

APPROVED
STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD (MARB)

REGULAR MEETING MINUTES
Hartford Subcommittee of the MARB

Meeting Date and Time: Thursday, December 19, 2019 10:00 AM

Meeting Location: 55 Farmington Avenue, 1st Floor, Room 1011, Hartford, CT

Members in Attendance: Kimberly Kennison (OPM Secretary designee), Christine Shaw (State Treasurer designee), Mark Waxenberg, Robert White

OPM Staff Present: Julian Freund

City of Hartford Officials and Staff Present: Mayor Luke Bronin, Jolita Lazauskas, Mylinh Truong, Leigh Ann Ralls, Nancy Raich, John Philip, Leslie Torres-Rodriguez

I. Call to Order & Opening Remarks

The meeting was called to order at 10:06 AM.

II. Approval of Minutes:

a. October 17, 2019 regular meeting

A motion was made by Mr. White with a second by Mr. Waxenberg to approve the minutes. Ms. Shaw noted that the draft minutes did not detail some substantive portions of the discussion from the October meeting. In particular, subcommittee members had discussed an interest in gaining more of an understanding of the programmatic and fiscal outliers related to special education service provided to Hartford students. Deeper analysis of the cost and complexities of providing special education services is an ongoing initiative of the Superintendent and will be part of the scope of a subsequent evaluation of the district's special education programming. The minutes will be revised to reflect that discussion as well as to correct a spelling error on the first page. The minutes, as amended, were approved unanimously.

b. October 30, 2019 special meeting

A motion was made by Ms. Shaw with a second by Mr. Waxenberg to approve the minutes of the special meeting. The minutes were approved unanimously with an abstention by Mr. White.

III. Update: City Revenue and Expenditure Initiatives

Mayor Bronin and City staff provided an update on a list of revenue and expenditure initiatives that were part of the City's approved multi-year recover plan. Much of the discussion revolved around challenges the City will have in meeting the grand list growth targets set in the five-year plan. The plan assumed grand list growth of 1.5% for fiscal years 2020, 2021, and 2022. That level of growth was not realized for FY 2020 and is not likely to be realized for next year. The Mayor attributed this to the high level of tax appeals, the City's required formula for setting the tax collection rate and the residential assessment ratio remaining flat. This will necessitate adjustments to the City's 5-year plan and a downward adjustment to revenue projections.

Although the City has numerous development and redevelopment projects at various stages of progress, the positive tax impact of these projects often takes many years to be realized. The Mayor and staff also described numerous efforts to maximize its collections on receivables. The subcommittee discussed the potential roles of the MARB in assisting municipalities that have a structural budget deficit. Members discussed the MARB's role as an objective validator of municipal finances, an independent reviewer of municipal efforts to stabilize local finances, and potentially as an advocate for legislative advocate for municipalities that are in need of relief. Members asked when the revenue and expenditure initiatives that were presented would be quantified. The City indicated this could be done for the next subcommittee meeting.

IV. Discussion re: Board of Education forecast report

Superintendent Torres-Rodriguez provided an overview of a forecast report prepared for the school district. The three-year fiscal trajectory projects how the district deficit is projected to grow assuming flat funding levels. The report will serve as a starting point for further analysis, especially with respect to special education costs and services. Tuition expenses, including tuition for students with disabilities, is a major driver of the district's projected deficit. The upcoming study of special education will evaluate the special education services provided in-district vs out-of-district, processes for identifying and placing students with disabilities and the potential for developing capacity to deliver more special education services in-district. The Superintendent will provide committee members with a draft scope of services for the study in advance of the next meeting so that members may provide feedback.

V. Other Related Business

None.

VI. Adjourn

The meeting adjourned at 11:40 AM.