

STATE OF CONNECTICUT | SPECIAL FINANCE COMMITTEE MEETING (DRAFT)

December 15, 2022, Meeting 2:00 PM

Virtual Meeting via Zoom

Chairperson Christine Shaw called the meeting to order at 2:02 PM

Councilmembers Present:

Kyle Abercrombie (Designee for Commissioner Lehman)

Marc Pelka (Designee for Secretary of the Office of Policy and Management Jeffrey Beckham)

Christine Shaw (Designee for State Treasurer Shawn Wooden)

Edwin Shirley

Kevin Walton

Guest:

Council Chair Comer

SEC Staff:

Ginne-Rae Clay, Executive Director; Jennifer Edwards, Program Manager; Kristina Diamond, Legislative & Communications Program Manager

Chairwoman Shaw thanked the SEC team for distributing materials. She asked Councilmembers for their input regarding having the financial documents emailed to them. Did they feel they had access to the information? Discussion ensued.

Chairwoman Shaw asked for a motion to approve September 16, 2022, and the September 22, 2022, meeting minutes. Chairwoman Shaw realized the May 2022 meeting minutes were attached. She stated they could approve September 16, 2022, meeting minutes at another time and entertained a motion to approve the September 22, 2022, meeting minutes.

Motion – by Edwin Shirley

Second – by Kyle Abercrombie

Chairwoman Shaw questioned the wording within the meeting minutes. Discussion ensued.

In Favor – All

Opposed – None

Abstention – None

Motion passed

Chairwoman Shaw asked if the agenda's second and third items could combine. Director Clay agreed. Chairwoman Shaw asked a question regarding line#7 (social equity innovation account). There was a projected balance of 25 million; however, there is an actual 40.5 million. Director Clay explained the funds were as of the 30th. Discussion ensued.

Designee Abercrombie asked for clarification of the revenue split between agencies, or was the revenue SEC? Director Clay replied the money was not all SEC. Discussion ensued.

Chairwoman Shaw referred to a letter from Former Secretary McCall. She stated the letter might reflect what Director Clay described regarding anticipated funding. The letter also references general fund dollars allocated to agencies throughout the state government in connection with cannabis. Discussion ensued.

Chairwoman Shaw noted that the bonds authorized lists as 50 million and bonds out. It should be allocated, not allotted, and listed as 10 million; however, the 10 million is part of the 50 million, correct? Chairwoman Shaw questioned the significant increase in line #17 other expenses.

Director Clay explained that the increase in line #17 and other expenses was due to the reinvestment and workforce increase. Discussion ensued.

Director Clay asked for the committee to approve a revised fiscal 23 budget and wanted to give an update on the 24/25 budget process. Discussion ensued.

Councilmember Abercrombie asked Director Clay whether the vote would be precisely on salary in the revised 23 budget. Director Clay confirmed.

There was discussion regarding non-lapsing funds and clarification that the SEC revenue source was not a part of the general fund. Director Clay stated she would get clarification regarding non-lapsing funding.

Based on the committee's discussion, Chairwoman Shaw recommended the committee move to the full Council for approval of the revisions to the fiscal year 2023, pending clarification of non-lapsing funds.

Chairwoman Shaw as for clarification regarding the 6 million dollars; Director Clay stated the funds are for workforce and community investment. The reallocated funding was to create one line item. In anticipation that the workforce development person would be on board and these funds distributed would be used to develop programs; however, this hasn't occurred. Director Clay believed all approvals were in order, and she informed the committee she had a meeting with council member Vallieres to discuss workforce development.

Executive Director Clay informed the committee the contract was signed on line #15. Executive Director Clay also discussed with the ending of the Camelo contract that funding was left. SEC staff are working closely with the DECD marketing communications team to identify a marketing and outreach strategy. Executive Director Clay expected those funds would start spending in the spring. Discussion ensued.

With the committee meeting quarterly, Councilmember Walton asked if this allows us to adjust how the budget will look and if this would help alleviate money swept.

Chairwoman Shaw said yes, she believed so. However, she did reference the funds are non-lapsing.

Chairwoman Comer continued the meeting as Chairwoman Shaw, and Councilmember Pelka had to leave the meeting.

Chairwoman Comer opened the discussion for the FY24/25 budget updates. Next, Executive Director Clay discusses questions about workforce development. Executive Director Clay stated OPM asked for additional information about workforce development.

Chairwoman Comer asked if OPM was satisfied with the numbers because the workforce development position for program manager would not be filled. Discussion ensued.

Chairwoman Comer asked for a motion to recommend the revised 2023 budget to the full Council.

Motion by Edwin Shirley
Seconded by Kevin Walton
All in favor – All
Opposed – None
Abstention – None
Motion passed

Councilmember Shirley asked if they were looking for a person to be a workforce manager or if they were looking for a firm or institution.

Director Clay responded they were looking for a person.

Chairwoman Comer asked for a motion to adjourn

Motion by Edwin Shirley

Meeting adjourned at 3:13 PM