



**STATE OF CONNECTICUT
OFFICE OF POLICY AND MANAGEMENT**

MUNICIPAL FINANCE ADVISORY COMMISSION

DRAFT MINUTES – REGULAR MEETING

Wednesday, February 18, 2026

Meeting Location: Telephonic Meeting

Date/Time: February 18, 2026, at 10:00 A.M.

Members Present: Mr. Michael LeBlanc, Commission Chair
Ms. Kimberly Kennison
Mr. Anthony Genovese
Mr. Glenn Rybacki
Ms. Marcia Marien
Ms. Rebecca A. Sielman
Mr. Edward Sullivan
Ms. Diane Waldron

Others Present:

OPM Staff William Plummer, Michael Reis, Morgan Briere, Simon Jiang, Lori McLoughlin

Ansonia Frank Tyszka – Mayor, Nancy Spagnolo - Chief of Staff, Kurt Miller - Budget Director, Kim DeStefano - Acting Comptroller, Thomas Hamilton - Financial Consultant, Joseph DiBacco - School Superintendent

Derby Joseph DiMartino – Mayor, Brian Hall - Finance Director, Matthew Conway - School Superintendent

East Lyme Daniel Cunningham - First Selectman, Kevin Gervais - Finance Director

Hamden Adam Sendroff – Mayor, Rick Galarza - Deputy Finance Director

Marlborough David Porter - Town Manager

Plymouth David Sekorski – Mayor, Vijay Dora - Finance Director, Brian Falcone - School Superintendent

Wethersfield Frederick Presley - Town Manager, Michael O’Neill - Finance Director

Audit Firms John Accavallo - Accavallo & Company, Kyle Connors – CBIZ, Leslie Zoll, Mike Popham – CLA

State Treasurer’s Office Kimberly Mooers - Assistant Treasurer, Kimberly Masson - Principal Debt Management Specialist, Arqum Gul - Principal Investment Officer

1. Call to order

The meeting was called to order at 10:03 a.m. by Commission Chair LeBlanc.

2. Approval of the meeting minutes of November 19, 2025

The November 19th minutes were unanimously approved by all Commissioners.

3. FY 2024 and 2025 Municipal Audit Reports Update

Mr. Plummer provided an update on the status of the FY 2024 and 2025 municipal audit submissions. He indicated that of the 20 FY 2024 delinquent municipal financial audit reports, 6 were outstanding as of today, with the last submission being Stamford's recent submission in February. Based upon OPM's communication with the six municipalities with outstanding audit reports, there were three that could not provide a projected submission date. He described some of the reasons for the delinquent audits.

As to the FY 2025 audit submissions, to date, 93 of the 170 municipalities have submitted their FY 2025 financial audit reports. Mr. Plummer indicated that municipalities can request extensions of time up to June 30, 2026, for the submission of their FY 2025 audit reports. Commissioner LeBlanc inquired as to how the FY 2025 submissions were trending when compared to FY 2024 submissions. Mr. Plummer indicated that FY 2024 and 2025 submissions were similar as to this point in time. He indicated that OPM has noted that for the past several years there have been approximately 20 municipalities whose reports are significantly delinquent and some of these reports are not submitted until more than a year after becoming delinquent.

Commissioner LeBlanc noted that officials from East Lyme, Marlborough and Wethersfield were in attendance to update the Commission on their delinquent audit reports.

a) Town of East Lyme:

Commissioner Marien noted for the record that she is not independent with respect to East Lyme.

First Selectman Dan Cunningham and Finance Director Kevin Gervais introduced themselves. Mr. Gervais referenced the timeline provided in today's meeting packet that presented the Town's schedule for returning to timely audits. Mr. Gervais projects submission of the FY 2024 audit report by April 15, 2026, and submission of the FY 2025 audit report by September 30, 2026. He projects the Town returning to timely audit submissions beginning with the FY 2026 audit. The Town has been making progress in compressing the time it takes to complete the audits and plans to continue to make further progress in the timeline for future audits.

Commissioner LeBlanc inquired whether the FY 2025 records had been closed out and are available for the audit firm to work on once the FY 2024 audit is complete. Mr. Gervais indicated that although revenues and expenditure records were closed, there were a lot of balance sheet accounts that have not been fully reconciled. The Town's focus has been on the FY 2024 records. Commissioner LeBlanc called upon the Town's auditor, Leslie Zoll of CLA to describe the status of the outstanding FY 2024 audit. She indicated that the FY 2024 audit had begun. There is still some clean up needed on balance sheet items and there remain some open audit requests. She plans to continue to work with the Town to finalize these open items.

