

GOSHEN BOARD OF FINANCE  
REGULAR MEETING - MINUTES  
SEPTEMBER 28, 2016

CALL TO ORDER: Chairmen Allan Walker called the meeting to order at 7:30 P.M.

ATTENDANCE: Allan D. Walker, Ned Bixler, Edward Davidson, Richard Reis, Scott Tillman, James Korner, Alternates, Russell Hurley, George Zeidenstein  
Also present: First Selectman Bob Valentine, Selectman Dexter Kinsella, Selectman's Assistant Lucille Page, Fire Commission Chairman Martin Connor, William Lane, Fire Chief Barry Hall, President William Gelormino, Registrar of Voters Nanci Howard, Susan Breakell

CHANGE IN ORDER OF BUSINESS: The Board approved the change in order of business on the agenda to allow the Fire Commissioner, Martin Connor and the Registrar of Voters, Nanci Howard to speak.

Fire Commissioner Martin Connor went before the board to present his formal letter requesting the purchase of the Life Line Ambulance from Eastford Fire and Rescue Sales, Inc. for \$169,624.00. The purchase price exceeds the present line item in the capitol budget of \$165,000.00 for the purchase of a new ambulance. Therefore it is requested that the Board of Finance transfer \$4,624.00 from the Un-assigned General Fund Balance into the capitol line item for the new ambulance. A MOTION WAS MADE BY Ned Bixler and SECONDED BY Edward Davidson for the transfer of \$4,624.00 MADE a MOTION from the Unassigned General Fund Balance to Capitol Non-Recurring for the purchase of the ambulance. SO VOTED

Martin Connor, Barry Hall, William Lane, William Gelormino left the meeting at 7:30 P.M.

Registrar of Voters Nanci Howard then spoke to inform the board that the registrars office needed to change the allocation of pay rates for the election and that there would be no increase to the budget, just a reallocation of pay rates. A MOTION WAS MADE BY Richard Reis and SECONDED BY James Korner to approve the reallocation of pay rates for the Registrar of Voters office. SO VOTED

Nanci Howard and Susan Breakell left the meeting at 7:38 P.M.

PRESENTATION AND REVIEW OF JUNE 30, 2016 FISCAL AUDIT: Auditor Sandra Welwood, Sandra E Welwood, LLC presented the following Overview for the fiscal year ending on June 30, 2016. The Overview covered the General Results of the Audit, Financial Highlights, and Opportunities for Consideration and Discussion. The overview is on file with the minutes of this meeting.

General Results of Audit: The Audit went smoothly and all information requested was provided. There was complete support and responsiveness as well as cooperation in working with the Town employees. Ms. Welwood was happy to report that the Town has solid internal controls, with independent assistance to ensure segregation of duties. The Internal controls have improved in certain areas; for the most part by staying current they become more efficient.

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It was noted and briefly explained by Ms. Welwood the three levels of financial status. The first level being the General Fund, which is the budgetary basis – What is owed currently, what is available currently. The second level is the Fund Financial Statement, that is a different version of the General fund it includes all of the other funds such as the Capitol Nonrecurring Fund. The third and top level is Government Wide Financial Statement; it is a full accrual accounting. This includes everything; Capitol Assets, Long Term Debt and full recognition of receivables. Government Wide is used more for bonding, and should not be the focus. Budgetary basis is the focus. With that being said, last year the Town had a change in revenue and expenses of \$600,000.00 and it is the same this year.

1. Government Wide Financial Analysis it shows the Town in a total solid net position of \$ 9,813,387 for 6/30/2016 an increase of \$601,796 from 6/30/2015. Included is \$3,605,497 in unrestricted funds. It shows the Town to be in a good sound financial condition. It was noted that the General Fund budgetary basis uses the current financial resources measurement focus and does not include the effects of recognizing all assets and liabilities and for the most part the Board of finance is most interested in looking at the budgetary level.

2. Debt Levels: The good news is, the Town has no debt. It was noted that the only obligations are the Net pension obligation \$95,101. and the Compensated absences \$33,364. These amounts in total went down \$3,029. from last year.

3. Government Funds - (GAAP): Noted and explained under the Government Funds were the General Fund, Capital Nonrecurring, and the Non-major Funds, which showed those funds designated as Non-spendable, Restricted, Committed, Assigned and Unassigned. The 6/30/2016 audit shows the town having a \$1,715,932 Unassigned Fund Balance and \$916,775 committed for Capital projects. Again, the audit shows the Town is using current dollars instead of having less in the unassigned general fund and not going out to debt if money is needed to cover a major emergency expenditure. Also noted was the \$451,684. in the land acquisition Fund.  
In total the Town has a total of \$4,600,744. in governmental Funds.

The General Fund Results - Budgetary Basis (Derived from page 16) shows Revenues of \$10,588,537 (Actual), total expenditures of \$9,697,596 (Actual). Showing a positive net change in fund balance of \$234,521. \*All revenue categories were higher than budgeted, except Interest and Lien Fees (worse by \$6,025) and Intergovernmental (worse by \$23,672). The largest positive variance was property taxes (better by \$162,149), which show the Town had a very good year in revenues, Property Tax revenues variance of \$142,345 better than budget being the largest variance. Expenditures better than budget

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items were general government (better by \$149,700) and public works (better by \$135,375).

