

**BOARD OF FINANCE
TOWN OF EAST WINDSOR
11 RYE STREET
BROAD BROOK, CONNECTICUT 06016**

**MINUTES OF SPECIAL MEETING
Wednesday, January 17, 2018 , at 7:00 p.m.**

These minutes are not official until approved at a subsequent meeting

Regular Members Present: Jerilyn Corso (Chairman) Karen Christensen, Cindy Herms,
Sarah Muska, Kathy Pippin; and Bill Syme,

Regular Members Absent: Cindy Herms..

Alternates Present: .Alan Baker..

Alternate Absent: Danelle Godek

Other Guests: Town Staff, or other Town Entities: Interim Town Treasurer: Gayle Carolus; **First Selectman:** Robert Maynard; **East Windsor Public Schools:** Dr. Christine DeBarge, ED.d., Superintendent; **Board of Education/CIP Committee:** Cathy Simonelli, Chairman (both agencies)

Public: Marie DeSousa; Dick Pippin.

Press: No one from the press was present.

1. Call to Order/Pledge of Allegiance:

Chairman Corso called the Meeting to Order at 7:01 p.m. The Board stood to recite the Pledge of Allegiance.

2. Time and Place of Meeting:

Wednesday, January 17, 2018 at 7:00 p.m. at the East Windsor Town Hall (11 Rye Street, Broad Brook, CT.)

3. Attendance/Appointment of Alternates:

Chairman Corso noted Regular Member Cindy Herms is unable to attend this Meeting; she requested the appointment of Alternate Alan Baker to the Board this evening.

MOTION: To APPOINT Alan Baker as a voting member of the Board of Finance for the January 17, 2018 Special Meeting.

Muska moved/Pippin seconded/DISCUSSION: None.

VOTE: In Favor: Unanimous (Corso/Christensen/Muska/Pippin/Syme/Baker).

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4. Approval of Agenda:

MOTION: To APPROVE the Agenda for the Special Meeting of the Board of Finance dated January 17, 2018 as presented.

Syme moved/Pippin seconded/DISCUSSION: None.

VOTE: In Favor: Unanimous (Corso/Christensen/Muska/Pippin/Syme/Baker).

5. Approval of Minutes/a) Special Meeting, December 20, 2017:

MOTION: To APPROVE the Minutes of the Board of Finance Special Meeting dated December 20, 2017 as presented.

Muska moved/Pippin seconded/DISCUSSION: None.

VOTE: In Favor: Unanimous (Corso/Christensen/Muska/Pippin/Syme/Baker).

6. Public Participation: No one requested to speak.

7. Communications:

Chairman Corso noted receipt of e-mail sent to the Board of Selectmen from Joel Whalen questioning that the Charter calls for a Town Treasurer while the position advertised is for a Financial Director/Town Treasurer. Chairman Corso referenced an excerpt from the Charter, which indicates “we will have a Treasurer, who will serve as a Director of Finance.” Chairman Corso referred the question to First Selectman Maynard.

First Selectman Maynard referenced a review made through CCM (Connecticut Council of Municipalities) which gave the following information regarding towns having Treasurers vs. Finance Directors, and their associated salaries. Most towns have a Finance Director at an average salary of approximately \$112,000. When you query towns that have Treasurers the average salary is \$40,000; some Treasurers are paid less. Towns that do have Treasurers at the \$40,000 salary level also have Finance Directors. Only one town – East Windsor – listed a Treasurer, at a salary of \$80,000. First Selectman Maynard suggested East Windsor is outdated in identifying the position as Treasurer rather than Finance Director; he felt to advertise for a Treasurer is false. The salary of \$87,000 also deters good candidates from applying for the position. Discussion continued regarding the Charter identification vs. the position advertisement. Chairman Corso cited concern with the advertisement as posted vs. the Charter language.