Commissioners expressed some concerns with the Town's projected April 15th date for submission of the FY 2024 audit report given the open items remaining. Commissioner Sullivan noted that in the November 2025 meeting with East Lyme, Mr. Gervais had projected submission of the FY 2024 audit report by January of 2026. Now that timeline has been pushed to April of 2026. He expressed concerns that the April audit submission projection for the FY 2024 audit may be unrealistic. Commissioner Kennison indicated that the Town should dedicate the necessary resources to complete the overdue

audits, to catch up and return to timely audit submissions. She asked Ms. Zoll whether the Town's April 15th submission date for the FY 2024 audit may be too aggressive. Ms. Zoll indicated that it was unlikely that the FY 2024 audit report could be completed by April 15th.

First Selectman Cunningham indicated that he believes East Lyme has been making progress in curbing the amount of time in completing its annual audits. He understands the need for compliance and returning to timely audits and is willing to bring in any additional resources needed towards the audits.

Commissioners expressed their appreciation for today's presentation from the Town.

b) Town of Marlborough

Commissioner Genovese noted for the record that he is not independent with respect to Marlborough.

Marlborough's Town Manager, David Porter, indicated his belief that the Town had made significant progress on its FY 2025 audit. There were some turnovers on the Board of Education side that he believes will cause a short temporary delay with the completion of the FY 2025 audit. He referenced that the information provided to the Commission in today's packet erroneously indicated submission of the FY 2025 audit report by February 28th. He believes that the FY 2025 audit report will be submitted by April 1, 2026. The Town intends to return to timely audit submissions beginning with the FY 2026 audit.

Commissioner LeBlanc inquired with Leslie Zoll of CLA, the Town's independent auditor, on the status of the FY 2025 audit. Ms. Zoll indicated that she is still waiting on the final trial balance, therefore no work has begun on the audit. Commissioner LeBlanc inquired with Mr. Porter whether the April 1st timeline for submission of the FY 2025 audit report may be overly aggressive. Mr. Porter indicated his belief that it could be accomplished but if the April 1st date could not be met, he strongly believes that submission of the FY 2025 audit report would occur by the end of April. Commissioner LeBlanc indicated it was his hope that by the next meeting of the Commission scheduled for May, the Town's FY 2025 audit report will have been issued.

Commissioners expressed their appreciation for today's presentation from the Town.

c) Town of Wethersfield

Commissioner Sielman stated that the Town of Wethersfield was a client of her firm.

Finance Director Michael O'Neil stated that the Town's independent audit firm, CLA, had started field work two days ago. There are still some open items that the City is still working to complete. Mr. O'Neil believes the open items will be completed and handed off to the audit firm in time to not cause the audit to be further delayed. The open items include capital assets, compensated absences and OPEB disclosures. The Town is targeting the completion of both its FY 2024 and 2025 audits by late summer of 2026 as Wethersfield intends to go out to the bond market this summer. Mr. O'Neil indicated that he could not provide a projected issuance date for the FY 2024 audit but that the Town is focused on moving the audit towards completion. Regarding staffing, Mr. O'Neil indicated that staffing had been very stable for the last year or so. The Town is in the process of filling a new position in the Finance Office.

Leslie Zoll, the Town's independent auditor from CLA, indicated her agreement with Mr. O'Neil's description on the status of the FY 2024 audit. Town Manager, Fred Presley, reiterated the importance of getting the overdue audits completed as soon as possible as this could have an impact on the Town's bond rating. He believes that Wethersfield is on the right track in catching up on its overdue FY 2024 and 2025 audits and in getting its FY 2026 audit completed in a timely manner.

Commissioners expressed their appreciation for today's presentation from the Town.

4. City of Ansonia

Commissioners Rybacki and Sielman noted for the record that Ansonia was a client of their respective firms.

Mayor Tyszka introduced himself to the Commission. He indicated that the City would be working with the Commission to address its fiscal issues. For today's meeting, Kurt Miller, the City's Budget director, Kim Distefano, the City's assistant Finance director, and Tom Hamilton, the City's Financial consultant, are in attendance to update Commissioners on the City's finances and to answer any questions.

