

**REGULAR MEETING MINUTES
ASPETUCK BOARD OF DIRECTORS**

JANUARY 8, 2024

Subject to change until approved by the Board of Directors.

The Special Meeting was called to order by Chairman Shaum at 7:04 pm.

The following voting Board Members were present in the room: Chairman Paul Shaum, Vice Chairwoman Catherine Revzon, Director Nussbaum, and Director Collins.

Present via Zoom was Director Fonteyne, Director Edward P. Mally, and Charles Costello, CPA.

Also, present in the room was Mark A.R. Cooper, Director of Health; Pamela Scott, Director Finances and Human Services; Lora Hayes, Sanitarian; Richard Janey, Sanitarian; Ryan Currier, Sanitarian; Kelly Phelan, Support Services assistant.

Approval of Minutes

Chairman Shaum asked if there were any comments on the November 13, 2023, Special Meeting minutes.

Director Mally noted that on page 2, first paragraph, Signa should be Cigna and Connecticare should be ConnectiCare. Chairman Shaum asked if there were any other comments on the minutes. Hearing no other comments, on a motion made by Director Fonteyne and seconded by Director Mally, the Board voted to approve the Special Meeting minutes for November 13, 2023. Chairman Shaum voted yes, Vice Chairwoman Revzon voted yes, Director Fonteyne voted yes, Director Nussbaum voted yes, Director Mally voted yes, and Director Collins voted yes.

Motion was approved 6 to 0.

Communications

Responsive to the Westport Police Department's recommendation to secure the front lobby, a quote was obtained to install a tempered glass security panel at the front desk reception area. Mr. Cooper noted that the proposed work by the West Hartford Lock Co. will be paid for by the Town of Westport using APRA funds.

After discussing the letter from the State of Connecticut's Office of Retirement Services regarding changes to the CMERS pension program, the letter will be referred to Mr. Costello for his review and analysis as to whether it makes sense for the Health District to "pick up" employee contributions.

Costello Company Audit Report for the fiscal year ending June 30, 2023.

Mr. Cooper noted that Mr. Charles Costello is present via Zoom to present the draft fiscal audit for FY 2022 – 2023 which ended June 30, 2023. Mr. Costello indicated he would not go through every number in the audit but would hit the high lights.

Mr. Costello noted that on:

Page 1A - Independent Auditor's Report – This is information as to how the audit was conducted, the responsibility of management, and it also tells the reader that *this is an actual audit*, the highest level of review. It is the *Auditor's opinion that the financial statements presented fairly in all material respects*. This is considered an unmodified opinion; it is a clean opinion, the opinion everyone wants.

Page 1B – It is a continuation of Independent Auditor's Report which outlines what the auditor's responsibilities are, as well as providing required supplementary information.

Page 1C - Because the Health District receives state grants, a Yellow Book audit must also be done. A Yellow Audit includes a review and testing of internal controls, invoices, etc., and making sure funds are used correctly; the correct authority approved it and is there a system in place to ensure it is properly recorded.

The next few pages are about management's discussion and analysis.

Page 3 - Exhibit A – The Statement of Net Position. This is the District's financial position at the end of the fiscal year. The total current assets are \$ 1,713,651 which is about \$139,000 more than last year – meaning there is a little more cash in the account from last year. The inventory at the end of last year was \$18,486, about \$4,000 more than the previous year. The next number, accounts receivable \$7,337, down from last year. Capital assets which are things like furniture, equipment, computers were \$387,593, up about \$23,000 from last year.

The deferred outflow related to pensions, which reflects what might happen in the future, was \$335,988 which is down from last year by about \$85,000.

Accounts payable is about the same as last year \$1,479, accrued expenses were \$20,253 which is about \$18,000 less than last year. This has to do with the payment of the last payroll of the fiscal year.

Unearned revenue was \$141,121. It is grant money received, but not yet spent. It is money sitting in the checking account which is close to the variance in cash from last year, which was about \$139,000, to this year.

Compensated absences were \$85,431, up about \$16,000 from last year.

Net pension liability reflects the amount needed if all staff retired "today", was \$1,202,766. This number and the deferred outflows come from the State of Connecticut CMERS outside auditors. They fluctuate, last year the pension liability was about \$700,000, going up about \$500,000. The number is calculated on what the auditors think might happen in the future with CMERS investments, wage increases, and what the actuary assumptions were used.

