

Town of Brunswick, Maine

**Finance Committee Meeting
Thursday, October 27, 2022 at 6:00 PM
85 Union Street – Council Chambers
and by electronic devices**

Meeting Minutes (Accepted 1/19/23)

Elected Officials: Councilor Christopher Watkinson
Councilor Sande Updegraph (remote, 1st half)
Councilor Kathy Wilson

Staff: Julia Henze
Branden Perreault

Other: Tim Gill, RKO

1. Acknowledgement that meeting was properly noticed

CW called meeting to order. JH confirmed the meeting was properly noticed.

2. Adjustments to agenda / Public comment

CW added item 2a. for Councilors to meet privately with the Town's Auditor.

2a. Committee private discussion with Tim Gill, RKO

Not recorded, and staff left the chambers – opportunity for elected officials to have candid conversation with the auditor without staff present. Approximately 11 minutes.

3. Review of meeting minutes from 9/15/22

CW moved to accept minutes from 9/15/22. Seconded by KW. Approved unanimously.

4. 2021-22 Audit – Conversation with Tim Gill, Partner at Runyon Kersteen Ouellette

JH presented a bio of Tim Gill, and pointed out that Tim was the lead on Brunswick's 2021-22 audit. Tim described the interim field work done in the spring, and how the auditors look at detail in the various financial functions. Clarified that the testing procedures are designed to provide reasonable assurance of accuracy, based on following sampled transactions through the process. Committee discussed financial procedures and internal controls.

TG described the field work done after the end of the fiscal year, in October, when the auditors look at the actual financial results of the year. The auditors test the balance sheet items against detail listings, and review all the elements of the ACFR.

TG explained GASB standards, and described GASB statement 87 – Leases, and explained how the accounting has changed, and what it means for the financial statements. JH provided a list of upcoming GASB statements.

TG described how the auditors review and test federal grants for compliance. Committee discussed how the school detail is audited.

5. Preliminary 2021-22 financials – budget to actual report

JH presented the year end version of the monthly budget to actual report.

Reviewed the format of the report, and, beginning with the revenues, explained how to interpret the surplus/shortfalls by line, and the percentage collected column. Pointed out the GA reimbursement, the intergovernmental revenues, use of fund balance and the total.

In the expenditures report, JH pointed out that the year-end transfers are included in this report, reflected in the transfers/adjustments column and the revised budget. Pointed out that expenditures in total came in \$4.3 million under budget. BP explained the encumbrances column and how funds are carried forward from the prior year into the new year.

NOTE: Councilor Updegraph had to leave the meeting

6. Update on 2022-23 Property Tax Assistance Program

BP presented the working spreadsheet of the participants in the program (names redacted), indicating the first three years of the program and the current year to date. Discussed the increase in participation, largely related to the new Property Tax Stabilization program. For 2022-23 currently have approx. 75 participants for approx. \$58,000 total. This is up from 56 and \$42,000 in 2021-22. BP described the steps after the application deadline next week. JH the inter-department process, and how there have been many inquiries from taxpayers eligible for the stabilization program, but not eligible for the Town's tax assistance program.

CW expressed gratitude for the program on behalf of taxpayers who need it, and noted the excellent work done by Branden to assist seniors.

7. Capital Improvement Program

JH presented the CIP policy, with no suggestions for immediate changes, but pointed out the debt funding limit for further consideration. Page 3 states that items to be funded with debt "should have a cost to the Town of at least \$325,000". JH pointed out that this number was the equivalent of 1% on the tax rate in 2013 when the policy was established. Will discuss with the Town Manager whether this should be increased, or changed to float with the tax rate. Committee discussed how funding decisions are made in the CIP.

JH presented the CIP workshop schedule. CW may not be able to attend 12/1. CW and KW approved.

8. Adjourn

CW moved to adjourn, KW seconded, approved unanimously.