

**TOWN OF GRANBY
BOARD OF FINANCE
REGULAR MEETING MINUTES
FEBRUARY 25, 2013**

PRESENT: Michael Guarco, Chairman; Gordon Bischoff, Francis Brady, Robert Clark, Frederick Moffa, O.D., and Al Wilke

OTHER ATTENDEES: John Adams, First Selectman; Mark C. Neumann, Board of Selectman; William F. Smith, Jr., Town Manager; Barbarajean C. Scibelli, Administration Finance Officer; Harry Traver, BOE Business Manager; Vanessa Rossitto, Partner Auditor Blum Shapiro & Company, P.C., Certified Public Accountants; and Joseph Kask, Principal Partner Auditor Blum Shapiro & Company, P.C., Certified Public Accountants

The meeting of the Board of Finance was called to order by Chairman Michael Guarco at 7:30 p.m.

MINUTES

The Board reviewed the minutes of February 11, 2013.

On a **MOTION** by Gordon Bischoff, seconded by Al Wilke, the Board voted 5-0-1 to approve the minutes of February 11, 2013 as presented. Gordon Bischoff abstained.

PRESENTATION OF JUNE 30, 2013 AUDITOR REPORT

Joseph Kask, Blum Sharpiro & Company, PC., began the discussion introducing Vanessa Rossitto as the presenter of the June 30, 2012 Audit Report for the Town of Granby. At the request of the Board of Finance, this is a partner change from last year.

Ms. Rossitto stated that the financial statements were issued to the town and the school as required by state and federal auditing standards. The three reports are: Comprehensive Annual Financial Report (CAFR), State Single Audit Report, and Federal Single Audit Report. She stated that the Town of Granby received a clean opinion for the financial statements as of June 30, 2012. Ms. Rossitto began with the CAFR, indicating that the Management's Discussion and Analysis, beginning on page three, is a summary report of the complete audit. She spoke on the following pages from the CAFR:

- Page 18 – Balance Sheet – Government Funds; shows the total fund balance for all funds to be in the amount of \$7,426,108
- Page 20 – Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds; shows a deficiency of revenues over expenditures of \$2,451,502 from capital projects with a capital projects fund balance at the end of the year of \$224,762.
- Page 49, 50, 51, 52 – General Fund Schedule of Revenues and Other Financing Sources; shows the FEMA Grant revenue from Storm Alfred and on the expenditure side expenses were down from the final budgeted amount.
- Page 25 and 26 – Fiduciary Funds; shows the pension fund down. However, this is just a snapshot as of 6/30/2012.

Ms. Rossitto commented that there were no new accounting principles integrated in the reporting this year.

The Board asked the question of how the Quality & Diversity fund should be reported for the annual budget. It was noted that this fund resides on the town side of operations. In the past, one-time uses of planned expenditures were reported in this fund. Presently, this fund is supporting ongoing operations with the fund balance growing over the years to handle programs for students during their education years whether it may be from 6th grade to 12th grade or 3rd grade to 12th grade. Mr. Kask indicated that the way it is being reported outside of the General Fund is acceptable.

When asked about GASB 54 reporting, Ms. Rossitto stated that the town's special funds did not meet the definitions, so no reporting was necessary.

The Board asked about technology programs helping the town in efficiencies and streamlining reporting. Mr. Kask answered the firm does not look at that aspect when performing the audit report, they concentrate at reorganizing government efficiencies. He also commented that cross training is always good because it prepares for the future and retirements that will be occurring. Mr. Kask indicated that he would talk to his consulting team regarding this request and report back to the town. Lastly, Mr. Kask commented regional efforts are being explored throughout government agencies, in particular on the state level regarding towns having identical charts of accounts.

CONFIRM DATE OF NEXT MEETING

Chairman Guarco mentioned some upcoming meetings in connection with the town budget for FY 2013-14. They are:

- March 25, 2013 7:00 p.m. Budget presentations to the Board of Finance
- April 8, 2013 7:00 p.m. Public Hearing for the town budget
- April 22, 2013 Noon to 8:00 p.m. Machine vote on the town budget

First Selectman Adams distributed a sample of another town's informational flyer to show what they did to disseminate information on their town budget. He suggested this may be a way to get more information out to residents since the newly adopted Charter requires a public hearing and then a machine vote. A town meeting is not scheduled.

Several Board members reviewed the informational flyer and indicated it was a good idea but the sample was too busy. Other ideas mentioned were: to hold an informational meeting sponsored by the Board of Selectmen, the school's *Vision Newsletter* includes articles on the budget, the *Drummer* sends out a special budget edition, and have budget information available on the website.

ADJOURNMENT

On a **MOTION** by Francis Brady, seconded by Al Wilke, the Board voted unanimously 6-0-0 to adjourn the meeting at 8:32 p.m.

Respectfully submitted,

Patricia I. Chieski
Recording Secretary