

**Town of Brunswick, Maine**

**Finance Committee Meeting – Joint Municipal and School Dept  
Thursday, January 17, 2019  
6:30 – 8:00 PM  
85 Union Street – Town Council Chambers**

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**Meeting Minutes** (approved 2/28/19)

Elected Officials: John Perreault, Christopher Watkinson, Dan Ankeles  
Benjamin Tucker, Joy Prescott (first half of meeting)

Staff: John Eldridge, Julie Henze, Branden Perreault  
Paul Perzanoski, Kelly Wentworth

John Perreault opened the meeting as a chair had not been selected yet.

**1. Acknowledgement that meeting was properly noticed**

JH confirmed that the meeting was properly noticed.

**2. Adjustments to agenda / Public comment**

No adjustments to the agenda.

*Jean Powers* – Would like to see Bowdoin’s PILOT (payment in lieu of taxes) increase.

**3. 2017-18 Audit – Report from independent auditors, Runyon Kersteen Ouellette**

JP handed over item to JH, who noted presence of both Town and School Finance Committee members for the presentation from the auditors, and introduced Tim Gill from RKO. An annual auditor presentation is required for the school department, but is appropriate for the municipal officials as well.

Tim reviewed the following reports:

**a. Letter to Finance Committee**

SAS letter – explanation of the audit process, accounting changes from last year, significant estimates in financial statements (depreciation on capital assets, landfill closure, other post-employment benefits, and pension liability), difficulties with audit process, adjusting journal entries, etc.

**b. Independent Auditors Report (pgs 11-13 of the CAFR)**

Unmodified opinion was received by the Town of Brunswick for the fiscal year 2018 financial statements. Tim pointed out that the CAFR is written and compiled by management, and reviewed by the auditor.

**c. Reports Required by *Government Auditing Standards* and the Uniform Guidance**

Two reports bound into one. First describes testing of internal controls for risk assessment – used by the auditors to focus their testing of transactions. Second is report of Federal Grants to confirm compliance with requirements, and includes a listing of federal funds received by Brunswick. RKO reported no findings.

**d. Management letter**

Describes internal control recommendations. There were no material weaknesses or deficiencies identified throughout the course of the audit. Two recommendations were:

1. Student activity funds – receipts were held for a period of time in excess of a week. General guidance is to deposit within 48 hours of a receipt. At the high schools, several instances where there was no documented approval of purchases for the student activity funds. Also, found several instances where there was no support for the transaction (i.e. – receipts or backup). Outstanding checks in excess of \$8,700 were being held on the high school student activity fund cash reconciliation. Recommends that these checks are voided and reissued, or sent to the state as unclaimed property.
2. Recreation department wage rates – found that certain seasonal employees in the recreation department didn't have an approved wage rate form in their personnel files. Suggestion made that wage rate authorization signed by department head is kept in personnel file for all employees.
3. School lunch claim forms – variances noted between meal counts reported on claim forms to underlying documentation. The variances were immaterial but recommended implementing a review procedure to the claim form preparation process to catch any variances before submitting to the State.

**4. Tour of the CAFR and introduction to the PAFR**

JH presented a high level review of various components and sections of the CAFR. The CAFR is prepared following standards put out by Government Accounting Standards Board (GASB). The CAFR is used by rating agencies when the town sells bonds and by residents and nonresidents who want to learn more about the Town of Brunswick.

JH described the PAFR (Popular Annual Financial Report) to the committees. The PAFR contains much of the same information as the CAFR, in condensed and graphical form. Copies of the PAFR can be picked up at Town Hall, the library, etc. and is also on the Town's website with the other financial reports.

**5. Adjourn**