Deferred pension inflows were \$126,725, down \$310,000 from last year. Overall, the Health District's total net position was \$535,286, also called retained earnings in the business sector.

Page 4 - Statement of Activities – Basically an income statement. Expenses were \$1,785,484 or about \$115,000 more than last year. Charges for services were \$588,072, down about \$43,000 from last year. Operating grants were \$1,068,492, down about \$59,000 from last year. With operating grants only those funds spent can be reported. There is never any net income with grants.

Interest income this year was \$60,480, about \$56,000 more than last year due to the interest being earned in the STIFF account.

The change in net position was a loss of \$68,440 from last year with an ending net position of \$535,286.

Director Collins asked how this compares to last year, did the District run a deficit? Mr. Costello responded no, the District is not really running a deficit, part of the \$68,000 loss includes the large pension liability increase. Several years ago, the pension liability would not have shown up on the financial statements. That was a change in the state's audit requirements, about five years ago. Director Fonteyne noted that this non-cash, there is no cash leaving any of the District's accounts as a result of the change in the valuation of the pension liability, Mr. Costello agreed saying it is a bookkeeping entry. Director Mally asked if the increase in the pension liability was principally a result of changes in the actuarial assumptions, assumed rates of return for the pension, or was it caused by the number of people who might have retired last year? Mr. Costello responded that he thought there was a change in future anticipated wage increases and assumed rates of return. A one percent wage increase changes the state pension fund by millions of dollars.

Page 5A - Governmental Funds Balance sheet – summarizes the various fund accounts and their amounts. Under the general fund cash and cash equivalents was \$1,353,015, inventory does not change from \$18,486, and accounts receivable at \$7,337.

Under the general fund liabilities unearned revenue was \$52,338. The end of the year total fund balance was \$1,215,985.

The other funds have remained static, no funds have been put into them. Mr. Costello noted that grant funds should never have a balance because if the funds are not used for the intended purpose, they are returned to the funders.

Page 5B - Reconciliation of Fund Balance to Net Position of Governmental Activities. This page is just a reconciliation to the Statement of Net Position found in Exhibit A on page 3.

Page 6A - Statement of Revenues, Expenditures and Changes in Fund Balances – This page is an income statement for government funds. Total revenues under the General Fund were \$1,634,199. Expenditures were \$1,586,437, there was an excess of revenue of \$47,762.

Page 6B – Reconciliation of Changes in Fund Balance to Changes in Net Position of Governmental Activities. This page is a reconciliation to page 6A.

The next several pages are footnotes to the financial statements.

Page 7D, footnote seven - this is a detail of the allocation of what is sitting in the District's capital assets and what has been taken out because of depreciation. On this same page is the start of the details regarding the CMERS calculation.

Page 7F – Has the assumptions used by the outside auditors for the CMERS calculation which includes presumed wage increases, rate of return, discount rate. Etc.

Page 7G – Shows CMERS target allocations and expected long term rates of returns.

Page 7H – This is the detail that make up the numbers in the Statement of Net Position's deferred outflows and inflows.

The next several pages are footnotes.

Page 8 - Schedule 1 Budget to Actual General Fund – This page shows what actually happened: \$1,570,660 was budgeted for revenue, but \$1,634,199 came in. On the expenditure side, \$1,570,660 was budgeted but \$1,586,437 was spent resulting in excess revenue over expenditures.

The next three pages consists of required supplementary pension information.

Page 12A – This page is the Auditors report, it is also called the Yellow Book report, and it reports on Internal Controls. An Auditor goes through the financial records and if there are any findings of concern, this is where it gets reported. In the last two reports there have been reported deficiencies with the accounting software. The reported deficiencies have been fixed, there were no findings for this fiscal year.

Mr. Cooper thanked Mr. Costello for his report and reminded Board members that they must accept Mr. Costello's audit at some point but because this was a draft report with a couple of changes that need to be made he asked if they wanted to accept the report at this meeting stipulating the changes or wait until the next meeting once the changes have been make. Director Collins asked if there was any reason it needed to be accepted sooner rather than later. Mr. Costello indicated there was not. Director Fonteyne stated for a records keeping perspective it would be best to accept the final numbers. Mr. Cooper indicated he will put the final audit report on the next meeting agenda for acceptance.

