



Town of Griswold

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

Town Hall Meeting Room
APPROVED MINUTES



1. Roll Call/Call to Order: The meeting was called to order at 7:00 PM

Board of Finance Members Present:

Steve Merchant, Sr. – Chairman
Peter Dorff – Vice Chairman
John Wolkowski
Scott Davis

Absent:

Daniel Webster
Gail Rooke-Norman
Brian Baker

Also Present:

Erik Christensen, Director of Finance
Elizabeth Dorff, Chairman, Board of Education
Paul Smith, Superintendent, Griswold Public Schools
Holly McCalla, Business Manager, Griswold Public Schools
1 other person

2. Approval of Minutes

MOTION: P. Dorff made a motion that was seconded by J. Wolkowski to approve the minutes from June 14, 2012 with the condition that the words under budget be added to the 4th sentence under New Business subsection (c) so the sentence should read Expenditures are estimated to come in around \$690,000 under budget. All in favor; **motion carried.**

3. Correspondence

The Finance Director handed out the annual fraud questionnaire from the auditors that they send out as part of their audit. S. Merchant Sr. indicated that he filled out the questionnaire to be sent to the auditors. The Finance Director indicated that any other members that would like to send in their own are welcome to do so.

4. New Business

a) Finance Director monthly report.

A copy of said report is available in the Finance Office. The Finance Director indicated that the 11/12 fiscal year is just about closed out and finalized. The revenue shortfall is expected to be around \$600,000 not including the money budgeted to be taken from surplus. Expenditures are estimated to come in around \$700,000 under budget. S. Merchant Sr. asked how tax collections were for the 11/12 fiscal year. The Finance Director stated that tax collections were better than budgeted by about \$15,000 for the 11/12 fiscal year. The Finance Director explained that there were five departments that

look like they are going to be over budget but explained that there will be enough money in the contingency account to cover those departments. The Finance Director explained that the expected budget deficit is expected to be around \$505,000 which is better than the \$605,000 that was budgeted. The Finance Director also explained that thus far for the 12/13 fiscal year there have been no revenues or expenditures that are out of the ordinary. He also mentioned that undesignated fund balance is looking to be about 6.89% and we are around \$500,000 short of being at the 8.5% that we would like to be at. P. Dorff asked about yearend transfers. The Finance Director stated that he would have them for the next meeting. P. Dorff asked about the status of the middle school audit. The Finance Director explained that he has not heard anything in about a week and the last that he was told they have everything they need.

b) Discussion of Town ethics policy.

S. Merchant Sr. asked to skip section b and discuss it after c. After discussing section c, S. Merchant Sr. mentioned that the Board was going to be discussing the ethics policy but because the full Board was not available he would like to table it until the next meeting. P. Dorff asked if we had a copy of a ruling by the Town Ethics Commission. S. Merchant Sr. stated that the Ethics Commission never had a meeting to discuss it and what was in the newspaper was not accurate. S. Merchant Sr. stated that he was told by the First Selectman that a meeting to discuss the matter never occurred. The Finance Director asked if we should invite N. Sylvestre to the next meeting. S. Merchant Sr. stated that we can. He also explained that he believes everyone on the Board acts in the best interest of the Town. He stated that the Board is going to base what they do on the Ethics Commission's ordinance and it will be discussed next month. S. Merchant Sr. also mentioned the possibility of adding alternates to the Board of Finance. S. Merchant Sr. wanted to make a public statement that B. Bakers wife only works as an Assistant Vice President for Shipman's Fire Equipment and may be on the Board of Directors but other than receiving her weekly paycheck has no financial interest in the company. He mentioned that the Wallace family has owned the company for years and still does. S. Merchant Sr. stated that B. Baker is only a truck salesman and does no business with the Town of Griswold.

c) Discussion and possible action regarding MLR rebate from insurance company. The Finance Director spoke about the MLR rebate that came back to the Town from the insurance company. He explained that CIGNA was required to refund the Town around \$36,000 of the premiums paid in for 2011. Of the \$36,000, 9% was for the Town and 91% was for the Board of Education. He explained that the Town would be receiving a little over \$3,000 of which about 89% belongs to the Town and the remainder to the employees on the insurance. He explained that the insurance brokers are looking into the options of how the money can be refunded. If checks are cut to the employees it will only be on average roughly \$20 per person. Another option the consultants are looking into is if the money could be put towards next year's premiums which the Finance Director said he believes may be the easiest thing to do. Once the Finance Director gets the final determination on what can be done he will let the Board know.

5. Any Other Business

S. Merchant, Sr. asked E. Dorff to introduce P. Smith the new Superintendent of Schools to the Board of Finance members. S. Merchant Sr. mentioned that he has heard many good things about the new Superintendent and welcomed him to the Griswold.

6. **Adjournment: MOTION:** P. Dorff made a **motion** that was seconded by J. Wolkowski to adjourn. There was no discussion. All in favor; **motion carried.** S. Merchant, Sr. adjourned the meeting at 7:25 PM.

Respectfully Submitted,

Acting Recording Secretary
Erik Christensen