



Westport Weston
Health District

BUDGET WORKSHOP AND SPECIAL MEETING

WWHD BOARD OF DIRECTORS

February 16, 2016

Subject to change until approval by Board of Directors

The Regular Meeting was called to order by Vice Chairman Otis Crawford at 7:30 pm. The following voting Board Members were present: Vice Chairman Otis Crawford; Director Keith Stein, Director Ian Lewis and Director Catherine Revzon.

Board Members absent: Director Howard Maynard

Also present were: Mark A.R. Cooper, Director of Health and John Cimarosa, Director of Finance and Special Projects.

Approval of Minutes

Vice Chairman Crawford asked if there were any questions or comments on the December 14, 2015 Minutes. Being no questions or comments, on a motion made by Director Stein and seconded by Director Lewis, the November 14, 2015 minutes were approved. Vice Chairman Crawford voted yes; Director Stein voted yes, Director Lewis voted yes and Director Revzon voted yes.

Motion was approved 4 to 0.

Correspondence

Mr. Cooper noted Raul Pino, who visited the WWHD offices last fall as Deputy Commissioner, has been named DPH Commissioner. Mr. Cooper noted that he goes to Hartford with a local public health background, having been a Director of Health.

Mr. Cooper distributed copies of the annual Activities Report for the Calendar Year 2014 with Budget Information for FY 2015-2016. It is used as part of the budget presentations to the First Selectman and Board of Finance. It is very helpful in showing what the WWHD does and provides measureable indicators for WWHD activities

Mr. Cooper also noted that there have been newspaper reports indicating that the State Legislature is calling for more regional cooperation, using 911 call centers and municipal health departments as examples for merger. The WWHD has approached surrounding towns in the area to gauge interest in the past, and can do so again if warranted.

FY-2014-15 Financial Audit

Vice Chairman Crawford welcomed Mr. Costello to the Board meeting and asked him to present his audit results. Mr. Costello reviewed the draft auditor's report and financial statements as of June 30, 2015, page by page. He indicated that there are a couple of new things in this year's report. He summarized the review process for new members. When he first starts he does a materiality calculation for the organization. He then tests all transactions above that calculated materiality amount and checks internal controls, as well as disbursements. For received money he does an analytical review of the fees from one year to the next looking at fluctuations, comparing them to other Health Districts. He checks all grants and follows the money trail. He noted on page:

- 1A Independent Auditor's Report - top of the page indicates he did an audit, not a review or compilation. Last paragraph indicates the financial statements were fairly presented which is an unmodified and/or a clean opinion.
- 1B - Last paragraph indicates the audit was done with Government Auditing Standards required because the WWHD receives federal and funded grants this is required. Basically, it is a checking of internal controls, called a yellow book audit.
- 2a, 2b, 2c Management's Discussion & Analysis - are a review of the pages that follow them.
- 3 (Exhibit A) - Statement of Net Position - It is a fancy balance sheet. Total current assets are \$530,523 as of June 30th. Net Capital assets are \$79,487. Total assets are \$610,010. This year there is a new reporting standard, deferred outflow of resources, \$51,701. This is the amount related to the District's state MERS pension obligation. MERS pension contributions made after June 30, 2014 are now considered an asset. Total liabilities are \$472,380. He noted when you compare the ratio between current assets and total liabilities (610,010/530,523), one would like a healthy spread between the two which indicates a very healthy net position. Under non-current liabilities there is a new requirement, Gasby 68, \$319,129. This is the amount of unfunded future pension liability. One does not write a check for this amount. As of June 30, 2014, if everyone at the WWHD retired, this is the amount that would have to be paid out over the life of the retirees. The WWHD's total net position is \$29,360.
- 4 - Statement of Activities - basically an income statement. Is a little different from the past. Total expenses \$1,539,755, program revenue charges of \$617,209 and operating grants and support of \$846,409, for a primary government loss of \$75,137. There was a little bit of interest of \$596 so the change in net position is \$74,541. With the beginning net position of \$103,901 (because of new Gasby rule) leaves a net ending position of \$29,360.
- 5A Balance Sheet of Governmental Funds - this page breaks out all funds by category. It indicates that there is a positive balance of \$36,193 in the Fund Balance.
- 5B Reconciliation of Fund Balance - reconciliates back to page 3.
- 6A Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds - like a fancy income statement for government funds. the general fund had total revenue of \$1,354,326; expenditures of \$1,364,840 resulting in a deficit of \$10,514. - Mr. Costello noted that this page shows, in the last four columns (Emergency Preparedness, Preventive Health Block Grant and Lead Grant), the revenues associated with the grant that offset staff salaries and wages
- 6B Exhibit D Reconciliation of Changes in Fund Balance - Reconciliates page 6A to Exhibit B.
- 7A, 7B, 7C, 7D, 7E, these next several pages are notes to the Financial Statements. 7E is the foot note dealing with the new pension reporting requirements.
- 8 Schedule of Revenues and Expenditures - shows what was budgeted against what actually happened. It indicates fees are up quite a bit, \$48,789, and expenses were down, \$14,924.