With the audit report completed, Mr. Cooper asked Mr. Costello his thoughts on the Town of Westport collecting Health District fees through their electronic permitting system Accela. Mr. Costello indicted that he prefers his clients to be in charge of their funds, but if the Board decides to allow Westport to collect Health District fees, the Town becomes a service provider, just like TransAct who submits and collects insurance payments or the payroll company. So, the District would need to make sure that the Town's internal controls are good enough to separate Health District payments from theirs. The Town's internal controls can be checked at the State. Also, someone is going to have to enter the payment information the Town provides into the Health District's accounting system, most likely a journal entry and there should be some analytical review process to ensure that the expected fees match actual. This will entail some additional audit effort, not a significant amount.

With no additional questions for Mr. Costello, Chairman Shaum thanked him for this report.

Draft Community Health Improvement Plan

Mr. Cooper noted that the information distributed in the Board meeting package is a draft, the report is still a work in progress. He indicated that there has been a concern that the plan suggests mission creep into the Social/Human Services and substance abuse delivery of service area, of which Westport already does very well. Mr. Cooper suggested the plan be reviewed carefully to make sure there is agreement with the goals and strategies. He asked for any suggestions the Board might have so they can be incorporated into the document.

Chairman Shaum concurred with Mr. Cooper's comments indicating that the schools have inhouse resources to address these issues. The schools have obtained grants for counselors and run a number of programs.

There was general discussion on the kinds of services offered in the schools and how the Health District might be able to support the existing efforts.

Mr. Cooper stated that eventually the Board will need to accept the report and would appreciate any feedback Board members might have. Director Collins indicated that the plan needs some word smithing, not necessarily a rewrite. Director Mally indicated that what Build Community consultants were trying to do is capture and address what they thought was a wholistic set of needs, some of which are addressed by other agencies of the towns. To the extent that the Health District can provide direction or information to people who need to access those services is good, but the Health District should not duplicate efforts or get into mission creep. He suggested marking up the draft plan to distill it down to the core mission of the Health District. Director Collins added perhaps we can overlay the draft plan with a statement that the Health District would work with the community partners to ensure people will get connected to the services they need. Mr. Cooper suggested a combined approach, but again suggested comments from the Board would be helpful.

Mr. Cooper noted that there is a staff member working closely with the Build Community consultants working on the plan, as well as attending more of the meetings that local community agencies have so the Health District is more attuned of what services they are providing and offer input and support. Director Nussbuam suggested the plan be more about partnership and collaboration than the direct delivery of social and/or human services. There was consensus that Board members will review the plan and make suggestions while staff will edit the plan and provide the Board with a revised draft to review before sending it back to the Build Community consultants to finalize.

Approval of the 2024 Meeting and Holiday Schedules

Mr. Cooper noted that the proposed meeting schedule has the same meeting dates and time as previous years, the second Monday of various months, unless said Monday falls on a holiday which pushes the meeting to the following Monday, and meeting starting at 7:00 PM. This would be an opportunity for the Board to make changes.

On a motion made by Director Collins, and seconded by Director Nussbaum, the Board voted to approve the 2024 meeting schedule of meeting the second Monday of a month, at 7 PM. Chairman Shaum voted yes, Vice Chairwoman Revzon voted yes, Director Fonteyne voted yes, Director Nussbaum voted yes, Director Mally voted yes, and Director Collins voted yes.

Motion was approved 6 to 0.

Mr. Cooper noted that the Holiday Schedule includes the same national holidays as in previous years, with the exception of the “floating holiday” which staff have an opportunity to weigh in on. This years it was a very close split between staff proposing the day after the Fourth of July or Christmas eve day. Mr. Cooper indicated that he made the decision to propose to the Board that the “floater” be Christmas eve day for operational purposes, even though the day after the Fourth of July received staff preference by one vote. Director Collins asked if everyone has to take the same “floater”. Mr. replied yes. Director Collins asked if there is an opportunity for staff to change the “floater” to a day of their preference. Mr. Cooper indicated it could be done with a revision to the Personnel Regulations.

After some general discussion on the proposed Holiday Schedule, the floater day, staff preferences, the national holidays, and the need for maintaining a minimum staffing level for service delivery, Mr. Cooper indicated that perhaps the Board would want to eliminate the “floater” day and increase the number of personal days by one. He will look into the Personnel Regulations to see how best to accomplish this and bring a revised Holiday Schedule and proposed Personnel Regulation change back to the Board at the next meeting. In the meantime, he suggested the Board act on what is before them since there are holidays before the next meeting.

