

**APPROVED**  
STATE OF CONNECTICUT  
MUNICIPAL ACCOUNTABILITY REVIEW BOARD (MARB)

**REGULAR MEETING MINUTES**  
West Haven Subcommittee of the MARB

**Meeting Date and Time:** Tuesday, January 26, 2020 10:00 AM – 12:00 PM

**Meeting Location:** This was a telephonic meeting. Meeting materials may be accessed at the following website:  
<https://portal.ct.gov/OPM/Marb/West-Haven-Committee-Meetings-and-Materials>

**Call-In Instructions:**

Telephone Number: (860) 840-2075

Meeting ID: 304 933 526

**Members in Attendance:** Kimberly Kennison (OPM Secretary designee), Thomas Hamilton, Stephen Falcigno, Robert White, Patrick Eagan

**Municipal Officials in Attendance:** Mayor Rossi, Frank Cieplinski, Leslie Zoll (Clifton Larson Associates), David Flint (Clifton Larson Associates), Dan Smith (Clifton Larson Associates), Superintendent Cavallaro, Matthew Cavallaro

**OPM Staff in Attendance:** Michael Milone (OPM Liaison), Julian Freund

I. Call to Order & Opening Remarks

The meeting was called to order at 10:09 AM.

II. Approval of minutes:

a. December 15, 2020

A motion was made by Mr. Hamilton to approve the minutes, with a second by Mr. White. The minutes were approved with Mr. Eagan abstaining.

III. Review and Discussion: FY 2020 Audit and Financial Results

Mayor Rossi noted the work of City staff and the audit firm in getting the audit completed by the December 31 deadline. Ms. Zoll presented the audit and the City's FY 2020 financial results. The City received an unmodified opinion on the financial statements. One material weakness on internal control was identified. The finding was related to a year-end cash disbursement on the high school project. Unmodified opinions were reported for both the Federal and State Single Audits. One significant deficiency regarding the City's procurement policy and compliance with federal guidelines was reported in the Federal Single Audit. One compliance finding was reported in the State Single Audit related to subrecipient monitoring. The City had a negative total net position on a full accrual basis as of June 30, 2020 of (\$131.85) million. The City's General Fund balance increased by \$2.2 million to a total Fund Balance of \$3.576 million. Internal Service funds

ended the year with a combined negative balance of (\$9.17) million. The Police pension fund is 79.75% funded and the Allingtown Fire pension fund is 28.2% funded as of June 30, 2020. The total OPEB liability is \$308 million. Additional recommendations in the Management Letter were also presented by the auditors. Subcommittee members discussed the Management Letter recommendations and the specific findings leading to the recommendations. Matthew Cavallaro noted that the Board of Education implemented procedures to address and close out the prior year findings. The current audit finding regarding the accuracy of the pension census suggests that a complete audit of the pension census should be performed.

#### IV. Update: Board of Education Health Insurance Analysis

An update to the analysis presented at the prior Subcommittee meeting was discussed. The increase in projected Anthem self-insured rates for retirees was projected to be less than the additional cost related to potentially shifting retirees to the State Partnership health plan. The current plan is to transition Board of Education active employees to the State Partnership health plan effective July 1, 2021. Superintendent Cavallaro explained that the next steps will be involved in working with employees and the unions to implement the transition.

#### V. Update: ADP Implementation

Mr. Cieplinski reported that ADP system is currently scheduled to go live with the February 19 check cycle for the City and the following week for the Board of Education. Communications are being prepared for employees. Time clocks have been installed for all but two locations.

#### VI. Adjourn

A motion was made by Mr. Hamilton with a second by Mr. Eagan to adjourn. The meeting adjourned at 11:31 AM.