- The next few pages have to do with the new GASB requirements, basically foot notes and supplemental information.
- Pages 12A and 12B is the Independent Auditor's Report - indicates the audit was done using government audit standards. If he had found problems with controls or other issues, they would be noted here. There were none; this is a very clean opinion.

There was general discussion on the states pension fund, how the state calculates its return, how much participants contribute, etc. Mr. Costello asked if there were any questions. He added that WWHD staff has responded that all the changes he has recommended in the past have been done, and as a result this year's audit went very well. He noted it as a very good report.

On a motion made by Director Lewis and seconded by Director Stein, the Westport Weston Health District Financial Statements for the year ending June 30, 2014 is accepted. Vice Chairman Crawford voted yes; Director Stein voted yes, Director Lewis voted yes and Director Revzon voted yes.

Motion was approved 4 to 0.

Budget Discussion - Operational Reports

Mr. Cooper noted that Operational Reports for January were provided in the meeting package for each Director and that the draft budget has been presented to the First Selectman and Treasurer with a two percent increase. After meeting with the Board of Finance Chairman, it was reduced to a one percent increase. The last presentation with the one percent increase went well, although there were questions, there did not seem to be any issues.

One qualifier as to whether the WWHD will have sufficient funds for next year has to be what the Zika Virus may require of us this coming year. Things keep changing rapidly. From a minor issue in South America, it is now in our neighboring states. The town did indicate that if a major response is required, the WWHD can come back for funds.

There was general discussion on the proposed budget. Mr. Cimarosa projected a ten to twenty thousand dollar deficit for the year ending June 30, 2016 due to overtime required because of the large number of applications early in the fiscal year and a staff member's medical leave. Mr. Cimarosa outlined for the Board some health insurance things in the works that may save the WWHD significant funds in the coming year.

The budget process in both towns was discussed. Mr. Cooper stressed the importance of working collaboratively with both towns, responding to their budget directives, yet meeting the public health needs of their citizens. Board members were concerned that the budget is too tight, especially considering the potential the Zika Virus may have. Mr. Cooper acknowledged that this is a very tight budget but that he and Mr. Cimarosa believe they can make it work.

Board Chairman Election

Mr. Cooper stated that with the resignation of Chairman Nancy McCormick, the Board needs to elect a new Chairman. There was discussion amongst members about the duties and time commitment of the Chairman's position.

On a motion made by Director Stein and seconded by Director Lewis, Vice Chairman Crawford was nominated and elected as the Board of Director's Chairman. Vice Chairman Crawford abstained; Director Stein voted yes, Director Lewis voted yes, and Director Revzon voted yes.

Motion was approved 3 to 0.

On a motion made by Director Lewis and seconded by Director Revzon, Director Stein was nominated and elected as Vice Chairman of the Board of Director's. Chairman Crawford voted yes; Director Stein voted abstained, Director Lewis voted yes, and Director Revzon voted yes.

Motion was approved 3 to 0.

Any Other Business

Director Stein wanted to note for the record that former Chairman McCormick served on the WWHD Board of Directors for a long time and did an outstanding job through some difficult times. Prior to becoming Chairman she had also served as Vice Chairman. All Board members agreed and suggested a letter of acknowledgement be sent on the Board's behalf.

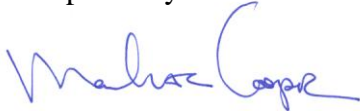
Director Stein also summarized the resurgence of concern about the use of rubber "crumb" artificial turf fields. There has been a recent newspaper article about such fields expressing concerns about cancer. He noted that the state and federal government may be undertaking a new study to determine if there are any associations with illness. Over time such fields need maintenance and replacement so Westport may be looking at this again. He suggested the WWHD stay on top of this and obtain any new studies on this topic.

Being no additional business, on a motion by Director Lewis and seconded by Director Stein to adjourn the meeting at 8:50 pm.

Chairman Crawford voted yes; Vice Chairman Stein voted yes; Director Stein voted yes, Director Lewis voted yes, and Director Revzon voted yes.

Motion was approved 4 to 0

Respectfully submitted



Mark A.R. Cooper Director of Health
Westport Weston Health District