellie Vazzano, Administrative Assistant to the Mayor  
Frances Freer, Administrative Assistant to the Mayor

1. STUDENT REIMBURSEMENT FOR BOE'S PAY-TO-PLAY PROGRAM

Mayor Lauretti: Last year we had many discussions with the two Finance Directors and the Superintendent of Schools about the structure that needs to be put in place to deal with this. It didn't really go the way that I thought it should have gone this year. This year, I want to make a change. Rather than making a lump sum appropriation, I thought we would do this by a quarterly approach. Understanding how this works, there are activities and sporting events that are fall events, winter events and spring events and year end events. I thought I would handle it that way. Every time that we get close to the conclusion of the fall season, I would get an accounting from the Board of Ed for the various sport programs that kids have participated in and the number of kids that participated in each program and give you a breakdown and then fund it accordingly. We would do that in the fall, probably in November sometime, maybe mid-winter in February and then again in the spring, somewhere around May. That also would incorporate some of the other activities like the band, the drama club and things like that. There are a lot of different activities, Robotics team and things like that. At this time, I am not

going to be asking for an appropriation and I would like to go along with that approach. I am opening it up for discussion. Does everyone agree? Disagree?

Alderman Simons: Makes sense. That way nobody gets left out.

Alderman McKinnon: Makes sense.

Alderman Kosty: We are going to get a list of who is registered and do it then or after they have already participated?

Mayor Lauretti: We are going to do it probably during their season because once you get mid-season, they are already committed and things have to be paid for. For the fall sports, football and soccer start now. They start in August. By the time they get in school, by the end of September we will get a roster count with how many kids in each program and assign a dollar value to per person price and then give them one check for the fall sports.

**2. 38 BLACKS HILL ROAD – MISCELLANEOUS CLOSING COSTS**

Attorney Teodosio: Previously I was before the Board of Aldermen and you gave me authority to purchase that property for a specific amount. We are short because of the protocol that happens when you do purchase a piece of property. There is an adjustment of taxes and we also needed to pay for the oil. The calculations there are the total of those two items. Specifically, the owner of the property paid the City of Shelton the tax money as it should have for the six months that we are in right now. We bought the property from them and they don't owe us taxes for that period of time. It is the general protocol to do an assessment of how much oil is in the tank and then provide that also. When I asked the finance officer for the additional money, they informed me that I was over appropriation and I thought it would be a good idea to go back and dot the i's here and ask for the authority. The finance office has paperwork to point to to say why they gave me a check in excess of what you approved.

Mayor Lauretti: What is the dollar amount you are looking for?

Attorney Teodosio: It is in the packet. \$2295.63.

Mayor Lauretti: We would just take this out of contingency general? Unless you have room in your budget, Fran, to absorb it?

Attorney Teodosio: We could absorb it, there is no issue there.

Mayor Lauretti: We won't make an appropriation at this time. We will just authorize the excess payment.

Alderman Kosty MOVED to authorize the excess payment of \$2,295.63 for miscellaneous closing costs for the Purchase of 38 Blacks Hill Road.

Seconded by Alderman Simons.

Discussion:

Alderman Anglace: The \$2295.63, the only thing that have on the backup is \$878.01.

Attorney Teodosio: That is the oil. The other is the taxes.

Alderman Kosty: \$1417.62.

A voice vote was taken and motion passed unanimously (8-0).

**3. 55 BLACKS HILL ROAD**

This item was moved to the Executive Session at the end of the meeting.

**4. END OF YEAR FINANCIAL UPDATE**

Paul Hiller: I believe all members of the Board received the chart which the Board of Education distributed to us late Friday afternoon. My concern on that is this is the end of the year for year ending June 30, 2023 shows a deficit of \$2,780,687. That is significantly higher. We were aware, they warned us for some time, probably going back to February that they were likely to have a deficit, but those numbers were nowhere near – the numbers were:

April 3, 2023 - \$1,870,000

May 11, 2023 - \$1,742,000

June 2, 2023 - \$1,534,000

July 14, 2023 – the meeting in which these numbers were distributed to the Board of Aldermen Finance Committee Meeting, which many of you attended, was \$1,362,000.

Now all of a sudden, as of last Friday afternoon, we get a number that is more than double. I spoke with Mr. Heffelfinger, the Business Manager for the Board of Education, to try to get to the bottom of this. I have spoken with Jim Oraziotti, who is Chairman of the Finance Committee of the Board of Education. They had a meeting last night and everyone is frankly very surprised at this. The Mayor and I spoke with our auditor, Dave Cappelletti from Clermont Associates on Tuesday and Dave and one of his associates have spent the day, today, at the Board of Education. They are going to be back there tomorrow and they are going to be meeting with Superintendent Saranich and the new Director of Special Education to get to the bottom of this.

Dave brought up a couple of points when I talked to him earlier this afternoon. First off, he thinks that the number that they have is high and that it can be adjusted slightly by his estimate, \$800,000. But that means that they are still going to have a deficit of just under \$2 million if that is correct.

