

**CONNECTICUT PAID FAMILY AND MEDICAL LEAVE
INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING**

November 10, 2021



MARCUM
ACCOUNTANTS ▲ ADVISORS

marcumllp.com

Discussion Points

- ▶ Introductions
- ▶ Background Information
- ▶ Auditors' Reports
- ▶ Financial Statement Highlights
- ▶ Other Communications
- ▶ Questions
- ▶ Contact Information

Background Information

- ▶ CT Paid Family and Medical Leave Insurance Authority (CTPL) is considered to be a fiduciary component unit of the State under the provisions of GASB No. 84
- ▶ CTPL hired its first employee in January 2020
- ▶ Formal operations commenced on March 2, 2020
- ▶ The financial statement audit covers the 18 month period from January 1, 2020 through June 30, 2021
- ▶ The Annual Report includes Management's Discussion and Analysis and Pension and OPEB Schedules
 - ▶ We performed certain limited procedures on this information
 - ▶ We did not express an opinion or provide assurance on this information in our auditors' report

Auditors' Reports

- ▶ Marcum expressed an unmodified opinion on CTPL's audited financial statements as of June 30, 2021 and for the period from January 1, 2020 – June 30, 2021
 - ▶ Opinion indicated that the financial statements were fairly presented in accordance with accounting principles generally accepted in the US
- ▶ Marcum's audit was conducted in accordance with *Government Auditing Standards*
 - ▶ Issued a report on internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts and grant agreements
 - ▶ This report does not provide an opinion on the effectiveness of CTPL's internal control or on compliance, however, no material weaknesses or instances of noncompliance were noted

Financial Statement Highlights

▶ **Statement of Fiduciary Net Position**

▶ Current Ratio

- ▶ Total current assets of \$209.4 million
- ▶ Total current liabilities of \$626,000

▶ Capital Assets of \$6.8 million

- ▶ Primarily computer software

▶ Noncurrent Liabilities of \$18.0 million

- ▶ Bond and seed funds payable of \$17.3 million
- ▶ Pension and OPEB liabilities of approximately \$700,000

▶ Deferred Outflows of Resources of approximately \$1.0 million related to OPEB and pension benefits

▶ Fiduciary Net Position Restricted for Participant Benefits – \$198.5 million

Financial Statement Highlights

▶ **Statement of Changes in Fiduciary Net Position**

- ▶ Contributions from participants of \$205 million
- ▶ Deductions of approximately \$6.5 million
 - ▶ Salaries and fringe benefits of \$2.2 million
 - ▶ Contracted services of \$1.9 million
 - ▶ Information technology support of \$753,000
 - ▶ Licenses of \$653,000
 - ▶ Non-cash depreciation expense of \$526,000
 - ▶ Other expenses of \$468,000
- ▶ Net Increase in Fiduciary Net Position Restricted for Participant Benefits was \$198.5 million from inception through June 30, 2021

Other Communications

▶ Financial statement adjustments

- ▶ There were no material unrecorded audit adjustments as of June 30, 2021
 - ▶ We worked with management to record the pension and OPEB adjustments
 - ▶ We collaboratively worked with management regarding the recording of accruals in the financial statements
 - ▶ Management took full responsibility for all adjustments recommended by Marcum
- ▶ We noted no instances of **fraud or illegal acts** (as defined under current auditing standards) which had a direct effect on the financial statements

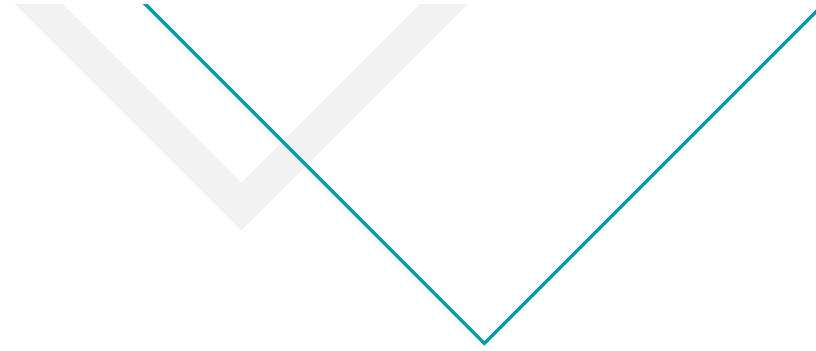


► Questions

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Thank You!

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