

July 14, 2025

Mayor Dorinda Borer  
City of West Haven  
355 Main Street  
West Haven, CT 06516

Re: City of West Haven – Release from Tier IV Designation

Dear Mayor Borer,

The City of West Haven (City) requested to be released from the Municipal Accountability Review Board (MARB) Tier IV oversight and not being re-designated to a lower tier. The law states that a municipality designated as a Tier IV municipality shall retain such designation until the MARB determines that:

- (1) There have been no audited operating deficits in the general fund of the municipality for two consecutive fiscal years,
- (2) The municipality has a long-term bond rating from one or more bond rating agencies that are investment grade or higher and such bond rating has either improved or remained unchanged since its most current designation,
- (3) The municipality has presented, and the Board has approved a financial plan that projects a positive fund balance for the three succeeding consecutive fiscal years, with specific qualifications in the law as to that plan,
- (4) The municipality's audit shows an audited fund balance of at least five per cent, and
- (5) There is no evidence that the municipality has engaged in unsound or irregular financial practices in relation to commonly accepted standards in municipal finance.

The MARB found that the City satisfied the criteria for release in C.G.S. Sec. 7-576f, thereby exercising its discretion to terminate the Tier IV designation. Based on the Board's judgment, I chose not to redesignate the City to a lower tier.

The City of West Haven has made improvements over the past couple of years in the management and the financial status of the municipality. The City's elected officials and the employees would be well advised to continue to improve the City's financial practices, policies and procedures, and internal controls. As the City leaves MARB oversight, the critical areas that warrant the City's attention to address include the following:

1. The status of the disputed West Haven Police Union Pension Plan that was rejected by the MARB, and the financial impact to the City's projected 5-Year Plan and beyond.

2. The audit findings in the FY2024 Management Letter prepared by the City's auditors. [See attachment (A) PKF O'Connor Davies Independent Auditor's Report dated February 12, 2025, and (B) Protiviti Audit Tracker dated June 30, 2025.]
3. A complete Policies and Procedures Manual. (See attachment (C) Protiviti Policy Tracker dated June 30, 2025.)
4. A complete audit of the City and the Board of Education's (BOE) capital assets.
5. A payroll system that will incorporate the City's payroll and personnel policies, collective bargaining contracts, and proper internal controls to eliminate manual processing. This will ensure that the City and BOE employees' payroll data in the system is accurate, secure, and the employees are appropriately compensated.
6. A public safety contingency plan is in place in case one of the two independent fire districts fails.
7. Filling vacant employee positions with qualified people, especially for the City Planner, the Superintendent of Water Pollution, and the Director of Personnel and Labor Relations.
8. Implement governance and financial policies, procedures and internal controls, with training to departmental staff on these procedures for implementation, enforcement, and compliance.

I wish you continued success in all your future endeavors and undertakings for the benefit of the City of West Haven.

Sincerely,



Jeffrey R. Beckham  
Secretary

cc: Municipal Accountability Review Board  
West Haven City Council  
Michael Gormany, West Haven Finance Director  
Neil Cavallaro, West Haven Superintendent  
James Caley, AAG, Office of the Attorney General  
Gareth Bye, OPM  
Kimberly Kennison, OPM  
John Mehr, OPM

Attachment A: PKF Management Letter  
Attachment B: Protiviti Audit Tracker  
Attachment C: Protiviti Policy Tracker