The other concern he expressed, and this is outside of the operating budget and is something that Lynne Piscitelli, my assistant, and I have been on for the last several months, probably the last six months – they have received a significant number of grants from the State of Connecticut for various programs, some of them are Federal Grants, some are State Grants. These are grants that are outside of their operating budget. The fact of the matter is they currently have an account at Newtown Savings Bank which has just over \$3 million in it, \$3,003,000 essentially. I have been after them to pay us and the only two payments we have received this year, this calendar year, are in mid-May we received \$465,000 and in late June we received \$651,000. By Dave's estimates today, they owe us on these grant accounts, approximately \$4.5 million. One of the problems with that is, and that is obviously coming out of the \$3 million that they have in the account which is essentially the City money because we have funded them on this. One of the problems they have is they have not filed the proper information to the State to get these Grants. In one case it goes back to fiscal 2022 where they have not filed the Grant application. His estimate is that they are owed by the State in the \$2.5 million category, and that is only through June 30<sup>th</sup>, let alone with what is going on as we start the new year.

In a nutshell, it has been a very difficult period here in the last six days since we received this report late last Friday afternoon. It is inconsistent with what we had anticipated. We realized, and they said to us on numerous occasions that there were going to be deficits in health insurance, which there were. Their medical insurance account has a shortfall of \$2,660,000. That is actually improved over what they showed us in July of what they thought it would be. So, they may have made some money back there, but from a bookkeeping standpoint, frankly this has been a nightmare. Fortunately, the auditor has been very responsive, coming in literally on 24-hour notice, essentially, and spending the day there today and will spend the day there tomorrow so that we can get to the bottom of this. I wanted to update the Board of Aldermen on this as to what the status was. You have the chart in front of you. The bottom line still shows a shortfall of \$2,780,687 which is significantly more than we ever anticipated.

Then, the other issue is the failure to return to the City the money which is due, as our auditor pointed out to us, \$4.5 million, we could be earning over 5% in the bank in Federal Treasury Bills or in the STIF account at this time. The City is losing out on earning money on \$4.5 million because of failures at the Board of Education. I am open to any questions or comments that you might have.

Mayor Lauretti: We are not going to entertain any questions tonight because this is going to be a moving target, as you and I discussed and I think the first part of next week we will have a better handle on where they are going with their numbers and the Grants that have to be submitted to the State. Going back two fiscal years is a little disheartening, but nonetheless that is where we are at. The \$4.5 million that the Board of Education owes the City, does that include the cafeteria fund?

Paul Hiller: No, it does not. That is just in the Grant program, they have a separate account on that and we haven't really started to dig into that. There is a limited amount of money that they have in that. I have access to at least view that account at Newtown Savings which right now only has about \$50,000 in it. They owe us some money there too. We are not at all certain as to what that number is, but we are owed money there.

Mayor Lauretti: We are owed a significant amount of money, close to the \$800,000 range was my last recollection. You should know that we have been after them for months to give us the \$3 million that is sitting in that account because it is just sitting there. For some reason they won't do it. Put your seatbelt on. Paul, anything else to add?

Paul Hiller: I don't think so at this time. Hopefully we can give an update at a future meeting, but it is not a pleasant picture.

**5. PRESENTATION ON PROPOSED AMENDMENTS TO THE CITY OF SHELTON CHARTER AS DRAFTED BY THE CHARTER REVISION COMMISSION**

Win Oppel, Chairman of the Charter Revision Commission Presents

Thank you, Mr. Mayor. I have a brief statement that kind of outlines what we did and that may help you and we can see where we are going to go forward.

The Charter Revision Commission has all but completed its work and has forwarded to you our recommendations.

- We have added a Preamble to the current document.
- We have made numerous grammatical and punctuation corrections in the existing document.
- We recommended that all public notices be posted on the City website as this would save the cost of publishing notices in the newspaper that are losing readership daily. An issue has been raised about pushing all public notices except elections to the City website. Even though I had a conversation with Corporation Counsel about this item, we do have a question to see if this is possible. To that end, the Commission has scheduled a meeting for Monday night to address this matter. My suggested fix is to return to the current language and add a section that would state, "Should the State of Connecticut eliminate the requirements of posting public notices in newspapers having substantial circulation in our City and allow for the sole posting of public notices on municipal websites, then those sections of this charter would be deemed changed to reflect this action." Once this is adopted, we will refer the amended recommendations back to you in time for your public hearing on the 24<sup>th</sup>.
- We have not recommended any alteration of any makeup of any Board or Commission except for the minority representation requirement of the Board of Education. The current Charter allows for "no more than five members from the same party". Our recommendation is to raise this to six members. That is the State maximum. Our reasoning to do this is to more accurately reflect the wishes and voting patterns of the electors of our City. In the six elections in the past 12 years, three times Party A nominated more than five candidates and in each of those elections all of Party A's candidates received more votes than any of Party B candidates. Yet the sixth candidate from Party A was denied a seat on the Board due to the current minority representation language in the Charter. There was also an election where Party A nominated more than five candidates and five received more votes than all the candidates from Party B. The sixth candidate on Party A received more votes than all but one candidate of Party B and the

seventh candidate received more votes than all but two candidates on Party B. The other two elections in this period, all parties nominated only five candidates. The voters' voices are not being heard with the current restriction. We are recommending that this change be adopted to make certain that the votes of our citizen's matter.

