



OFFICIAL STATEMENT

NANCY R. ROSSI
Mayor, City of West Haven

Mayor Rossi Statement on the CohnReznick Audit

WEST HAVEN, April 2, 2022 — Mayor Nancy R. Rossi has issued a statement on the CohnReznick audit that was released Friday, April 1.

“I have reviewed the audit report released yesterday by auditor CohnReznick. I take the findings of the audit seriously. The report highlights shortcomings in internal controls and processes; some of which we have already addressed, and some which require additional focus.

The Coronavirus funds were administered by West Haven employees who did not have the city’s best interest at heart. Two of those employees have been arrested for conspiracy to commit fraud and wire fraud. We have initiated a comprehensive corrective action plan beginning with the recent hiring of a new finance director.

Finance Director Scott D. Jackson and his team will be coordinating West Haven’s response to each of the issues raised in the audit report. Among their first tasks will be to provide the clarification and supporting documentation for the expenditures that were

disallowed in the audit due to a lack of proper documentation. I am confident that we can significantly increase our reimbursement for these COVID-related expenses.

As we prepare and submit the documentation for reimbursement and address the other issues raised in the audit report, the city will continue to focus on improving its financial standing.

West Haven has made good financial progress over the past four years, which includes four consecutive operating budget surpluses and a positive fund balance, or rainy day fund, for the first time in decades. The city is also projecting a budget surplus of more than \$2 million for fiscal year 2021, which ended June 30, 2021. Although West Haven has not received state MARB restructuring funds for the past two years, we do welcome the board's assistance and look forward to working with its member to continue strengthening the city's financial position.

I will release additional information and updates as we work through the process."

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