

~AD HOC REPORT~
Community Action Committee
Tuesday, January 8, 2013

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Chairman Joseph Cavo called the meeting to order at 6:15 p.m. on Tuesday, January 8, 2013, in the Caucus Room, 3rd Floor, Danbury City Hall, 155 Deer Hill Avenue. Present were Committee members Gregg Seabury, Jack Knapp, Tom Saadi and Fred Visconti. Ex Officio Members: Paul Rotello, Warren Levy and Duane Perkins. Also present were Daniel Casagrande, Committee Counsel; David St. Hilaire, Director of Finance; Attorney Hillel Goldman, representing CACD; interested parties.

Chairman Cavo introduced everyone present at the meeting and briefly explained the purpose of the meeting.

Chairman Cavo opened the meeting up to Dan Casagrande who provided background of the Community Action Committee, the events that led up to the formation of the Committee, and an overview of the Council's powers under the Charter. An investigatory committee has never been formed but the provisions are clear as to the Council's jurisdiction. In 1964, Congress passed the Economic Opportunity Act under President Johnson's administration. That first established the notion of CAPS (Community Action Anti-Poverty Agencies). It was a federally administered program and the purpose of it is to help the neediest of those in our nation—those who are at the poverty level—to deal with and hopefully overcome the problems of poverty. That program was administered through the Federal Government until 1981 when the Statute was changed to establish a Community Service Block Grant Program. Each state would have its own agency that would basically get the allotted Federal funds every year and then pass them through a series of local anti-poverty agencies. There are approximately 12 anti-poverty agencies in the State and CACD is one of them. CACD receives Federal funds pursuant to grant applications that get administered through the Department of Social Services and then it in turns sub-contracts with local anti-poverty programs and administers how the funds are used by those programs to make sure that they are used in accordance with the requirements of their grants. Early last year, the Federal Department of Health and Human Services had its Inspector General issue a report regarding CACD which itemized certain alleged financial mismanagement that was ongoing at CACD and questioned the use of up to \$100,000.00 in Federal grant funds. There have been media reports of various investigations. The concerns reported were of sufficient concern to the Mayor to deem it important to form the investigatory committee. The powers of the investigatory committee come from Section 3-14 of the City Charter. Mr. Casagrande reviewed the Section. CACD has received City funds for many years (approximately \$18,000.00). The Section gives the committee the power to require the investigated agency to disclose information and account for the spending of the funds. Failure to comply with the committee's request to disclose information shall be grounds for withholding the expenditure of City funds. He reviewed what the investigation needed to include: after an investigation, the committee would have the power to recommend to the full Council that it terminate CACD funding; the committee would have the power to recommend to the full Council that it seek action by the State Department of Social Services to revoke CACD's authority to act as the anti-poverty agency serving this area; the committee would have the power to recommend to the full Council to seek CACD's voluntary efforts to comply and to work with CACD in meeting the City's concerns.

17-1

Mr. Casagrande reviewed and entered into the record a letter from Mayor Boughton to Ms. Glenda Armstrong, President, Community Action Committee of Danbury dated November 9, 2012 (marked as "Item 1"). The Mayor asked for a response no later than November 22, 2012 to which none has been received to date.

A motion was made by Councilman Seabury and seconded by Councilman Visconti that the Ad Hoc Committee accept the Mayor's November 9, 2012 letter into the Minutes of the meeting (marked as "Item 1"). The motion passed unanimously.

Mr. Casagrande reviewed and entered into the record a report that was completed for the State Department of Social Services dated December 17-19, 2012, Agency Assessment. It is a report prepared by the firm Brown Buckley Tucker. It was commissioned by DSS to look at CACD's operations, explore any issues and recommend potential solutions and action items. (Marked as "Item 2".)

A motion was made by Councilman Knapp and seconded by Councilman Visconti that the Ad Hoc Committee accept the Brown Buckley Tucker Agency Assessment Report dated December 17-19, 2012 into the Minutes of the meeting (marked as "Item 2") and its recommendations. The motion passed unanimously.

