

APPROVED
STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD
REGULAR MEETING MINUTES

Meeting Date and Time: Thursday, July 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: 498 406 539

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

Municipal Officials in Attendance: Mayor Rossi, Superintendent Cavallaro, Matthew Cavallaro, Mayor Bronin, Jennifer Hockenhull, Phillip Penn, First Selectman Blanchard, Michele Demicco

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

- I. Call to Order & Opening Remarks by Secretary Melissa McCaw and Treasurer Shawn Wooden
The meeting was called to order at 10:04 AM.

- II. Public Comment Period:
There was no public comment.

- III. Approval of Minutes:
 - a. June 10, 2021 Regular Meeting
Mr. Luciano made a motion to approve the minutes, with a second by Mr. Falcigno. The motion passed 6-0-1 with Mr. Brokman abstaining.

- IV. City of West Haven
 - a. Subcommittee Update
The Subcommittee has not met since the last full MARB meeting. The City is preparing to present an update on the fire districts' progress in implementing recommendations from the ESCI consultants' report at the July Subcommittee meeting. The use of ARPA funds will also be on the July Subcommittee agenda.

b. Review, discussion and possible action: Labor Contract

i. Board of Education and Federation of Nurses

The West Haven Board of Education approved a Tentative Agreement with the Nurses union on June 21. The current contract expires this August 31. The successor contract would cover September 1, 2021 to August 31, 2024. The bargaining unit represents about 14 members. MARB would have until August 4 to take action on the contract.

Superintendent Cavallaro noted that the district has had challenges retaining nurses. The contract provides flexibility on the step at which nurses may be initially hired. The contract provides 1% increases at the top step only in the first two years. Step advancement is also provided in the first two years. The final year provides a general wage increase of 2% at all steps, but with no step advancement. Language is included that codifies the transition to the State Partnership health plan. Employees' share of health insurance premium remains at 20%.

Mr. Hamilton asked about the total base wages and the value of steps as a percentage of base pay. The total cost of the contract inclusive of steps is about 2.6%. He asked whether the increasing the health cost share was discussed during negotiations. The Superintendent replied that the move to the Partnership save the district money.

Mr. Brokman made a motion, with a second by Mr. Luciano, to approve the contract. Mr. Waxenberg noted that the proposed contract does not address legacy costs, such as retiree health benefits. He suggested that future negotiations attempt to address those costs. The motion was passed unanimously.

c. Review and discussion: Monthly Financial Report: May 2021

Mayor Rossi reviewed the monthly financial report provided in the meeting materials. The projected General Fund surplus is a bit over \$2 million. A surplus of about \$300,000 is also projected for the Sewer Fund. A surplus of about \$100,000 is projected for the Allingtown Fire Fund. Mr. Hamilton asked whether the Sewer Fund includes all sewer related debt, and if not, whether the City has considered moving all sewer debt to the Sewer Fund and adjusting the sewer use fee. Mayor Rossi will check with the Finance Office to verify whether the Sewer Fund includes all related debt. Mayor Rossi also noted that the City has approved the updated 5-Year Plan.

An RFP has been re-issued for pension investment advisor. The City is considering including the Allingtown Fire Pension Fund within the scope of the resulting contract. Mr. Hamilton noted that best practices suggest investment advisor services should be contracted separate from investment management services. Mr. Waxenberg asked about merging back office operations of the City and Board of Education. Mayor Rossi responded that some items have been consolidated with the Board of Education.

V. City of Hartford

a. Subcommittee Update

A written update was included in the meeting materials distributed. The Subcommittee met on June 24 at which the City presented its template for reporting on budget mitigation efforts.

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

Mayor Bronin reported that the surplus for FY 2021 is currently projected at \$14.46 million, which includes a \$4 million back-tax payment. The City believes that there is additional favorability in health insurance and general insurance. The current plan is to direct some of the surplus to Fund Balance, some to capital reserve and a portion to supplement purposes authorized for ARPA funds. Mayor Bronin provided an outline of the proposed uses of the ARPA funds. A more detailed presentation will be provided at the next Subcommittee meeting. Mr. Waxenberg asked if the City has communicated with the Board of Education regarding their projected end of year balance. Hartford Public Schools CFO Phillip Penn responded that he has had discussions with the City's budget office and he is preliminarily anticipating a balance of about \$2.7 million.

VI. Town of Sprague

a. Subcommittee update

The Subcommittee has not met since the last full MARB meeting.

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

First Selectman Blanchard reported that total expenditures, at 82% of budget, are comparable with last year. Property tax collections have reached 100% of budgeted collections. Overall revenues have exceeded the budget primarily due to higher than anticipated building permit fees. Michele Demicco reported that the Board of Education anticipates an end of year balance of \$180,000.

VII. Other Business

Subcommittee meetings for each municipality are scheduled for later in July. There are no meetings schedule for the full MARB or Subcommittees in August.

VIII. Adjourn

A motion to adjourn was made by Mr. Luciano, with a second by Mr. Hamilton. The meeting adjourned at 10:59 AM.