

DRAFT

STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD (MARB)

REGULAR MEETING MINUTES
West Haven Subcommittee of the MARB

Meeting Date and Time: Thursday, March 30, 2023, 10:00 AM – 12:00 PM
Rescheduled from March 21, 2023

Meeting Location: Microsoft Team Meeting
[Meeting ID: 210 801 913 97](#)
[Passcode: ZA9ANb](#)

Call-In Instructions: Meeting participants may use the following telephone number and access code

[Telephone Number:](#) (860) 840-2075

[Meeting ID:](#) 382 492 205

Members in Attendance: Kimberly Kennison, Andréa Comer (State Treasurer designee), Stephen Falcigno, Thomas Hamilton, Robert White and Mark Waxenberg, (non-voting subcommittee member)

Tier IV Members in Attendance: Mayor Rossi, Mitchell Gallignano and Colleen O'Connor

City Officials in Attendance: David Taylor, Matthew Cavallaro, Pamela Alvino, Tom McCarthy and Rick Spreyer

OPM Staff in Attendance: Simon Jiang, Lori Granato, Michael Reis, Lori McLoughlin, and Chris Collibee

I. Call to Order & Opening Remarks

The meeting was called to order at 10:05 AM. Ms. Kennison reminded the board that this meeting was rescheduled from March 21st so no changes to the Agenda and no other Business Discuss outside of the Agenda would be considered. She shared that Senator Looney appointed Susan Weisselberg, a prior OPM Deputy Secretary, who will be joining the Full MARB Board and the West Haven Subcommittee.

II. Approval of Minutes: November 15, 2022, Regular Meeting

Ms. Comer made a motion to approve the minutes with a second by Mr. Hamilton. The minutes were unanimously approved.

III. Review, Discussion Possible Action:

a. Mayor's FY 2024 Recommended Budget

The budget was distributed within the meeting materials. The total General Fund budget is \$173.4 million representing a 3% increase over the FY 23 adopted budget. State grants account for 32.6% of

the city's budget, the same percent as the prior years' adopted budget. Tax collections remain similar at 62.68%. There is no significant grand list growth over last year. Mayor Rossi stated that at this point it's a balanced budget with an increase of .97 mill rate. Mr. Taylor pointed out that the goal is to build the general fund balance with a target of reaching GFOA levels within a reasonable period. The City implemented a purchase order block to prevent individuals from requesting purchase orders that were in excess of budget. A HR professional has been hired and will begin to segregate payroll duties from HR functions. The parking authorization project will be implemented for the summer season without cost to the City. However, there are some challenges such as reducing the Internal Service Fund balance, employee pension devaluation, inflation impact and additional funding needed from the Board of Education and Department of Public Works.

Mr. White expressed his concern of tax increases which will add burden to the City's residences.

Mr. Hamilton requested that the Town to provide a monthly cash flow report, showing interest income assumptions and calculations. He also requested a prior period comparison report to understand if revenue has been over projected for the legal instrument fees which are derived from the sale of property through the Town Clerks Office. Mr. Hamilton questioned the staffing in payroll and suggested hiring more positions in that area.

Ms. Kennison asked what changed at the City to be able to rapidly hire for vacancies now than in the past 4 years. Mayor Rossi stated that now City has an excellent Personnel Director who is responding quickly to employee's resignation. However, City is still facing the difficulty to attract qualified people without compatible pay rate. Mr. Taylor reported the positions needed for each department in the budget.

Mr. Whited requested information of the other two fire districts' five-year plan and to benchmark the cost of a fire district. Mr. Falcigno said that it should be a priority to discuss the consolidation of the 3 fire districts.

As a guest, Mr. Waxenberg commented that the City should assess the existing manning chart to determine if a position needs to be added, consolidated or removed.

Ms. Kennison requested the budget and spend to date of APPA funds and unsettled labor contracts allocated to the contingency. Mr. Hamilton questioned the increase of electricity expense and the mitigation plan for that cost. He also indicated that some line items of the contingency expenses should belong to the departments' budget.

b. Five-Year Plan

The City provided their FY2024 to FY 2028 and 5-year plan for an increase of General Fund balance of \$6.3M was budgeted over the period to bring the balance to be \$14M. The City has also planned to reduce Internal Service Fund deficit balance to achieve a 1:1 ratio, to enhance fiscal control and accountability and to search for income producing opportunities.

Mr. White inquired the assumptions City used and the funding sources. Mr. Waxenberg requested that a vacancy and overtime list by department to be provided to the full board by BOE. Mr. Hamilton request a break-out of Parking Authority's \$1.5M revenue over 5 years.

IV. Contracts over \$50,000 Require Approval from MARB

a. Process for Approval of Contracts

Ms. Kennison requested the Town provide an explanation of the contract approval process. She expressed the need for additional steps to be taken to ensure that the financial manager is monitoring compliance on behalf of the MARB. Mr. Taylor apologized and stated that they will continue to strive to do better.

b. New Vehicle Purchased for the Mayor's Use not Approved by MARB

Mayor Rossi admitted and apologized that the purchase documents of the new car had not been presented to the MARB for approval. She stated that she was not involved in the purchasing process. The document was signed off by the former Finance Director while the Purchase Director had been hospitalized.

Ms. Kennison questioned the approval process of this particular transaction, asked responsible parties what they would do if it were happening right now. She also stated that there was someone circumventing the process and it felt deliberate.

Mr. Falcigno stated that the issue is emblematic and embarrassing not only for the City but also for MARB.

Ms. Comer shared her concern that the person being blamed was no longer employed. She asked what the process would be if the same situation happened to the Purchase Director in the future.

Mr. White question the needs of a \$50,000 car for Mayor. Mayor stated that the purchase is in the capital budget. Mr. White also asked if there was a conflict of interest with Branford Ford. Mr. Taylor answered no. However, the purchase of the car did not go out to bid.

Mr. Hamilton said he was unsatisfied with the explanation provided by the City and the situation violated the policy and procedures on many levels. He suggested that all City's disbursements over \$50,000 should be reported to OPM or Finance Manager.

c. Other Contracts over \$50,000 not Approved by MARB

A list of contracts of over \$50K that had not been provided to MARB for approval or review was provided. Ms. Kennison requested lists of all Town staff authorized to sign off on checks and contracts and to provide backup for every purchase on the list.

V. Review, Discussion and Possible Action: Non-Labor Contracts

a. Laydon Industries, LLC – Construction of Beach Street Roadway Improvements

The contract is between the City and Laydon Industries LLC for the construction of Beach Street Road Improvements for approximately \$4.8M. The term is 240 calendar days starting the 11th day after the contract is executed. Mr. Spreyer shared 6 bids were received. This bid was approximately \$500,000 below the budget. Mr. Spreyer was asked if disclosure forms were provided and if there was any conflict of interest or relationship with the vendor and West Haven. He answered no.

Mr. Hamilton made a motion to approve the contract with a second from Mr. Falcigno. The minutes were unanimously approved.

VI. Update: Open Items List

An Open Items List was provided separately. The board agreed to review the list and revisit at the next meeting.

VII. Update: MOA Action Plans

The City updated the action plans on Personnel, Recruitment and Procurement. The Action Plan on IT has not been updated since the last Subcommittee meeting. OPM staff updated the list of FY20, FY21 audit findings. The board will review and revisit at the next meeting.

VIII. Other Business

There was no other related business for discussion.

IX. Adjourn

Ms. White made the motion to adjourn, seconded by Mr. Falcigno. All in favor. The meeting was adjourned at 12:27 a.m.