



**Westport Weston
Health District**

REGULAR MEETING MINUTES

ASPETUCK HEALTH DISTRICT BOARD OF DIRECTORS

JANUARY 13, 2025

Subject to change until approved by the Board of Directors

The Regular Meeting was called to order by Chairman Shaum at 7:02 pm.

The following voting Board Members were present in the room: Chairman Paul Shaum; Vice Chairwoman Catherine Revzon, Director Edward Mally and Director Doreen Collins-arrived at 7:09 pm.

Also present were: Luci Bango, Director of Health, Pam Scott, Director of Finance and HR, Mark A. R. Cooper former Director of Health, and Ali Walker, incoming new Board Member.

Meeting Order and Agenda Additions

Chairman Shaum moved to add the 2023-2024 Audit presentation to the agenda and listed as the first order of business. Director Mally seconded. The change was approved unanimously.

Draft Fiscal Audit FY 2023-2024

Mr. Cooper noted that Mr. Charles Costello is present via Zoom to present the draft fiscal audit for FY 2023-2024 which ended June 30, 2024. Mr. Costello indicated he would not go through every number in the audit but would review the highlights of the audit report.

Mr. Costello noted that he has audited the Health District for several years now but changes his audit approach every year. He summarized the main audit points:

- Page 1A – Independent Auditor’s Report – highlights in the opening paragraph that states the audit of the company's financial statements. The report is described as informing the reader that it is an audit, with a focus on the responsibilities of management and the auditor. Emphasis is placed on the auditor's responsibility to maintain professional skepticism during the audit process. Mr. Costello mentions that the audit approach varies slightly for each organization, even if audited previously.
- Page 1B – It is a continuation of the Independent Auditor’s Report which outlines the audit process and testing. Mr. Costello explains that while some audit steps are required, such as confirming bank balances, others are chosen based on the specific organization being audited. Testing of expenditures, receivables, and revenue is mentioned as part of the audit process. Mr. Costello also notes that the approach to auditing is tailored to ensure thoroughness and accuracy in the findings. The discussion aims to provide an overview of the audit process and the importance of maintaining professional standards.

The meeting discussed the financial statements and audit process for a government entity. Key points included the importance of an unmodified opinion, indicating clean financial statements. Mr. Costello emphasized skepticism, testing expenditures, receivables, and revenue, and ensuring proper internal controls, such as matching checks to invoices. The net position statement showed total assets of \$1,946,000, with a \$1.4 million pension liability. The statement of activities showed a positive change in net position of \$8,100, contrasting with a previous negative \$68,000. The auditor highlighted the importance of accurate reporting and potential findings, such as miscategorized expenses.

Mr. Costello noted that you can review the detailed footnotes in the financial statements, specifically note 8, and note on any potential issues or concerns raised by the auditor regarding the organization's accounting practices and internal controls.

Mr. Costello explained the financial statements and audit opinions. There are three types of financial statements reports that a CPA can do, emphasizing that an audit is the highest level. The term "unmodified opinion" is a clean opinion indicating that financial statements are fairly presented. He also mentions that the state of Connecticut and others request copies of these opinions to verify the fair presentation of financial statements. The responsibility of management and the auditor's role in maintaining skepticism during audits are discussed, including the testing of expenditures, receivables, and revenue.

- Page 1C – Because the Health District receives government money, there is a requirement for a "yellow book audit" due to receiving government money, focusing on internal controls and ensuring proper matching of checks and invoices. An example is given where a bookkeeper might mispost an invoice to cover a budget line item, which is considered financial fraud. The importance of internal controls and the auditor's role in detecting such issues during substantive tests is emphasized. Mr. Costello notes that in the Health District, there were no issues with financial fraud, but it remains a critical aspect of the audit process.
- **Page 2 - Statement of Net Position and Pension Liabilities.** The "Statement of Net Position," comparing it to a balance sheet and detailing the assets, liabilities, and net capital assets. The concept of deferred outflows of resources for the pension is explained, highlighting the impact on the pension liability and unrestricted net assets. There were some discussions regarding the potential changes in pension laws and their hypothetical impact on the financial statements. The "Statement of Activities," shows expenses, changes in net position, and the overall financial health of the organization.

Statement of Activities and Grant Funds - The "Statement of Activities," notes the change in net position from the previous year and the importance of careful analysis. There was discussion of the impact of private equity and its subjective nature as a significant risk. Mr. Costello mentioned the excess revenue over expenses and the importance of grant funds in the financial statements. The reconciliation process and the importance of tying back numbers to footnotes and other reports are emphasized.

