

APPROVED
STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD
REGULAR MEETING MINUTES

Meeting Date and Time: Thursday, November 3, 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: 469 389 096

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

Tier IV Members in Attendance: Colleen O'Connor

Municipal Officials in Attendance: Mayor Bronin, Leigh Ann Ralls, Scott Jackson, Lee Tiernan, Chief Terenzio, David Taylor

Staff in Attendance: Kimberly Kennison, Julian Freund, James Caley (Office of Attorney General), Chris Collibee, Simon Jiang, William Plummer, Michael Reis

I. Call to Order & Opening Remarks by Secretary Jeff Beckham and Treasurer Shawn Wooden

The meeting was called to order at 10:01 AM.

II. Public Comment Period

There was no public comment.

III. Approval of Minutes:

a. October 6, 2022 Regular Meeting

Mr. Brokman made a motion to approve the minutes, with a second by Mr. Biller. Ms. Kennison noted a correction to the minutes to include several staff that attended the October 6 meeting. The minutes, as corrected, were approved by a vote of 8-0-1 with Mr. Luciano abstaining.

IV. City of Hartford

a. Subcommittee Update

A written update was provided in the meeting materials.

b. Review and discussion: Monthly Financial Report: September 2022

Mayor Bronin noted that the monthly report projects a modest deficit of \$670,000 for the year. However, projection will be modified by two adjustments to be made: a correction for one grant that was inadvertently coded as a General Fund revenue and the City's receipt of \$3.4 million revenue sharing grant which is not yet reflected in the monthly report.

Mr. Brokman asked about the status of ARPA funds. Ms. Ralls reported that the third quarter compliance report submitted to the U.S. Treasury showed \$46 million obligated and \$37,000 expended.

Responding to a question about the status of the FY 2022 audit, Ms. Ralls reported that the auditor's field work had begun this week and that the first week of December is the target for a draft of the audit report.

V. City of West Haven

a. Subcommittee Update

A written update was provided in the meeting materials. Mr. Freund highlighted work that is proceeding on the financial organizational assessment and the RFP for a Tier IV Financial Manager.

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

Mr. Jackson provided an overview of the monthly report which showed property taxes at 51.7% of budget and overall total General Fund revenues at 33.6% of budget. Non-Education General Fund expenditures were at 30.3% of budget as of the end of September while Education expenditures were at 18.9%.

Mr. White raised a question about the potential for the City to be required to pay back some portion of Covid Relief Funds. Mr. Jackson explained that CohnReznick is completing its audit of all municipalities regarding allowable vs. disallowable expenses. Ms. Kennison added that for the purposes of the Federal Single Audit, it will be the City's independent auditor that makes the final determination regarding allowable and disallowable expenses. The CohnReznick report is a review and assessment of municipal use of CRF funds engaged by OPM as the pass-through entity to identify any high risk recipients or exhibited irregularities. After considerable discussion, Mr. Taylor clarified that any losses resulting from the alleged theft of funds will be reflected in the City's financial statements of FY 2021 and FY 2022. The City's exposure with respect to the possibility of having to repay relief funds is limited to any reported Covid Relief Fund expenditures that may be deemed to be ineligible expenses.

c. Review, Discussion and Possible Action: Labor Contracts

i. West Haven Professional Firefighters, IAFF Local 1198

There was no action on this item.

d. Review and Discussion: Non-Labor Contracts

i. Architectural Services – Russell and Dawson, Inc.

Secretary Beckham noted that this item had previously been on the October agenda but had been tabled pending the submittal of the vendor’s disclosure forms, which were included in this meeting’s materials.

Mr. Brokman made a motion, with a second by Ms. Shaw, to approve the contract. The motion passed unanimously.

ii. Sales Agreement – Thompson School

Mr. Tiernan explained the planned sale of the site of the former Thompson School. The property will be sold to the developer, Enclave Properties, for \$250,000. The developer will invest \$7 million in the site and the property assessed value will be fixed at \$1,000,000 for ten years.

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

e. Tier IV Action Plan:

i. Update: Financial Organizational Assessment

ii. Update: Financial Manager Selection/RFP

Ms. Kennison and Mr. Freund updated the board on the status of the Financial Organizational Assessment and the RFP for the Tier IV Financial Manager. A kickoff meeting with the City and Whittlesey was held on October 18. Whittlesey is expected to attend the MARB’s December 1 meeting to introduce the consulting team and an overview of their approach to the project. The RFP for a Tier IV Financial Manager has been drafted and provided to the selection work group for their review and feedback.

Mr. Brokman asked about information provided by the City regarding budgeted head counts and vacancies by department and to what extent the City’s overtime expenses are driven by vacancies. He suggested the City provide an analysis of overtime and the potential for vacancy savings to offset overtime expenses.

Mr. Waxenberg asked about information provided by the City regarding the staffing of fire stations. He suggested the City provide examples from nearby departments as to whether they staff to meet the standards set forth in NFPA 1710. He also asked whether the City budget provides funding to the independent districts.

Members discussed the responses from City employees that were asked to provide disclosure forms. The City indicated that the disclosure forms are typically required at the time of hire and have not been required to be updated on a regular basis. The City’s Ethics Board is in the process of drafting an ethics ordinance which would, among other things, clarify employee requirements to file disclosure forms and how the City will review them.

VI. Town of Sprague

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

The Town’s monthly financials were distributed with the meeting materials. Secretary Beckham advised members that any questions could be directed to OPM staff.

VII. Other Business

a. Review and discussion: MARB 2023 Meeting Calendar

A tentative schedule of meetings was distributed to the members for review. The calendar will be set by the board at the December meeting.

VIII. Adjourn

Mr. Brokman made a motion to adjourn, with a second by Ms. Shaw. The meeting adjourned at 11:58 AM.