On a motion made by Director Mally, and seconded by Director Fonteyne , the Board voted to approve the 2024 Holiday Schedule of meeting the second Monday of a month, at 7 PM. Chairman Shaum voted yes, Vice Chairwoman Revzon voted yes, Director Fonteyne voted yes, Director Nussbaum voted yes, Director Mally voted yes, and Director Collins voted yes.

Motion was approved 6 to 0.

Director of Health Report

Operational and Permit Activity Reports

Mr. Cooper noted that the Director’s meeting package included a revised October Operational and Permit Activity report, Community Health Staff revised the number of flu vaccinations that had been administered. There were no questions on the November report, and because of holidays and staff vacations, there was no time to put together the December report.

Director Collins asked if there are more restaurants being inspected, she has seen several newspaper articles about inspections statewide. Mr. Cooper confirmed more restaurants are getting inspected locally because the Health District now has an FDA certified food inspector, but also confirmed that the regional press has been requesting restaurant inspection reports under Connecticut’s FOI Statute

from area public health jurisdictions. He added that food safety is an important issue for the Health District which currently has about 243 food service facilities to inspect.

Mr. Cooper noted that the number of plan submittals had been trending down the past couple of months but saw an uptick in December. He indicated that there has been an increase in the number of soil testing requests, which traditionally has been a leading indicator of increased permit activity in the future.

Westport's Electronic Permitting System Discussion

Mr. Cooper noted that the Health District has always felt it important to be able to engage and be part of Westport's digital land use permitting system, just as it will need to do so with Weston and Easton when they are ready move forward with their own systems. The Health District has already had to adapt to moving into Connecticut's State Department of Public Health's electronic reporting systems. Staff have been working closely with Westport's IT department to provide it with the information it needs to process permit applications. The initial understanding of how the Health District would be working with Westport citizens and contractors using Accela has changed. This has raised concerns of ensuring compliance to Public Health Code requirements as well as increasing the amount of time sanitarians would spend doing data entry versus the required field work associated with each application, in addition to all their other work responsibilities. In addition to processing permit application, it now seems like Westport wants to use Accela for records retention for permit activities moving forward. Staff have concerns that Accela does not capture the historical information in the Health District's files which are essential in evaluating a property and regularly used by realtors, environmental consultants, septic installers and homeowners. Files include information on CT-DEEP spill reports, mold and lead inspection reports, water issues, and perhaps any other significant environmental incident. The Health District encourages applicant contact to better understand an applicant's intent to better guide them through Connecticut's public health requirements. As Westport gets ready to go "live" with the system, questions have arisen that need to be decided. Questions include: should the town collect Health District fees for health-related applications that go through Accela and then transfer to a Health District account? Who should house, maintain control, and be responsible for Health District land use data?

There was general discussion on the amount of data entry that Accela requires, and the amount of added staff work needed to process permit applications. The importance of thorough reviews was noted to avoid liability, as well as the field work associated with approvals to ensure compliance with requirements.

Director Mally stated that it has been his observation that some departments in town have similar concerns about the amount of time associated with Accela's administrative tasks versus the amount of time needed for fieldwork. He shares the payment concerns expressed by the Health District's auditor, which adds a layer of complexity requiring a need for monitoring, reconciliation, and audit function. It is not a simple question to answer.

Mr. Cooper noted that payments through Accela may get confusing, applicants don't always fill out the correct application form, many times there are added proposed activities that need additional applications and fees, there are refunds if someone overpays, etc. The Health District must also be consistent with its policies for the other member towns, would the Board want Weston and Easton to also collect Health District fees.

Director Collins asked if the Health District's current environmental health records system communicates with Westport's system, and if not could it? Mr. Cooper replied that it does not, but probably could. He added that the recent Strategic Plan included improving the capability to share permit data and interact with member town's digital permitting process and integrating with changing state and local accountability protocols. Additionally, a priority is to strengthen public awareness of Health District services and better communicate our value to the community. Mr. Cooper did not think having member town's manage the Health District's data would best serve these priorities.

Director Collins suggested for the sake of discussion that perhaps there should be an agreement between all member towns that there be one system for handling permits and data storage.

