

APPROVED
STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD
REGULAR MEETING MINUTES

Meeting Date and Time: Thursday, April 8, 2021 10:00 AM –12:00 PM

Meeting Location: This was a virtual meeting. Meeting materials can be found at <https://portal.ct.gov/OPM/Marb/Full-Board-Meetings-and-Materials>

Call-in Instructions: Telephone 1 860-840-2075
Meeting ID: 888 602 438

Members in Attendance: Kimberly Kennison (OPM Secretary designee), Christine Shaw (State Treasurer designee), Matthew Brokman, Stephen Falcigno, Thomas Hamilton, Sal Luciano, Mark Waxenberg, Robert White

Municipal Officials in Attendance: First Selectman Cheryl Blanchard, Michele Demicco, Mayor Rossi, Frank Cieplinski, Matthew Cavallaro, Lee Tiernan, Mayor Bronin, Jennifer Hockenull

OPM Staff in Attendance: Michael Milone (OPM liaison), Julian Freund

Agenda

I. Call to Order & Opening Remarks by Secretary Melissa McCaw and Treasurer Shawn Wooden

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

II. Public Comment Period

There was no public comment.

III. Approval of Minutes:

a. March 11, 2021 Regular Meeting

A motion was made by Ms. Shaw, with a second by Mr. Hamilton, to approve the minutes. The minutes were approved unanimously.

IV. Town of Sprague

a. Subcommittee Update

The Subcommittee met on March 25 to review the FY 2020 audit. Much of the prior year General Fund deficit has been eliminated. The deficit as of June 30, 2020 is -\$48,306. A deficit in the Capital Nonrecurring Fund is related to an audit finding regarding budgetary controls which the Town will have

to resolve. Three prior year findings have been closed. Three findings were repeat findings. The Subcommittee also reviewed the Board of Education proposed FY 2022 budget, which is consistent with the approved 5-Year Plan. The Subcommittee will likely schedule a special meeting in April to review a proposed Town budget from the Board of Finance.

Mr. Hamilton asked about the deficit in the CNR Fund. First Selectman Cheryl Blanchard explained that the deficit is the result of expenses incurred on a project that was not funded.

b. Review and Discussion: Monthly Financial Report: February 2021

First Selectman Blanchard reported that revenues are down slightly year over year as a result of the deferment program. All invoices are at thirty days or less. All expenditures are comparable to prior the prior year for the same period. Ms. Demicco reported that the Board of Education is projecting an end of year balance of about \$160,000.

V. City of West Haven

a. Subcommittee update

A written update was provided in the meeting materials. The Subcommittee met on March 23 to review the City's proposed FY 2022 Budget. The Subcommittee provided feedback on the budget which has been summarized in a document for this board meeting. The City reported that it has gone live with the ADP payroll system. The next subcommittee meeting will be April 20.

b. Review, discussion and possible action: Labor Contract

i. AFSCME Local 1303-345

The City's labor attorney, Chris Hodgson, provided a summary of the tentative agreement. The 3-year contract provides general wage adjustments and increases to employees' health insurance cost share that is comparable to the agreement recently approved for Local 681. Mr. Hamilton expressed support for the contract, including provisions for increasing the employee health insurance cost share. Mr. Falcigno asked if the health provisions are comparable to other unions in the City and region. Mr. Hodgson indicated that the cost share is consistent with other unions in West Haven and with other union contracts that provide health benefits through the State Partnership. Mr. Waxenberg suggested that the position titles in the contract be made consistent throughout the document.

Mr. Luciano made a motion, with a second by Mr. Hamilton, to approve the contract. The motion passed unanimously.

c. Review and discussion: Recommended FY 2022 Budget

The Subcommittee reviewed Recommended Budget at March meeting and provided feedback which has been included in the meeting materials for the full MARB along with OPM's detailed review of the budget. Feedback provided by the MARB today will be put into a written synopsis for the City and respond to. The Subcommittee will revisit the budget at the April meeting and review any adjustments made by the City as well as an updated 5-Year Plan.

Mr. Cieplinski provided highlights on the budget. The City is not budgeting any Municipal Restructuring Funds as a revenue source in FY 2022. However, \$1,575 million of ARPA funding is included. Staffing increases by five additional positions. The proposed mill rate reflects the impact of revaluation.

The Subcommittee has suggested the City prepare a contingency plan related to the ARPA funds in the event that there are restrictions or limitations on its use. The Subcommittee also suggested increasing the proposed Allingtown Fire Fund mill rate in order to fund additional contributions to the pension fund and to pre-fund OPEB. Mayor Rossi reported that the City Council has approved a higher mill rate for the Allingtown Fire Fund and the additional funding for pension and OPEB.

d. Review and discussion: Monthly Financial Report: February 2021

Mr. Cieplinski reported that tax revenues have returned to levels comparable to prior years for the same period. The lien process has begun with the sale of liens expected in May. Expenditures are in line with prior years. A surplus of about \$250,000 in the Sewer Fund is projected. The Allingtown Fire Fund continues to show high overtime expenses.

VI. City of Hartford

a. Subcommittee update

A written update was included in the meeting materials. At the March meeting, the Subcommittee reviewed the proposed Board of Education FY 2022 Budget. The discussion around special education was also continued. The district's options for managing and monitoring special education costs, particularly the students in the Open Choice program for which the district is invoiced.

b. Review and discussion: Monthly Financial Report: February 2021

Mayor Bronin reported that the City is currently projecting an end of year surplus of about \$4.2 million. The City has had positive property tax collections, including prior year tax collections. Expenditures are projected to be under budget largely due to attrition. The projected surplus may increase, as the City has been conservative in its health insurance expense projections.

Mayor Bronin also explained that the City intends to propose a budget for FY 2022 that includes municipal aid that was included in the Governor's recommended budget only. The City will not include any ARPA funding, but will be presenting a multi-year spending plan for use of ARPA funding. He expects the proposed uses of ARPA funding will be a combination of meeting urgent needs exacerbated by the pandemic along with longer term investments in economic development to the extent they are permitted uses.

VII. Other Business

None.

VIII. Adjourn

A motion to adjourn was made by Mr. Falcigno with a second by Ms. Shaw. The meeting adjourned at 11:30 AM.