Mr. Casagrande recommended sending a letter to Glenda Armstrong signed by the Chair and the Vice Chair of the City Council Investigatory Committee, which he reviewed, endorsing the recommendations of Mayor Boughton's November 9th letter and also of the BBT Report of December 2012 and its findings. (Marked as "Item 3".) The deadline for a response is January 17, 2013. If the appropriate response is not received by this date, the Committee authorizes its counsel to begin an intensive factual investigation to enable the Committee to determine the appropriate actions and remedies to the City for CACD's continued failure to comply with its statutory mission as a community action agency.

A motion was made by Councilman Saadi and seconded by Councilman Seabury that the Ad Hoc Committee accept the letter to Glenda Armstrong signed by the Chair and Vice Chair of the City Council Investigatory Committee into the Minutes of the meeting (marked as "Item 3"); the Committee authorize the Chair and Vice Chair to execute the letter subject to revisions as recommended by Counsel.

Mr. Saadi clarified that the intent was not to alter the letter drastically, but moreso updating the factual information as deemed necessary. The substantive recommendations would not change and the consistency with the Mayor's letter of November 9, 2012 in conjunction with the BBT report. Once the letter is finalized and executed, it will be forwarded on to CACD. The Committee would reconvene at the call of the Chair to review the response, or lack thereof, to make a determination as to the action(s) to be taken.

17-2

The motion passed unanimously.

A motion was made by Councilman Knapp and seconded by Councilman Seabury that the Ad Hoc Committee be convened until the call of the Chair. The motion passed unanimously at 7:00 p.m..

Respectfully submitted,

Joseph Cavo, Chairman

Gregg Seabury

Jack Knapp

Tom Saadi

Fred Visconti

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*~AD HOC REPORT~
Community Action Committee
Tuesday, February 19, 2013*

Chairman Joseph Cavo called the meeting to order at 6:25 p.m. on Tuesday, February 19, 2013, in the Caucus Room, 3rd Floor, Danbury City Hall, 155 Deer Hill Avenue. Present were Committee members Gregg Seabury, Jack Knapp, Tom Saadi and Fred Visconti. Ex Officio Members: Warren Le and Elmer Palma. Also present were Daniel Casagrande, Committee Counsel; David St. Hilaire, Director of Finance; Wayne Sheppard, Mayor's Office; interested parties.

Chairman Cavo introduced everyone present at the meeting and briefly explained the purpose of the meeting. The meeting was a continuation of the Committee meeting held on January 8, 2013.

Chairman Cavo pointed out that the meeting was for Committee purposes only and no open dialogue with public members would be entertained. He opened the meeting up to Dan Casagrande who provided background of the Community Action Committee and an update as to the events since the January 8th meeting.

Mr. Casagrande explained that at the last Committee meeting, Mr. Saadi and Mr. Cavo were authorized to write a letter on behalf of the Committee to CACD containing the requests of the Committee that it deemed necessary to help improve the functioning structure of CACD. The letter was sent January 9, 2013. On February 1, 2013, a response was received by Attorney Hillel Goldman, on behalf of CACD, to Jean Natale and Mr. Casagrande.

Mr. Casagrande reviewed the points of the letter:

1. To endorse the findings and recommendations of the BBT Report.
Response: CACD endorse most of the recommendations.
2. CACD commit to the reconstitute of the Board no later than March 15th.
Response: CACD will not reconstitute the Board. Their intent is to fill vacancies as they occur.
3. A commitment to work cooperatively with Mayor Boughton to find a new Director.
Response: CACD is in the process of conducting recruitment for a new Executive Director, no commitment was given to replace the current interim Executive Director. No commitment was given to work cooperatively with the Mayor.
4. CACD commit to work cooperatively with the Chief Executive Officers of the municipality served by CACD in choosing the public officials to sit on the new Board.
Response: CACD indicated it will work cooperatively because all CEOs of the region have input through their access to Board memberships.
5. Provide a timetable for CACD to implement the recommendations in the BBT Report including putting the new Board in place.
Response: CACD did not provide a specific response.