Mr. Cooper noted that Westport seems to be ahead of the other towns in terms of transitioning to a digital permitting system. He noted that there is a current need for more paper file space for which a quote has been obtained for a filing system on tracks. He questioned whether the cost of a new paper file system might be better spent on scanning all the existing files, archiving the old paper files, and putting the scanned digital files on-line and linking them to the towns as they are ready for them. Westport could link the Health District's application module in Accela to the Health District's on-line digital records and payment system.

Pam Scott indicated that her concern is with keeping track of the fees. She asked Kelly Phelan to share her experience working with Accela and plans. Ms. Phelan said that one of the things that has happened after Health District staff have approved a plan and uploaded it into Accela is that she finds Westport has a different plan in Accela that has not been reviewed by the Health District. It appears the applicant submits two different plans. Director Mally noted that it was his impression that the Health District is the first review that needs to be done. Richard Janey, Sanitarian added that an applicant has the ability to upload plans into Accela and may do so after Health staff have reviewed and approved an earlier version, that then entails another review and fee. He explained that not only does Westport want to process permit applications using Accela they would like the technical review of plans to be done on the computer. Plans from all member towns are reviewed in the order in which they are received.

Mr. Cooper noted that the Health District's environmental staff are already under the gun to process the large number of applications that are received and there is a need for another sanitarian. Staff recently surveyed area public health jurisdictions for the number of environmental staff and how many plan submittals in a year (attached). The Aspetuck Health District consistently receives over double the number of plans and reviews them with the same number of staff as those surveyed. Doing what Westport wants will make that need greater. He

added that it is not wise to rush either the review or inspection process because mistakes could get costly with the Health District potentially owning any liability.

Chairman Shaum asked what percentage of our review comes from environmental applications. Mr. Cooper replied that in the most current audit, the environmental fees were \$521,992 (32%) of the Health District's total revenue and Westport's assessment was \$557,756 (34%) of the Health District's total revenue.

There was general discussion about the Health District having reasonable alternatives that can accomplish what Westport is asking for, that would provide the constituents what they want, while keeping our limited staff more productive.

There was a consensus to have a small committee from the Directors and the Director of Health to meet with town officials regarding the Health District's involvement in the Accela program. Mr. Cooper indicated that he would set up such a meeting.

District Automobile

Mr. Cooper updated the Board on Westport's donation of a 2014 Ford Taurus sedan for staff use. The Health District's current insurance policy from CIRMA covers its official use by staff at no additional cost. Another visit to CT-DMV is needed to complete the registration process before it can be taken on the road. Since the Health District is considered a municipality, there is no charge for registration.

Responses To Questions From The Insurance Discussion

In the Board's meeting package are written responses from Vanessa Hurta, Director of Clinical Services, to the insurance questions from the last meeting. Director Shaum asked if there had been follow-up to see what other area health jurisdictions are doing in regard to submitting billing to insurance providers. Mr. Cooper indicated he had not seen it and was not sure if the individual who indicated they would do that has finished compiling that information but will check and will put the issue on the agenda for the next meeting.

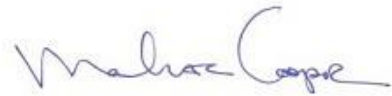
Vice Chairwoman Revzon notices several staff members in the audience and asked who they were. Mr. Cooper asked them to introduce themselves. Lora Hayes indicated she was a sanitarian who has worked for the Health District for 18 years, having started as an intern. Ryan Currier indicated he was the newest hire starting 6 months ago serving as the food inspector, responsible for all the food service newspaper reports. He has been a sanitarian with other health departments for over 12 years. Richard Janey indicated he has worked for the Health District for just over 1 year as a sanitarian and Acting Director of Health. Prior to coming to public health, he was an athletic trainer. Kelly Phelan has been with the Health District 5 years this coming September, working as staff support, estimating that 75% of her time working with Accela.

Adjournment

Chairman Shaum asked if there was any other business to come before the Board. Hearing none, on a motion made by Director Chairman Shaum, and seconded by Director Collins, the Board voted to adjourn at 8:50 pm. Chairman Shaum voted yes, Vice Chairwoman Revzon voted yes, Director Nussbaum voted yes, Director Fonteyne voted yes, Director Mally voted yes, and Director Collins voted yes.

Motion was approved 6 to 0.

Respectfully submitted.

A handwritten signature in blue ink that reads "Mark A.R. Cooper". The signature is written in a cursive style with a large initial "M" and "C".

Mark A.R. Cooper Director of Health
Aspetuck Health District