

APPROVED
STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD
REGULAR MEETING Minutes

Meeting Date and Time: Thursday, January 14, 2021 10:00 AM –12:00 PM

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

Telephonic Meeting: Telephone 1 860-840-2075
Meeting ID: 740 468 362

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

Municipal Officials in Attendance: First Selectman Blanchard, William Hull, Mayor Rossi, Frank Cieplinski, Mayor Bronin, Jolita Lazauska, Michael Lupkus, Jennifer Hockenhill

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. December 3, 2020 Regular Meeting

A motion to approve the minutes was made by Mr. Luciano, with a second by Ms. Shaw. Ms. Shaw noted that the minutes did not include the meeting attendance. The minutes were approved unanimously with the correction to the meeting attendance.

b. December 10, 2020 Special Meeting

A motion to approve the minutes was made by Mr. Luciano, with a second by Mr. Falcigno. The minutes were approved unanimously.

IV. Town of Sprague

a. Subcommittee Update

There has been no meeting of the Sprague Subcommittee since the last full MARB meeting. The town requested and was granted an extension on the completion of its FY 2020 audit. Although a meeting of the Subcommittee is scheduled for the end of January, which will likely be rescheduled since the audit will not be available.

b. Review and Discussion: Monthly Financial Report: November 2020

First Selectman Cheryl Blanchard reported that revenues and expenditures are in line with the prior year. Cash flow is positive and invoices are all under 60 days. Tax collections are consistent with last year's collections. Building permit fees are up due to renovations at the leased property. In response to a question about expenditures for the State Trooper, Ms. Blanchard noted that the program is invoiced at the end of the year. Ms. Kennison noted that the Board of Education is projecting some savings. Superintendent Hull reported that a balance of about \$160,000 is anticipated, depending on fluctuations that result from adjustments to the pandemic. Classes are currently on an in-person basis for four days per week. Bids received for a renovation project for doors, windows, elevators and alarm systems were under budget. Some projected savings in health insurance expenditures are a result of staff turnover and the health plans selected by new employees. Mr. Waxenberg requested that the BOE provide additional detail concerning transportation, high school tuition and elementary school tuition costs at the next Subcommittee meeting.

V. City of West Haven

a. Subcommittee update

A written Subcommittee update provided in the meeting materials was reviewed. The Board of Education, with the assistance of the OPM Liaison Michael Milone, has been evaluating the potential for savings that could be achieved by moving from the current Anthem self-insured plan to the State Partnership health plan. The analysis projects significant savings, but some additional work is needed to determine whether retirees would be part of a transition targeted for July 2021.

Mr. Cieplinski reported that the FY 2020 audit was completed and submitted by the December 31, 2020 deadline. Board members recognized the City's efforts in completing the audit on time, especially with a new auditor and in the context of the pandemic. The City's financial results and the audit will be presented at the January Subcommittee meeting.

Mr. Cieplinski reported that he was just notified that the City's bond advisor's Connecticut office is closing.

b. Review and discussion: Monthly Financial Report: November 2020

The City reported that overall revenues are consistent with prior years, including tax collections which are at 53% of budget. The City opted for the low-interest relief option for the second half of the fiscal year. Building Permits are expected to end the year below budget due to a backlog in permitting resulting from the pandemic. Expenditures are also consistent with prior years. Some savings are anticipated in Debt Service. Board of Education financials were not updated for the current report. The Sewer Fund is projected to complete the year with a modest surplus. The Allingtown Fire Fund's financials are in line with prior years. Additional PILOT funding received will be used for additional

contributions to the pension fund and for capital expenses. Mr. Cieplinski reported that the preliminary revaluation results are in line with the assumptions used for the City's five year plan. The City reported that the payroll/benefits position has been filled and the employee will start on January 25.

VI. City of Hartford

a. Subcommittee update

An overview of the written Subcommittee update was provided. The Subcommittee met in December to review a tentative agreement with the Firefighters' union. The Subcommittee reported out favorably on the contract which was subsequently approved by the full MARB.

b. Review and discussion: Monthly Financial Report: November 2020

Mayor Bronin introduced the City's new Chief Financial Officer, Jennifer Hockenull. Mayor Bronin reported that the projected current year deficit has narrowed to about \$200,000. He indicated this is a conservative projection and results may be more favorable. Conveyance Fees and other charges are driving much of the improved forecast. Mr. White asked how much longer the corporate contribution will continue. Mayor Bronin answered that the contribution will continue through FY 2022 and FY 2023. In response to a question about a projected overage in Utilities, the City responded that it is due primarily to the increased MIRA tip fee as well as an increase in waste tonnage. Mr. Hamilton asked about steps the City is taking to close the remaining projected deficit. Mayor Bronin responded that the City closely monitors and manages attrition as a source of savings. Mr. Waxenberg asked if the City and Board of Education coordinate regarding budget projections. Mayor Bronin noted that the City will be working with the Board of Education regarding the use of any surplus and that the new CFO has schedule a meeting with her counterpart at the BOE. Ms. Shaw asked about the impact that upcoming labor contracts might have on the current year budget. Mayor Bronin explained that contracts currently in negotiation will not likely impact the current year due to timing, but would likely impact subsequent fiscal years. Mr. Falcigno asked about the impact of COVID on tax collections. The mayor responded that current year collections have not been significantly impacted thus far, but he expressed concern that the pandemic may have a more significant and lasting impact on the City's grand list, in particular commercial properties.

VII. Other Business

a. Review, discussion and possible action: 2021 Meeting calendar

The board reviewed an updated 2021 calendar. Going forward, the board members will have the option of participating via a virtual meeting platform or to continue participating via telephone.

VIII. Adjourn

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