**Unassigned Fund Balance:** Addressed by the Auditor was the graph showing the amount of unassigned Fund balance for each year from 2012 to 2016 and the unassigned fund balance as a percentage of total expenditures. The percent of unassigned fund balance of total expenditures ranged from 14.5% in 2012 to a low of 12.9% in 2013 to a high of 18.3% in 2015. The current percent of General Fund balance of total expenditures is 17.7%. The Unassigned Fund Balance is down from last year and that is because the Town had subsequently earmarked \$493,708. for this current year. Per Ms. Welwood this was a good decision as it has helped the town maintain a healthy level and is keeping with good fiscal practices. Ms. Welwood noted that the town has done very well this year without going over budget it also tells her that the town is trying to manage its mil-rate and maintain its costs while foreseeing funds for emergency's and Capitol Projects. Ms. Welwood commended our selectman and the Town of Goshen Employees for working hard and being fiscally responsible during these times. She was very please with the results of the audit and that for the most part it all went very smoothly.

**Opportunities for Consideration and Discussion:** According to Ms. Welwood there are three subjects that should be discussed. Parks and Recreation is undergoing changes to its budgeting and is at a point to where it should be; most importantly they are making progress. The Nutmeg Network Grant. As all grants are accounted for it is not recognized until you spend it. Ms. Welwood stated that it is unclear as to how long the grant extends to and it is unclear how long you have it for. Bob Valentine stated that he has contacted OPM to discuss it, and from that conversation believes it is appropriate to use the funds until expended. The account is ear marked properly so there should be no problems with it.

**Timing of the Audit.** Ms. Welwood is requesting that the preparation for the audit report is done two weeks later than previous years. It would be beneficial to both parties if the report could be started two weeks later so that changes can be made and both parties can finish at the same time without incurring any problems. Ms. Welwood remarked that Bob Valentine was a great to work with from a financial standpoint; he was able to answer questions and understand the fiscal process, which made things much easier. There was some discussion on mil-rates and the pros and cons of earmarking monies for emergency situations it comes down to how prepared are towns for emergencies and unforeseen problems. According to Ms. Welwood the Town of Goshen is managing its funds very well especially during these times.

The board was very satisfied with Ms. Welwood's audit report and was very grateful for her taking the time to speak to them.

**APPROVAL OF MINUTES:** The minutes of August 24, 2016 were presented for approval. A MOTION WAS MADE BY James Korner SECONDED BY Richard Reis to

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approve the minutes. Noted for correction that the Board wished to thank Mrs. Glass for her efforts in making the celebration for Mrs. Lang's retirement so memorable. Joan Lang is truly an amazing woman and she deserves a very special celebration. It would also be remiss to note that Bob Valentine had a wonderful plaque done up to commemorate her services. There was no further discussion under the minutes and said minutes were **approved as corrected**. Edward Davidson abstained.

FINANCIAL REPORTS FOR THE PERIOD OF AUGUST 31, 2016: Richard Reis requested the balance of the Woodridge Lake Storm Water Improvement line item in Capital and Non-Recurring. Bob Valentine said that he did not have said information available, but would forward the information to Richard Reis. Chairman Allan Walker had the minutes reflect that the Budget and the Financial Reports for the period ending 8/31/2016 were received and reviewed by the Board of Finance.

TAX COLLECTORS REPORT: The report for the Tax Collector was received and reviewed by the Board of Finance. It was noted that The Board would like to invite the Town Tax Collector, Ms. Rebecca Juchert-Derungs to the next Board of Finance meeting, so that she may answer questions as well as bring suggestions to the meeting.

REPORT FROM THE FIRST SELECTMAN: Cottage Grove Road project is in the process of finishing up. Drainage has been up-graded and the roads have been re-claimed and paved, his as the only road on the Roadsoft Mapping that showed up in red as having failed. Goshen/Cornwall Senior Bus has been delivered. The total purchase price was \$62,262.00. We have received the 5310 grant funds for \$49,809.60, and Cornwall's share of the purchase price. The first day of service is scheduled to begin on Monday October 3, 2016. \* Goshen Hospice Community Care has offered a grant of \$701.00. The grant will help with lettering, GPS and marketing of the bus. With regards to the Audit, Ms. Welwood brought to my attention concerns on how we were handling the Recreation Activity Account. As a result our accounting consultant Debbie Franklin, Sandra Welwood and Bob Valentine worked out a change in the process by having the fiscal office handle the accounting in order to meet GAAP accounting standards. For the balance of this year the activity line item within Recreation operating budget will show more than anticipated activities as part of the activities line in Recreation's Budget. A detailed policy was written for our Policy and Procedures Manual. Lastly there will be a search committee created for a new Recreation Director, Bob Valentine asked if any of the Board of Finance members would consider volunteering to be on the search committee. James Korner volunteered. Bob Valentine thanked Mr. Korner for his time and effort in the matter.

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ANY OTHER BUSINESS TO COME BEFORE THE BOARD: As part of updating and making for a better meeting space First Selectman Bob Valentine is requesting \$2,200.00 for the purchase of a new conference table for the conference room. The current table does not provide a proper meeting space and is over 20 years old. A MOTION WAS MADE BY Ned Bixler seconded by James Korner to appropriate up to \$2,200.00 from the Unassigned General Fund Balance to Capital Non-Recurring, Town Hall, Furniture and Fixtures for the purchase of a new conference table. MOTION CARRIED

A MOTION WAS MADE TO ADJORN by Scott Tillman and SECONDED by Edward Davidson. The meeting was adjourned at 8:30 P.M.

Respectfully submitted,

  
Nell Glass

Town of Goshen Finance Clerk

Received Sept 30, 2016 <sup>12:19</sup> PM

Attest Megan Stanin  
Goshen Town Clerk

