

APPROVED

STATE OF CONNECTICUT  
MUNICIPAL ACCOUNTABILITY REVIEW BOARD (MARB)

REGULAR MEETING MINUTES  
Hartford Subcommittee of the MARB

**Meeting Date and Time:** Thursday, January 23, 2020 10:00 AM – 12:00 PM

**Meeting Location:** 55 Farmington Avenue, 1<sup>st</sup> Floor, Room 1008, Hartford, CT

**Members in Attendance:** Kim Kennison (OPM Secretary designee), Christine Shaw (State Treasurer designee), Robert White, David Biller, Stephen Falcigno, Mark Waxenberg (phone)

I. Call to Order & Opening Remarks

The meeting was called to order at 10:05 AM.

II. Approval of Minutes:

a. December 19, 2019 regular meeting

The minutes of the December 19, 2019 meeting were approved with one addition of a note that the City's revenue projections in the 5-Year Plan will need to be adjusted to reflect recent grand list and tax appeal trends.

III. Review and Discussion: FY 2019 Audit

Leslie Zoll, of Blum Shapiro, presented the FY 2019 Audit (presentation handout attached). The auditor issued a clean opinion on the City's financial statements. An overview of the City's Fund's was presented, including the City's General Fund Balance which increased by \$7.7 million for a total of \$12.6 million as of 6/30/19. Other Governmental Funds, Enterprise Funds, Internal Service Funds, and Fiduciary Funds were each addressed briefly.

Both the Federal and State Single Audits received unmodified clean opinions from the auditor with no material weaknesses or significant deficiencies. The Management Letter included no material weaknesses or significant deficiencies. Two recommendations were included in the Management Letter: 1) a more comprehensive policies and procedures manual for year-end close by the Board of Education, and 2) additional Information Technology controls (the City has remediated 8 of the 11 issues identified in Blum Shapiro's previous IT assessment).

Among the new GASB standards that will affect subsequent financial reports is a requirement that the City analyze its existing fiduciary duties to evaluate who has control of the assets, identification of the beneficiaries of the assets and where they will be placed in the financial statements. The auditor is working with the City to prepare for this and other upcoming GASB standards.

IV. Discussion: Special Education Evaluation Scope of Services

Among the priority initiatives presented by the Mayor in communications with the MARB in 2019 is a study to assess the Hartford school district's current continuum of special education services and to make

recommendations for efficiencies and the feasibility of developing capacity to provide more services in-district. The Superintendent has presented data regarding special education programming, placements, and costs. A draft scope of services for a study was discussed with the subcommittee. The subcommittee made suggestions for expanding the scope to include more quantitative analysis of special education placements and what is driving increasing rates of identification. The scope will be modified before an RFP for a study is issued.

The Superintendent also described efforts to seek justification for invoicing by other districts. The Superintendent has requested verification of residency and other supporting documentation from multiple districts that invoice Hartford Public Schools for services. The Superintendent reported that she has not received the documentation or justification requested for large invoices that have been sent to Hartford Public Schools.

A motion was made by Mr. Waxenberg, with a second by Mr. White, to recommend that the MARB direct the Mayor and the Superintendent to seek verification of residency for special education students for which the Hartford school district is being invoiced, and to seek justification of the amounts invoiced for services provided to Hartford students. The motion was approved.

V. Other Related Business

None.

VI. Adjourn

The meeting adjourned at 11:50