Mr. Saadi asked that the following items be entered into the record and marked accordingly as follows: February 1, 2013 response by Attorney Hillel Goldman, on behalf of CACD, to Jean Natale and Mr. Casagrande to be marked as "Item 3"; January 17, 2013 correspondence by Phyllis Kinlow, Active Executive Director of CACD, to Mayor Boughton to be marked as "Item 4"; and, January 17, 2013 correspondence by Attorney Goldman to Mr. Casagrande to be marked as "Item 5".

Mr. Casagrande advised the Committee that the Mayor has been engaged in communications with the Commissioner of Social Services to keep the Commissioner up-to-date as to the City's investigation. The Commissioner has the power to decide how to terminate, when to terminate and whether to terminate an agency.

Mr. Casagrande recommended the Committee authorize the investigation to continue in order to gain the factual information necessary to properly assess what action is necessary. He will provide the Committee with a fair and objective report as to whether the Committee should recommend to the Council as a whole as well as the Commissioner that the steps authorized in the Statute be acted upon.

Mr. Knapp asked if \$18,000 in its entirety has already been provided to the CACD. Mr. St. Hilaire confirmed that \$396,000 has been appropriated to the United Way; through the application process, they were granted \$18,000; one quarterly payment in the amount of \$4,500 has been granted to CACD. Mr. Casagrande pointed out the decrease in funding throughout the years: \$18,000 for this current fiscal year; \$35,960 for the last fiscal year; \$42,641 in the 2010/2011 fiscal year; \$86,000 in the 2009/2010 fiscal year. Mr. Seabury inquired if any other communities are reviewing the allocation of funds by the CACD. Mr. Casagrande was not certain. However, as part of the investigation, Mr. Casagrande pointed out that he would be in touch with the CEOs of the various communities in order to develop a complete factual assessment to present to the Committee.

Mr. Cavo pointed out that the Committee will not close, it shall continually update the Mayor and the Council as a whole in order to acquire the approval to suspend the funding to CACD pending the outcome of the investigation.

A motion was made by Councilman Knapp and seconded by Councilman Seabury that the Ad Hoc Committee recommends to the City Council as a whole that the City of Danbury suspend, until further notice, the \$18,000 which is currently funded to United Way for CACD.

Mr. Visconti asked if the United Way had any input with regard to the suspension of funding to CACD. Mr. St. Hilaire explained that the City would ask the United Way to escrow the funds pending the outcome of the investigation. For purposes of legislative intent, Mr. Saadi pointed out that the suspension would be reviewed periodically depending on the course of the investigation.

17-5

The motion passed unanimously.

A motion was made by Councilman Saadi and seconded by Councilman Seabury that the Ad Hoc Committee recommends to the City Council as a whole that Mr. Casagrande be authorized to proceed with his investigation which should include, but not be limited to, serving document requests, serving Freedom of Information Act requests, and other such discovery as necessary to conduct his due diligence.

For purposes of legislative intent, Mr. Saadi pointed out that Mr. Casagrande be allowed to report interim to the Committee through the Committee Chairperson and not have to wait for a Committee meeting to make his reports.

The motion passed unanimously.

Mr. Cavo asked that the following item be entered into the record with regard to the community action daycare and marked accordingly as follows: an article entitled, *Two at daycare charged with failing to report possible abuse*, dated February 19, 2013 to be marked as "Item 6".

A motion was made by Councilman Saadi to adjourn subject to the call of the chair for continuation of this meeting as well as file an interim report with the Council as a whole. Seconded by Councilman Seabury. The motion passed unanimously at 6:55 p.m..

Respectfully submitted,

Joseph Cavo, Chairman

Gregg Seabury

Jack Knapp

Tom Saadi

Fred Visconti