

APPROVED

STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD
SPRAGUE SUBCOMMITTEE
SPECIAL MEETING MINUTES

Meeting Date and Time: Thursday, January 30, 2020 10:00 – 11:30 AM

Meeting Location: Office of Policy and Management, 450 Capitol Avenue, Conference Room 4A, Hartford, CT

Members in Attendance: Kim Kennison (OPM Secretary designee), Christine Shaw (State Treasurer designee), March Waxenberg (phone), Matt Brokman (phone; joined at 10:20)

Municipal Officials and Staff in Attendance: Cheryl Blanchard, Melissa Sevigny, William Hull, Michele DeMicco

Others in Attendance: Julian Freund (OPM), Bill Plummer (OPM)

I. Call to Order

The meeting was called to order at 10:08 AM.

II. Approval of Minutes of July 1, 2019 Subcommittee Meeting

This item was moved to later in the agenda when a quorum was present. One typographical error was noted. The minutes, as corrected, were approved with one abstention (Ms. Shaw).

III. Update: FY 2019 Audit

The Town has requested and obtained an extension to the end of March filing its FY 2019 audit. The extensions have been due to a delay in generating a required fixed asset report as a result of a software reporting problem. The Town reported that the software issue had been resolved and the fixed asset report had been provided to the auditor. The FY 2019 audit is expected to be completed and submitted in March.

IV. Update: Corrective Action Plan

The finance offices for both the Town and Board of Education have been working to resolve prior year audit findings. The findings date back for several years. The Board of Education has resolved one segregation of duties issue by modifying workflow for payments from the Child Nutrition Fund. The Town has addressed a segregation of duties issue in the Water and Sewer Fund by hiring a part-

time person for processing billing. Board of Education budget monitoring issues have been addressed by enhanced and increased reporting of budget status, both to local boards and commissions and to the MARB.

These open items have been addressed and the audit firm has been notified of this progress, but due to timing, they may not be formally reported as closed in the upcoming audit. The audit document should report progress, though. Two additional prior year findings are in the process of being remedied, including the creation of a comprehensive set of finance policies and procedures for both the Town and BOE.

V. Update: FY 2021 Budget Process

The budget adoption schedule was discussed briefly. The Superintendent intends to submit a proposed FY 2021 budget to the Board of Education in February and will provide a copy to the MARB.

The Town also confirmed that cash flow projections indicate a positive cash position through the end of March. The Education Cost Sharing grant installment in April will be the final large revenue receipt for the Town in the current fiscal year. The next cash flow projection will project cash position through the end of the fiscal year as an early warning of any potential cash flow issues.

VI. Adjourn

The meeting adjourned at 11:00 AM.