

APPROVED
STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD
REGULAR MEETING MINUTES

Meeting Date and Time: Thursday, October 6, 2022 10:00 AM –12:00 PM

Meeting Location: Legislative Office Building
Hearing Room 1D
300 Capitol Ave
Hartford, CT

Call-In Instructions: Telephone: 1 860-840-2075
Meeting ID: 307 248 286

Members in Attendance: Secretary Beckham, Christine Shaw (State Treasurer designee), Stephen Falcigno, Thomas Hamilton, Patrick Egan, Matthew Brokman, David Biller, Mark Waxenberg, Robert White

Tier IV Members in Attendance: Christine O'Connor

Municipal Officials in Attendance: Mayor Bronin, Leigh Ann Ralls, Phillip Penn, Alexandra Lombardi, Deb Carabillo, Chief Thole, Scott Jackson, Lee Tiernan, Matt Cavallaro, Chief Terenzio

Staff in Attendance: James Caley (OAG), Julian Freund, Bill Plummer, Chris Collibee, Kimberly Kennison, Simon Jiang

- I. Call to Order & Opening Remarks by Secretary Jeff Beckham and Treasurer Shawn Wooden
The meeting was called to order at 10:02 AM.

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

- III. Approval of Minutes:
 - a. September 8, 2022 Regular Meeting
Mr. Egan made a motion to approve the minutes, with a second by Mr. Brokman. The motion passed 8-0-1 with Mr. White abstaining.

- IV. City of Hartford
 - a. Review and Discussion: Monthly Financial Report: August 2022
Mayor Bronin reported that the City is not currently projecting any significant variances. Tax collections were strong early in the fiscal year compared to prior years. Health care claims are being monitored closely. Legal expenses may be higher than anticipated due to ongoing

Centerplan litigation. Relocation expenses are also being monitored closely. In response to questions from Secretary Beckham, Mayor Bronin briefly described the responsibilities of certain departments. Mr. Hamilton asked about the sustainability of certain BOE activities that are currently funded by Covid related grants. Mr. Penn replied that the efficacy of the various support and recovery programs are being assessed to determine which should be continued beyond the grant period, and how they may be funded. Mr. Waxenberg asked whether any of the Covid related funding is earmarked for building upgrades. Mr. Penn said that HVAC upgrades and ventilation improvements were included in the programming of ESSER funds.

b. Review, Discussion and Possible Action: Labor Contracts:

i. Hartford Police Union

This labor contract between the City of Hartford and the Hartford Police Union covers a term of July 1, 2022 through June 30, 2025. A Tentative Agreement had been reached earlier in the year, but was rejected by the union. This agreement is the result of the City and Union resuming negotiations. If the board chooses to take action on the contract, it would have until October 26th to either approve or reject the agreement. Mayor Bronin noted that salary adjustments for members at the Officer rank only had previously been approved in an off-cycle agreement. This agreement addresses pay differential between ranks and provides general wage increases. One of the most significant differences between this Tentative Agreement and the earlier agreement is that this T.A. does not make any changes to the age of eligibility for pension. The board discussed the general wage increases and provisions related to pension and health insurance.

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

V. City of West Haven

a. Subcommittee Update

A written update was included in the meeting materials. Mr. Freund provided an overview of the Subcommittee's recent work. Mr. Egan asked about the status of the brewery development agreement. Mr. Tiernan explained that work on the agreement continues.

Mr. Waxenberg asked about the number of firefighters assigned per station in each district and the justification for increasing minimum staffing from five to six per shift. He asked that the Subcommittee be provided with the rationale behind the staffing levels of each district.

Mr. Tiernan indicated that conversations with the union are ongoing. Chief Terenzio explained that the parties to the union contract are considering amending the minimum manpower provision in the contract to increase minimum manpower to six during the grant period and then revert to five per shift once the grant no longer funds the additional staffing at 100%. Members discussed the proposed language and its potential impact. Members suggested that the Subcommittee be provided with an explanation of the logistics involved in meeting NFPA standard 1710 and the effect of a change in minimum manpower.

Mr. Hamilton raised questions about survey information the City provided regarding other municipalities' use of ARPA funding for hazard pay or premium pay for first responders. The information provided was very limited and did not identify respondents. Mr. Brokman suggested that CCM be contacted for relevant data they could provide.

b. Review and Discussion: Monthly Financial Report: August 2022

Mr. Jackson provided an overview of the financial reports. He noted that overtime expenses are running high, but could be offset by salary savings. He noted the possibility that energy related costs could be affected by inflationary factors.

Mr. Brokman asked about the City's process for approving overtime and requested that the City provide information depicting budgeted positions vs. vacant positions.

Mr. Cavallaro provided an overview of the Board of Education year-to-date expenditures. He noted an overage in the severance pay account due to higher than expected retirements and resignations. A transfer will be made to cover the overage.

Mr. Hamilton requested a summary of the status of the City's and BOE's fuel and energy contracts, current rates, terms of the contracts and whether rates are locked in or are floating rates. He also asked about an apparent anomaly in the investment income reported for the month of August. It appears that a receipt may not have been posted by the point at which the report was generated, and raises questions about the City's timely closing of monthly financials.

The City and BOE were reminded that budget transfers of \$50,000 or more will require MARB approval.

c. Review, Discussion and Possible Action: Labor Contracts

i. BOE West Haven Administrators' Association

This contract covers about 23 Board of Education principals and other administrators. The current contract for this group expires August 31, 2023. The BOE and the union reached a tentative agreement for a contract with a term of September 1, 2023 through August 31, 2026. At its September meeting, the West Haven Subcommittee voted to recommend the full MARB approve this contract.

