



Town of Griswold

Board of Finance
Regular Meeting
February 21, 2012
7:00 PM



Town Hall Meeting Room
UNAPPROVED MINUTES

1. **Roll Call/Call to Order: The meeting was called to order at 7:02 PM**

Board of Finance Members Present:

Steve Merchant, Sr. – Chairman
Gail Rooke-Norman
John Wolkowski
Peter Dorff
Dan Webster
Brian Baker
Scott Davis

Absent:

None

Also Present:

Erik Christensen, Director of Finance
Jaimee O'Neill, Asst. Bookkeeper
Holly McCalla, Business Manager, Griswold Public Schools
Dr. John DiIorio, Interim Superintendent, Griswold Public Schools
Elizabeth Dorff, Chair, Griswold Board of Education
Stuart Norman, Vice Chair, Griswold Board of Education
Tom Giard, Chair, Economic Development Commission
Paul Lach, Vice Chair, Economic Development Commission
5 interested residents

2. **Approval of minutes:**

MOTION: G. Rooke-Norman made a **motion** that was seconded by J. Wolkowski to approve the December 20, 2011 regular meeting minutes with no exceptions. All in favor; **motion carried.**

3. **New Business**

a) **Discussion and possible action on handling of Special Education Excess Cost and Adult Education revenue from the State.**

Interim Superintendent Dr. DiIorio introduced Holly McCalla, Business Manager, to speak regarding Special Education Excess Cost and Adult Education revenue and the confusion as to where the revenue is to be reported. Excess cost and adult education revenues were included in the General Fund revenue budget this year but last year the revenues were not budgeted for in the General Fund and were netted in the Board of Education line. The Board of Education thought that the revenues were to be netted again and budgeted accordingly. H. McCalla provided the Board of Finance with supporting documentation to show that numerous discussions were had with the previous Finance Director Barbara Crouch regarding Excess Cost and Adult Ed reimbursements being posted to the Board of

Education's budget. After discussion, the Board of Finance agreed that a section should be added to the Policy and Procedural Manual, currently in the works, to show how Excess Cost will be handled. **MOTION:** P. Dorff made a **motion** that was seconded by G. Rooke Norman to remove Excess Revenue from the Selectman's budget for Special Education and Adult Education. **The motion passed 6-1, with D. Webster opposed.**

b) Discussion and possible action on suggestions to Board of Selectmen regarding Business Tax Incentive Policy.

Tom Giard, Chair of the Economic Development Commission, spoke regarding a Business Tax Incentive Policy. After discussion, it was agreed that the Board of Finance will submit questions, concerns, and/or ideas for the policy to the Finance Director, who will forward them to the Town Planner and the Economic Development Commission for review.

c) Discussion and possible action on request from Joel Francoeur regarding questions on forgiveness of taxes in 2007.

Joel Francoeur, a resident, addressed the board regarding concerns he had dating back to 2007, when the Board of Finance approved a Tax Suspense List that included a name of a board member. Present members of the board clarified the matter for Mr. Francoeur. If someone is listed on the Suspense List, it does not mean that taxes are forgiven and no longer owed. It is a report generated by the Tax Collector listing outstanding taxes that he believes the Town is not likely to collect. After much discussion, it was agreed that the best place for Mr. Francoeur to take his concerns, is the Ethics Commission.

d) The Finance Director presented his report. *A copy of said report is available in the Finance Office.* The Finance Director noted the following:

For the 11-12 fiscal year, the finance director indicated approximately 72% of expected revenues have been collected to date. At this time there are a few areas of concern. Under New School Grant the budget shows expected revenue of \$569,850, we will only be getting \$200,984. This will also be the last year that this money is received from the State, due to the fact that they have changed to a reimbursement style method. Education Tuition which is budgeted at \$1,700,000 is expected to be approximately \$160,000 short. Combine that with the loss of the Excess Cost and Adult Education revenue, brings it to a shortfall of almost \$1,000,000 in revenues for the current fiscal year. On the plus side, expenditures look like they will also come in under budget. At this date approximately 53% of the budget has been expended. Currently, there are five line items that are over expended by more than \$1000. Worker's Compensation, due to the completion of the 2009 worker's comp audit. Building repairs at the Town Hall, due to necessary repairs to the heating and air conditioning system. Hydrants for the Town, the water company increased their fees, which put the line item over budget by \$4886. Tree Maintenance in the Public Works budget is over, due to storm damage. That will end up back under budget when FEMA reimbursement is received. The last over budget line is Building Repairs for the Nurse's building on Ashland Street. There was never any money budget for that department and the air conditioning unit needed to be fixed. According to the agreement the Town has with Day Kimball, the Town was responsible for the repair. The Finance Director stated that many of the other expenditures will come in under budget, a big one being the Bond and Loan Retirement. The Finance Director stated that

when looking at the Fund Balance Analysis prior to the removal of the Excess Cost and Adult Education revenue, and with using \$605,000 from the Undesignated Fund Balance, we would have been ahead by approximately \$80,000. Since the loss of that revenue, it appears there will be a shortfall of approximately \$330,000. This will put the Undesignated Fund Balance at approximately \$1,681,000, or roughly 5.5% at the end of the fiscal year.

- e) **Discussion and possible action on adopting a 2012-2013 budget schedule.** A copy of said schedule is available in the Finance Office.

MOTION: G. Rooke-Norman made a **motion** that was seconded by D. Webster to approve the meeting schedule. All in favor; **motion carried.**

- f) **Discussion and possible action on the Fiscal Year 2012-2013 budget.**

The Finance Director stated he is expecting approximately \$1,500,000 less in revenues in the upcoming fiscal year. Discussion followed.

4. **Old Business**

- a) **Policy and Procedure Manual:**

The Board requested that the Finance Director add a section on how Excess Cost and Special Education revenues will be handled.

5. **Any Other Business**

- a) **No Other Business**

6. **Adjournment: MOTION:** D. Webster made a **motion** that was seconded by B. Baker to adjourn. There was no discussion. All in favor; **motion carried.** S. Merchant, Sr. adjourned the meeting at 9:01 PM.

Respectfully Submitted,

Acting Recording Secretary
Jaimee O'Neill, Assistant Bookkeeper