Mr. Miller indicated that the City is in the process of interviewing for a new permanent Finance Director. That person should be on board in the coming weeks. Regarding the FY 2025 audit, there is already a draft report and he expects the FY 2025 audit report to be issued in the next day or two. According to Mr. Miller and John Accavallo, the City's independent auditor, the City is expecting a \$1.8 million General Fund, operating deficit for FY 2024-25, resulting in a cumulative fund balance of approximately \$6.1 million as of June 30, 2025. According to Mr. Miller, the FY 2025-26 Budget vs. Actual results through the end of January 2026, indicate an \$813,000 revenue shortfall primarily driven by the budgeted fuel cell revenues which have not occurred. Expenditures are expected to exceed appropriations by approximately \$117,000 without budget adjustments. The FY 2025 and 2026 budgets adopted included the use of proceeds from the sale of the WPCA of approximately \$7.4 million and \$5.2 million, respectively in balancing the budgets for those years. With respect to the Mayor's proposed FY 2026-27 budget, that proposed budget is far along and is expected to be presented to the Board of Alderman, the second Tuesday in March.

Commissioner Marien indicated that at the last two meetings, she had expressed her concern with using large one-time revenues to balance the budget and had requested from the City a 5-year projection of the tax rates. Mr. Miller indicated that he would provide the information requested. Mayor Tyszka had tasked the City with removing all one-time non-recurring revenue sources from its budget projections. Mr. Hamilton remarked that he is working with the City on a multi-year budget projection that removes/isolates these non-recurring revenues. He agrees that the heavy drawdown on one-time revenues to support the budget can lead to an inaccurate financial picture. Specifically, the City has used one-time revenues of approximately 20% of its tax levy. Such high levels of non-recurring revenues are not expected to be available in future budgets. The City will need to hold/reduce expenditures and generate additional revenues going forward. Mr. Hamilton indicated that he is also working with the City to establish long-term strategies and structural changes regarding grand list growth, economic development, and improved fiscal policies and processes.

Commissioner Sielman encouraged the City to take a long-term look at its pension contributions and other post-employment benefit (OPEB) expenditures. She noted that healthcare costs are not being pre-funded and that these costs are significant and rapidly rising. She also noted significant budget variances with workers' compensation liability costs. Strategies that should be considered as part of the City's cost containment strategy include pharmacy audits and beneficiary audits.

Commissioners expressed their appreciation for today's presentation from the City.

5. City of Derby

Commissioner Rybacki stated that Derby was a client of his firm.

Mayor DiMartino commented that the FY 2025 audit is on track to be completed by the end of February, which he believes is the earliest that the annual audit has been completed in probably the past 10 years. He indicated that all of the previous audit findings have now been corrected. The Board of Education did lose its business manager, and the Mayor has established a shared services committee to evaluate combining of functions with the objective of cost savings.

Finance Director Brian Hall expressed his enthusiasm with having the shared services committee address issues such as disparate financial systems and duplicative work streams. The City intends to issue a bond offering in the Spring of 2026. In regard to FY 2024-25, the City's tax collection rates have shown an improvement, coinciding with the new tax collector coming on board. In addition, budgeted contingency expenditures went unused, allowing the City to incur actual expenditures less than what was budgeted. The City expects to have a \$800,000 positive results from operations in FY 2024-25. The improved tax collections have continued and coupled with the cost savings achieved from migrating from self-insurance for health care to the State's Partnership Plan, the City is currently projecting a \$1.2 million operating surplus for FY 2025-26.

The City completed a revaluation of its 2025 grand list whereby the average assessment increased by 60%. The City has decided to phase in the revaluation over 5 years beginning with FY 2026-27. This will have an impact on the FY 2026-27 proposed budget that is being developed as well as the City's 5-year financial plan.

Commissioner LeBlanc inquired as to what was the City's intent regarding the vacant School Business Manager position. Mr. Hall indicated that this position was being evaluated along with a number of other positions by the Shared Services Committee. As a result of Commissioner Waldron's question, Mr. Hall confirmed that the City and Board of Education are currently on two separate financial systems. Commissioner Waldron recommended that the City consider transitioning to one overall IT structure regarding both the City and Board of Education IT and cyber security. Commissioner Kennison stated her appreciation of the City's progress evidenced by its improved financial results and implementing the Commission's recommendations such as the 5-year plan submitted.

Commissioners expressed their appreciation for the City's attendance at today's meeting.

