

APPROVED
STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD
(MARB)
MEETING MINUTES
West Haven Subcommittee of the MARB

Meeting Date and Time: Tuesday, August 13, 2019 10:00 AM – 11:30 PM

Meeting Location: Board of Regents Conference Room, 61 Woodland Street, Hartford, CT

MARB West Haven Subcommittee Members Present: Kimberly Kennison (OPM Secretary designee), Deputy State Treasurer Linda Savitsky (State Treasurer designee), Commissioners Tom Hamilton and Scott Jackson (phone)

OPM Staff Present: Julian Freund, William Plummer

City Staff Present: Mayor Nancy Rossi, Finance Director Frank Cieplinski, School Superintendent Neil Cavallaro (phone), Business Manager Matt Cavallaro (phone)

I. Call to Order & Opening Remarks

The meeting was called to order by Deputy Treasurer Savitsky at 10:15 AM.

II. Approval of minutes

July 25, 2019 minutes: The minutes were approved with one abstention by Commissioner Jackson.

III. Review, Discussion and Possible Action: Labor Contract

- (a) **AFSCME Local 2706:** Mr. Freund noted that legislation had recently been adopted whereby MERA contracts negotiated by boards of education are now subject to approval by the MARB. He referred Commissioners to the contractual agreement in today's packet and provided a brief overview. Mr. Cavallaro went over the contractual provisions in the agreement including the provisions in the agreement related to the high deductible health plan (HDHP) and that the agreement has sufficient flexibility that would allow the Board of Education to move to the Partnership plan if that was ultimately decided upon.

Commissioner Hamilton asked whether consideration had been given to increasing the employee share of the health insurance premium cost. Superintendent Cavallaro explained that the employee share was held at 17% with no increase as an incentive to move employees to the high deductible plan. Mr. Hamilton asked about the potential savings and timing of moving BOE employees to the State Partnership Plan. Mr. Cavallaro replied that different assessments have been provided by two firms exploring the Partnership. Committee members suggested the possibility of bringing the two firms together. Commissioner Hamilton requested additional data regarding the tentative agreement, including the projected savings from a switch to the high deductible plan, its impact on OPEB, and the budgetary impact of the wage adjustment in the third year of the contract.

Deputy Secretary Savitsky made a motion to move the contract proposal forward to the scheduled September full MARB meeting. She indicated that by then answers to the questions posed in today's meeting would be expected. The motion was approved.

IV. Review and Discussion of Audit Process

Finance Director Frank Cieplinski went over the schedule of items necessary for the completion of the June 30, 2019 audit. He indicated that it was the City's intent to ensure that the June 30, 2019 audit is completed on time and that the audit report is issued by the December 31st due date. Commissioner Kennison indicated that the schedule had been well prepared. She indicated however, that she would like to see another column on the Schedule to indicate the due dates for when the items needed in order for the auditor to complete the audit was projected to be delivered. This would help to gauge what items are behind schedule and could cause a delay in issuing the audit report.

V. Review and Discussion: FY 2018 Audit Findings and Corrective Action Plan

The findings included in today's package were reviewed by Commissioners and a discussion ensued. Several questions were posed to Mr. Cieplinski. Commissioner Hamilton expressed his desire to obtain the Board of Education responses to the Board of Education audit findings. In regard to the findings affecting the City Clerk's Office, Commissioner Hamilton indicated that the City needs to ensure that corrective action is taken to resolve those findings. Mayor Rossi inquired with Commissioners as to what authority the Mayor has to compel corrections as the City Clerk is an elected position. Commissioner Jackson noted that several of the findings in the City Clerk's Office related to computer equipment and other assets owned by the City. As these are assets of the City, City policy has authority regarding the proper controls over those City assets.

VI. Update – Efficiency Measures

Mr. Cieplinski described the efficiency measures taken to date by the City and indicated that City had utilized various studies and outside consultants to assist.

VII. Update: Fall 2019 Bond Issue

Mr. Cieplinski provided a brief update on the anticipated bond issue. He is currently working to determine what projects the City needs to be financed with the upcoming bond issue. Commissioner Hamilton inquired about the City's 5 year financial plan for which he had expressed concern in a previous meeting that the FY 2020-21 tax increase called for in the plan appeared to be at a higher rate of increase than each of the other years in the plan. He had asked that the City revisit the plan to try to smooth out the rate of increase in FY 2020-21. Mayor Rossi indicated that she would like to address Commissioner Hamilton's concern over the next several months when she and her staff would be able to better gauge the grand list for that year and its possible impact on the tax levy. Commissioner Kennison indicated that she anticipates that there will be a rescheduling of the meeting scheduled for September 5th.

VIII. Meeting adjourned at 11:30 PM