Footnotes and Required Reports - Mr. Costello highlighted the importance of reading footnotes, particularly note number eight, which provides valuable information. Mr. Costello covered the required reports due to the state Connecticut pension, tying back to footnotes and the statement of net assets. General information reports and government auditing standards are discussed, emphasizing the need for thorough documentation and reporting of any findings. The role of the auditor in ensuring the accuracy of financial statements and reporting any errors or issues is reiterated.

Final Remarks and Auditor's Responsibility - Mr. Costello concludes by emphasizing the auditor's responsibility to report any findings, even if they are minor, to ensure transparency and accuracy. The importance of the hired grant auditor in assisting with the audit process is acknowledged. The presentation covered several key topics, including the hiring of Donna Granfor, who was instrumental in setting things up. The discussion then shifted to financials, with concerns about potential negative years and the importance of maintaining a positive balance.

Approval of Minutes

Chairman Shaum asked if there were any questions or comments on the November 18, 2024, Regular Meeting Minutes.

There were no other questions or comments. Director Collins moved to approve the November 18, 2024, minutes. Director Mally seconded. The minutes was approved unanimously.

Motion was approved 4 to 0.

Approval of 2025 Meeting and Holiday Schedules

There was discussion regarding the approval of last years to the holiday schedule and the additional personal day; and the meeting schedule was unchanged, other than mentioning that meetings are adjusted for holidays falling on scheduled meeting days.

Director Mally moved to approve the Holiday Schedule. Director Collins seconded. The Holiday Schedule was approved unanimously.

Motion was approved 4 to 0.

Director Mally moved to approve the Meeting Schedule. Director Revzon seconded. The Meeting Schedule was approved unanimously.

Motion was approved 4 to 0.

Appoint Luci Bango as Clinic Administrator

Ms. Bango and Mr. Cooper explained that this approval change is for the Connecticut outpatient clinic, and this is the protocol with a new administrator. Clinic License number 1038.

Director Collins moved to approve the change with the Clinic Administrator to Luci Bango. Director Mally seconded. The Clinic Administrator was approved unanimously.

Motion was approved 4 to 0.

Budget Updates

Mr. Cooper explained the process of allocating funds from towns on a per capita basis and the challenges faced. He detailed the percentage contributions from each town based on their workload and population, mentioned the need for a 2.5% increase in the overall budget to balance the contributions. There was a discussion regarding the potential impact of raising fees and the need for board approval for budget revisions.

Environmental and Nursing Fees: Mr. Cooper discussed the decrease in environmental fees and the need to adjust the budget accordingly. He suggests using a surplus of \$100,000 to cover potential shortfalls in environmental fees. Ms. Bango supports incremental increases in environmental fees to avoid significant backlash. Mr. Cooper and Ms. Bango agree on the importance of aligning fees with compensation and other costs.

Mr. Cooper summarized the proposed budget for the upcoming year, including the town contributions and the overall increase. Stating the next steps in presenting the budget to the other towns and seeking approval.

Ms. Bango will present the budget proposal to the Weston Selectperson on Thursday, January 16th.

Mr. Cooper will finalize the budget package to be presented to the towns on Monday/Tuesday next week.

Social Media Rebranding and relaunch-Daydreams Communications

Ms. Bango explained the website design project, including the use of cloud-based software and the involvement of interns. There was a discussion of the importance of understanding the software used for the website to ensure future maintenance. Ms. Bango mentioned the interns' role in creating content for Facebook and other social media platforms.

Director Collins mentioned the benefits of having interns for resume enhancement and their eagerness to contribute.

Director of Health Report

Operational and Permit Activity reports for November and December

Mr. Cooper presented the operational and permit activity reports for November and December. Ms. Bango asked the Directors' if there was anything particular, they want to see in their board package, she also stated that she would provide additional data and information to be included in the reports, such as outbreaks, childhood diseases, and vaccine administration.

Executive Session

Discussion and of personnel issues and compensation

At 8:00 pm on a motion made by Director Shaum and seconded by Director Collins the Board voted to go into an Executive Session to discuss the potential personnel issues and compensations

Motion was approved 4 to 0.

At 8:09 pm Chairman Shaum declared the Executive Session over and the regular meeting resumed.

After a brief discussion, Chairman Shaum made a motion to advance Richard Janey's salary to \$52.1429 per hour. Director Collins seconded. The salary increase was approved unanimously.

Motion was approved 4 to 0.

Adjournment

Chairman Shaum asked if there was any other business to come before the Board. On a motion made by Director Mally and seconded by Director Collins the meeting was adjourned at 8:11pm. Approved unanimously.

Motion was approved 4 to 0.

Respectfully submitted,
Pamela Scott
Director of Finance and Human Resources