8. Monthly Reports/a. Town Financial Reports:

Interim Treasurer Carolus presented the Board with the following standard reports:

Tax Collector:

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- Cumulative Report of Cash – End of Month Report for December 2017 - See Attachment A.
- Report of the Tax Collector – See Attachment B, 2 pages

Assessor's Report:

- Memorandum dated January 11, 2018.- Assessor's Status Report – See Attachment C.

Interim Treasurer Carolus reviewed the status of the following line items with the Board:

- Legal Fees are getting high. Mrs. Pippin noted there is a second attorney sitting in the audience, wearing a tie, at the Selectmen's Meetings; she questioned if that individual is getting paid? Interim Treasurer Carolus noted Joshua Hawks-Ladds is the Town's paid legal counsel.
- Labor Negotiations are currently over-spent; negotiations are ongoing.
- Unemployment over-spent

Mr. Syme noted the following line item status:

- Police over-time is getting low. Interim Treasurer Carolus noted one Police Officer is retiring, one Police Office is a recent hire. Mrs. Pippin questioned if the new officer's training through the Police Academy is paid through our budget? Interim Treasurer Carolus didn't have the specifics of the hiring agreement available.
- DPW over-time is getting low as well. Interim Treasurer Carolus cited there is also a line item for storm related overtime which should be available to some of the overtime salaries.
- Professional Services in both the Town Clerk and Assessor's budget is down to 30%
- Part-time salary in the Tax Collector's Office is getting low. Interim Treasurer Carolus reported that position is shared with the Treasurer's Office; when the part-time salary is totally expended in the Tax Collector's Office then that employee's salary is paid through the Treasurer's Office.

Chairman Corso noted tax collection is presently at 68%. Interim Treasurer Carolus noted January is a new collection cycle and is a busy time period for that office; all January figures may not yet be posted.

b. Line-Item Transfer Requests: None.

MOTION: To TAKE A FIVE MINUTE BREAK.

Syme moved/Pippin seconded/DISCUSSION: None.

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VOTE: In Favor: Unanimous (Corso/Christensen/Muska/Pippin/Syme/Baker).

The Board RECESSED at 7:16 p.m.

Chairman RECONVENED the Meeting at 7:19 p.m.

9. New Business/a. Annual Audit:

Michael VanDeventer, CPA, Partner, of Mahoney Sabol, joined the Board. Mr. VanDeventer began his presentation by acknowledging the outstanding job done over the past year by Gayle Carolus and Kim Scavotto, of the Treasurer's Office. He cited the challenges of not having a full time Treasurer; Mr. VanDeventer was extremely happy with their performance.

Mr. VanDeventer noted the detailed Audit Report is available on the Town's website. He reviewed a summary of the 2017 Audit Results with the Board. See Attachment D

10. Unfinished Business/a. Annual Report:

Chairman Corso noted comments made at the Board of Selectmen's (BOS) Meeting regarding the process for the annual report, and suggested changes discussed by the BOS. She noted Selectman Szymanski had questioned why the Warehouse Point Fire District hadn't been included; Deputy First Selectman Dearborn had suggested it was because they had not received funding through the Town last year. Discussion had followed at the BOS's Meeting regarding criteria for inclusion in the Annual Report; it had been suggested that lack of funding via the Town's budget and/or a group referred to in discussion by a resident as a "non-town" group may have been the reason for exclusion. Chairman Corso noted Selectmen Szymanski's reference to the Warehouse Point Fire District's previous tax history in 1975; he had indicated they had been included in the Annual Report at that time. Mrs. Pippin questioned why we constantly go over things that have already been settled? Chairman Corso suggested the Board of Selectmen had suggested changes to the process.