6. Town of Hamden

Mayor Sendroff introduced himself, assistant Finance director Rick Galarza, and Hamden's independent auditor, Kyle Connors of CBIZ. Mayor Sendroff acknowledged that both the FY 2024 and FY 2025 audits were outstanding, as the Town has been without a Finance director for over a year. The FY 2024 audit is underway and is progressing. Consistent meetings are being held with the audit firm with both the Mayor and Legislative Council President participating. Mr. Connors acknowledged the Mayor's comments regarding the status of the FY 2024 audit. The Town has been able to fulfil several auditor requests over the last week to week and one-half. With this being the first year of conducting the audit by his firm, Mr. Connors indicated that he is unable to provide a timeline for the issuance of the FY 2024 audit as his team has yet to review all of the information recently provided by Hamden, but there has definitely been progress made on the audit.

Commissioner LeBlanc noted that with the fund balance information included in today's meeting and at the last meeting, it appears that the FY 2026-27 budget being developed would need to take the anticipated fund balance drawdown into consideration. He inquired as to the Mayor's thoughts on stabilizing/rebuilding fund balance as part of the FY 2026-27 budget development. Mayor Sendroff acknowledged the challenges of the FY 2026-27 budget. He indicated that FY 2026-27 would be year 2 of the 4-year phase in of the revaluation. The Town appropriated \$9 million in fund balance towards its FY 2025-26 budget and it simply cannot repeat this for the FY 2026-27 budget. The Mayor will be seeking to curtail expenditures in FY 2026-27 and has asked his department heads to submit budgets with a 5% decrease from the current year budget. He is also working with the Town's state delegation to maximize state revenues. At this point everything is on the table. In terms of a significant re-building of fund balance, that would be part of the Town's long-term plan. Commissioner Marien inquired as to the filling of the vacant Finance director position. Mayor Sendroff indicated that the position remains open but that the Town has continued its recruitment and interview process. Filling the position is a challenge and he is

considering an interim solution such as a retired Finance director or an outside firm. The Town also intends to add a staff accounting position to its Finance office.

Commissioner Sielman indicated that similar to her earlier recommendations to Ansonia, the Town should take a long-term look at its pension contributions and other post-employment benefit (OPEB) expenditures. She noted that healthcare costs and workers' compensation can be volatile and should be evaluated. Sensitivity analysis can be beneficial. Strategies that should be considered as part of the Town's cost containment strategy include pharmacy audits and beneficiary audits.

Commissioners expressed their appreciation for the Town's attendance at today's meeting.

7. Town of Plymouth

Commissioner Sielman stated that the Town of Plymouth was a client of her firm.

Mayor Sekorski introduced himself and Finance director Vijay Dora. He indicated that the Town completed its FY 2024 financial audit at the end of calendar year 2025. The Town is working diligently on the FY 2025 audit and turned it over to Mr. Dora to provide an update. Mr. Dora indicated that most of the reconciliations have been completed. There are still some adjusting entries that remain open as well as some receivable accounts that need to be reconciled with the Board of Education. He believes he will be able to soon provide the audit firm with the remaining open items. At this time, Mr. Dora is unable to provide a projected issuance date for the FY 2025 audit report.

Commissioner LeBlanc indicated that if possible, the Town should strive to submit the FY 2025 audit report by June 30, 2026. Submission of the audit report beyond that date would be considered a delinquent submission. Commissioner Kennison stated that the Town should consider bringing in an outside firm to assist with catching up on the delayed audits and to ensure that future audit submissions are made in a timely manner. Mayor Sendroff indicated that he would seek to meet with OPM soon to discuss the audit further. Commissioner LeBlanc requested that the Town provide an updated project calendar schedule in early March regarding the issuance of the FY 2025 audit report with the objective of issuance by the end of June.

Commissioners expressed their appreciation for the Town's attendance at today's meeting.

8. Other Business

Mr. Plummer indicated that the FY 2019-23 edition of Municipal Fiscal Indicators was published in December of 2025 upon receiving all 170 FY 2023 municipal audits. He described some of the challenges of its production given the late audit submissions.

Commissioner LeBlanc reminded Commissioners that the next MFAC meeting will be an in-person meeting scheduled for May 6th in Hartford.

9. Adjournment:

The meeting adjourned at 11:29 p.m.

Respectfully submitted,

Kimberly Kennison
Commission Secretary