- We are recommending that the current makeup of the Public Building Committee include minority representation.
- We are recommending a permanent Technology Committee be created by joint nominations from the Mayor, the Board of Aldermen and the Board of Education and that they have 18 months to return a City-wide plan including that from the Board of Education.
- We are recommending that the title of Administrative Assistant be changed to Chief of Staff and we clarified the duties to reflect what actually happens in that office.
- We added the requirement that members of the Board of Fire Commissioners be an elector of the City.
- We eliminated the option for a purchasing agent to also be the Finance Director as it conflicted with several other parts of the Charter.
- We added the prohibition that the Board of Library Directors can be appointed to any other Board or Commission to bring it in line with other elected Boards and Commissions.
- We clarified the language regarding the time to fill vacancies. The current Charter spells out "thirty" in words, but listed 45 numerically in two different sections of the Charter. We changed everything to 45.
- We are recommending that the limits for purchasing be raised. The level for bids is recommended to be \$25,000 or more. The level for three written quotes is recommended to be \$5000 or more. The maximum level for direct purchases is recommended to be \$4,999.99. We believe these levels will bring more efficiency to the departments and more competition for our bids.
- We are recommending that the value of a building project that requires a Public Building Committee be raised to \$750,000.
- We are recommending that the amount that Aldermen can borrow without referendum be increased to 2.5% of the current budget.

Those are our recommendations.

Mayor Lauretti: Those are forwarded to the Board at this point in time and if the Board wants to have a workshop with the Charter Revision Commission, they can schedule to do that.

Win Oppel: You have a public hearing. The answer is yes. We are going to make that one change hopefully on Monday night and get that back to you in time for your public hearing. You have until September 7<sup>th</sup> to adopt and recommend that it goes to the voters.

Alderman Anglace: We are going to tonight, refer the Charter, as you are recommending it, to Public Hearing for next week, 8/24. Then following on 8/24 we are also going to have a Special Meeting immediately following to determine if the Board wishes to propose any Charter changes to the Charter revision. If so, the Board of Aldermen and Charter Revision Commission have to confer. If not, the Board

of Aldermen should vote at that time to approve the Charter as proposed and send it for a vote in November.

Win Oppel: Right. I will be here for the Public Hearing because you promised me a cake because it is my birthday!

Mayor Lauretti: The public hearing is next Thursday, the 24<sup>th</sup>? Happy Birthday in advance as I will not be here. There is no action to take, next item there is an action.

6. ITEM-- TO PUBLIC HEARING - PROPOSED AMENDMENTS TO THE CITY CHARTER TO BE HELD ON THURSDAY, AUGUST 24<sup>th</sup> AT 5:30 P.M.

Alderman Anglace MOVED that the proposed amendments to the City Charter go to Public Hearing on Thursday, August 24<sup>th</sup> at 5:30 p.m.

Seconded by Alderman McPherson.

No Discussion.

A voice vote was taken and motion passed unanimously (8-0).

**EXECUTIVE SESSION**

REQUEST TO MOVE TO EXECUTIVE SESSION REGARDING ITEM 3. 55 BLACKS HILL ROAD

Mayor Lauretti: At this time, I am going to entertain a motion to go into Executive Session and ask that Corporation Counsel and Assistant Corporation Counsel join us.

Alderman Anglace MOVED to go into Executive Session.

Seconded by Alderman Simons.

MOVED to go into Executive Session at 5:35 pm.

A voice vote was taken and motion passed unanimously (8-0)

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Mayor Lauretti: At this time, I will entertain a motion to end Executive Session.

Alderman Anglace MOVED to end Executive Session.

Seconded by Alderman Durante.

Executive Session ended at 5:45 pm.

Mayor Lauretti: Let the record reflect that were no votes taken in the Executive Session.

A voice vote was taken and motion passed unanimously (8-0)

Item 3 – 55 BLACKS HILL ROAD

Mayor Lauretti: Counselor, we will entertain a motion for consideration.

Attorney Teodosio MOVED that the Board of Aldermen authorize Corporation Counsel to continue negotiation and litigation in accordance with suggestions made in Executive Session.

Alderman McPherson MOVED to accept the above motion.

Seconded by Alderman Balamaci.

A voice vote was taken and motion passed unanimously (8-0).

ADJOURNMENT

Alderman Anglace MOVED to adjourn the Board of Aldermen Meeting.

Seconded by Alderman McPherson.

A voice vote was taken and the motion passed unanimously (8-0). Meeting adjourned at 5:50 pm.

Respectfully Submitted

*Donna Fonda*

Donna Fonda  
Acting Clerk, Board of Aldermen

DATE APPROVED \_\_\_\_\_ BY: \_\_\_\_\_  
Mayor Mark A. Lauretti