Mr. Cavallaro provided an overview of the tentative agreement. The tentative agreement includes general wage increases of 2% per year and increases the employee share of the cost of health insurance premium. The contract provisions are accommodated in the five-year plan. The contract also phases out the lower steps of the salary tables and phases in new steps at the top of the salary table.

Mr. Brokman made a motion to approve the agreement with a second by Mr. Egan. The motion passed unanimously.

d. Update: West Haven Professional Firefighters, IAFF Local 1198

This item was discussed during the Subcommittee Update, agenda item V.a.

e. Review and Discussion: Non-Labor Contracts

i. Architectural Services – O'Riordan Migani Architects LLC

ii. Architectural Services – Russell and Dawson, Inc.

These are two contracts for architectural services related to projects the City plans to fund using ARPA funding. The contract fees are \$71,825 for architectural services related to improvements to the Senior Center and \$60,000 for design of a new field house. Both require board approval.

Mr. White asked if there is anyone connected to the City who would benefit personally from either of the contracts. Mr. Jackson indicated there is not. Ms. Shaw asked if all required disclosure forms related to these contracts were submitted. Mr. Jackson replied that the bids would not have been accepted without those forms. Mr. Biller suggested that those forms be provided to the MARB when contracts are submitted in the future.

Mr. Egan suggested that when the construction work related to these projects is solicited, that the vetting process also consider potential conflicts of subcontractors as well as the proposed primary contractor. Ms. Shaw added that disclosures among those reviewing proposals from vendors should also be required. Ms. Kennison further suggested that the City administration should be reviewing disclosure forms for known potential conflicts.

Mr. Tiernan mentioned the activity of the newly constituted City Ethics Commission. Secretary Beckham suggested that the Ethics Commission may want to meet with the Subcommittee at a future meeting.

Waxenberg asked if the State Ethics Commission could conduct workshops for the City. Secretary Beckham said that OPM staff would look into the possibility.

No action was taken by the board on the two architectural services contracts.

- f. Review, Discussion and Possible Action: Approval of Bond Ordinances
 - i. Clean Water Fund Loan

Mr. Jackson explained that this is a proposed bond ordinance related to continued sewer work to comply with a consent decree. The work consists of sewer re-lining and replacement and manhole repair. A 20% grant from DEEP will offset the total cost of this project. DEEP will oversee all aspects of the project.

Mr. Brokman made a motion to approve the bond ordinance, with a second by Mr. Egan. The motion passed unanimously.

- g. Tier IV Action Plan:
 - i. Update: Financial Organizational Assessment

Mr. Freund provided an update on the status of engaging with a consultant to perform the financial organizational assessment of the City of West Haven. The agreement is expected to be executed shortly. The consultant will meet with the board to describe their process once the agreement is executed.

- ii. Update: Financial Manager Selection/RFP

A work group has met to review an outline of the scope of services for the Financial Manager RFP. The internal approval of going out to RFP is pending. The RFP is in the process of being drafted for the work group to review. The target is for the Financial Manager to be in place around the same time that the first report from Whittlesey is issued outlining the

high priority areas to address. Mr. White, asked who will be following up on deficiencies highlighted in the CohnReznick report. Ms. Kennison indicated that the Whittlesey report will focus on existing conditions and will be forward looking with regard to developing corrective actions. Board members discussed what approach should be taken for an in depth look at the findings in the CohnReznick report. Secretary Beckham reminded the board that alleged incidents of fraud in the City were the subject of federal investigations which may still be ongoing. During discussion, board members expressed interest in exploring whether some of the types of malfeasance raised by the CohnReznick report in connection with the City's use of Covid Relief Funds might also have occurred more broadly outside the context of Covid Relief Funds. Additional resources may be needed for this kind of inquiry. Mr. White suggested starting such a process by creating a list of questions based on members' existing knowledge and then determining how to obtain answers to those questions. Secretary Beckham suggested that the Subcommittee identify whether and what resources to engage to assist in the effort.

iii. Review, Discussion and Possible Action: MARB Policies and Procedures

Mr. Freund summarized the revisions made since the previously reviewed draft. Members discussed their preferences regarding review of non-labor contracts.

Mr. Falcigno made a motion, with a second by Mr. Brokman, to approve the policies and procedures. The motion passed unanimously.

h. Review and Discussion: Open Items Table

Mr. Hamilton noted the comment in the Moody's credit report that was included in the materials noting the City's internal service funds deficit. The board has not focused much on this deficit. The board should include this on the list of items to be properly funded and not allow the deficit to continue year after year.

Mr. Egan addressed comments from the mayor in a media article that touched on the City's response to the request for a list of staff that had complied with the submittal of conflict of interest forms. In response, he asked that the June 30, 2022 minutes of the West Haven Subcommittee, showing that such information was requested from the City, be incorporated into this meeting's record. He also asked that an August 10, 2022 e-mail be incorporated into the record.

Mr. Jackson described the City's effort to restart discussions with the fire districts regarding consolidation of pension investment advisory services.

VI. Town of Sprague

a. Review and discussion: Monthly Financial Report: August 2022

The Town's monthly report was distributed with the meeting materials.

VII. Other Business

Mr. Waxenberg raised questions about a municipality allocating ARPA funds for the salaries of another municipality. Can a municipality pay for the bonus of another municipality as would be the case of the City of West Haven using ARPA funds to support the hazard pay

stipend of the independent fire districts. Secretary Beckham asked staff to check with OPM's internal ARPA expert.

VIII. Adjourn

Mr. Falcigno made a motion to adjourn, with a second by Mr. Brokman. The meeting adjourned at 12:56 PM.