

DRAFT
State of Connecticut
Municipal Accountability Review Board (MARB)
Ad Hoc Meeting with City of West Haven
Conference Call

Meeting Minutes – Monday, April 30, 2018

Members in attendance:

Co-chairs: OPM Secretary Benjamin Barnes and State Treasurer Denise Nappier (represented by Riju Das)

Members: Commissioner Scott Jackson, Patrick Egan, and Thomas Hamilton

Staff: Robert Dakers, Alison Fisher, Michael Sullivan

Representatives from West Haven: Mayor Nancy Rossi and Linda Savitsky

I. Call to Order and Opening Remarks by Secretary Ben Barnes

Meeting was called to order by Secretary Ben Barnes 1:04 pm. Secretary Barnes noted the purpose of the meeting is to prepare for the upcoming full MARB meeting on May 3, 2018.

II. Review and Approval of Minutes from April 13, 2018 Meeting

This item will be deferred until the next West Haven ad-hoc meeting.

III. Review of Secretary Barnes April 19, 2018 Letter

Secretary Barnes explained that up to \$8m is available to West Haven in restructuring funds. The proposed MARB resolution says that West Haven will be considered to receive \$8m, but that \$6m be used to balance the budget, and \$2m be kept in reserves to shore up the fund balance.

Patrick Egan asked why \$9m remains in the City's FY19 revenue assumptions. Mayor Rossi provided discussion regarding reductions made to the budget before coming to MARB for \$9m.

Secretary Barnes stated that the City's negative fund balance will be about \$1.4m in FY19. The first \$1.75m of the \$8m will go toward the negative fund balance and help create a small positive fund balance. There will be \$6m available to balance FY19 budget.

Mayor Rossi affirmed her understanding of the availability, and use, of the funds.

IV. Review and Recommendation re: FY19 Budget

a. Review/Discussion of Assumptions and Projections

Mayor Nancy Rossi discussed the fact that revenue estimates are problematic because estimates are not yet finalized, and will not be until after May 9th. Secretary Barnes suggested that the City rely on

the adopted budget for FY19 as a safe assumption, and add in holdbacks as were applied in FY18. This will provide a conservative revenue estimate for the City.

Scott Jackson agreed with Secretary Barnes' recommendation.

Mayor Rossi agreed to use the FY19 adopted budget, plus holdbacks, for the City's revenue estimates.

Bob Dakers indicated that the ECS proposed budget was \$46.1m in the Governor's FY19 budget, and the appropriated budget for FY18 is \$45m. West Haven is an Alliance district. Any increase in ECS would go directly to the school board as an Alliance district grant. Bob Dakers recommended using ECS strategy similar to what Hartford uses.

Mayor Rossi will ask the City Council to approve a change to Alliance grant amount from \$400 to \$627k this week.

Secretary Barnes requested that revenue approval on the Property tax collection reate should be contingent upon updated information upon the last 3 years of data.

Secretary Barnes requested that the City provide their tax collection rate for FY17 as soon as possible.

b. Discussion and Possible Action re: Recommending a Resolution to the Full Board

Mayor Rossi asked whether some, all, or none, of the anticipated \$800k in personal property taxes be included in the FY19 budget. Mayor Rossi continued that this number is a net figure and that it includes collection of back-taxes. Secretary Barnes advised the Mayor to be conservative.

Tom Hamilton asked when the City will adopt their budget. Mayor Rossi responded that it would be this coming Thursday evening, 5-3-18.

VOTE

Motion to recommend the resolution as presented, to the full MARB on 5-3-18, was made by Tom Hamilton and Seconded by Patrick Eagan. The vote passed unanimously.

V. Review and Discussion re: Proposed Bond Ordinance

No discussion on this item.

VI. Questions and Comments

None

VII. Adjourn

Meeting adjourned 2:15 PM