Chairman Corso indicated the Charter designates the preparation of the Annual Report to the Board of Finance. Discussion continued regarding comparison to other towns with regard to document presentation. It was noted the format is now more reader-friendly than in the past, and more visually appealing. Chairman Corso noted the Treasurer usually prepares the Annual Report; she suggested staff was tasked with a difficult project without the assistance of a Treasurer this year. First Selectman Maynard suggested a Charter Revision Study Committee is reviewing potential Charter changes, and the BOS would welcome input from the BOF as well.

b. Budget Calendar:

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The Board reviewed the most recent draft of the budget calendar. It was noted the Board of Selectman/ Board of Education Public Hearing has been changed from February 6th to February 1st; Dr. DeBarge and Mrs. Simonelli were agreeable to the date proposed. The BOS/BOE will present the budget to the Board of Finance on March 21st.

The BOF raised no opposition to the proposed budget schedule.

c. Treasurer Position

First Selectman Maynard reported the position has been posted again; there is some interest; interviews will be scheduled shortly.

d. Casino Impact Funds

First Selectman Maynard joined the Board to share the BOS's current ordinance proposal. He referenced an e-mail from Michael VanDeventer, the Town's auditor, regarding his opinion as to how the ordinance should be structured. First Selectman Maynard referenced the current ordinance proposal, noting minor changes to paragraphs 1 and 2.

First Selectman Maynard suggested the BOF can make suggestions regarding the ordinance as well. He indicated the BOS would like to pass this ordinance to show the Town they're doing something. When the \$3 million comes in it will go into the Casino Impact Fund 15 months before the casino opens. The subsequent ordinance to handle the requests and manage the distribution of the funds can follow later. First Selectman Maynard indicated that personally he could perceive money being spent on some police and public safety and maybe for some studies to help with the orderly changes in the Town. First Selectman Maynard indicated the BOS wanted to include the BOF in this proposal because you're a part of this as much as everyone else; he requested input.

Mr. Syme questioned what was different, or better, with this ordinance vs. the previous ordinance that went to public/Town Meeting? First Selectman Maynard cited the previous ordinance went further; it had outlined three specific entities – an outside firm, a committee of three, or a Town employee with municipal experience or a project manager - as the choices for approving the disbursement of funds. None of those approval/disbursement options provided for public input. The previous ordinance proposal went through the whole approval and disbursement process; the current proposal doesn't specify the payment function as the intent is to handle that under a second ordinance. First Selectman Maynard indicated that this ordinance just puts the money in the separate Casino Impact Fund. Chairman Corso concurred, noting it puts the money in the Casino Impact Fund that the BOF has already created.

Ms. Muska wasn't in favor of multiple ordinances. She felt it's confusing to voters, she feels the ordinance should explain everything, and if one passes without the other then

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you're back to square one. First Selectman Maynard indicated he understood; he felt everyone felt the casino funding should go into a separate fund. First Selectman Maynard suggested another reason the previous ordinance didn't pass was the multiple amendments allowed during the Town Meeting. The BOS felt a simpler ordinance wouldn't be as confusing.

Chairman Corso noted Selectman Dearborn wasn't in favor of the proposed ordinance.

Ms. Muska noted Cathy Simonelli had brought up a good point in regard to putting the money into the General Fund to lower taxes; it also lowers the amount of taxes they are paying. First Selectman Maynard clarified that Deputy First Selectman Dearborn wanted to keep taxes level. Ms. Muska felt if the casino funds are put in a separate fund and the casino doesn't work out it we'll be able to track it; if it goes into the General Fund it will be hard to track.

Mrs. Pippin recalled that someone, maybe Mr. Hoffman, made a comment at the BOS Meeting that (Governor) Wicker had set it up that Foxwoods would send money to the schools and we've never been able to find that money since. She mentioned this to point out that it is possible to lose money. And in regard to another committee, she felt it would be questionable as to the people you put on that committee at this point; she suggested it would be scary. Interim Treasurer Carolus suggested if the Town had to hire additional people because of the casino, like for the Building Department, that expense shouldn't be borne by the General Fund.

Cathy Simonelli questioned the timing of receipt of the funding? First Selectman Maynard reported the initial casino impact funds come in 15 months prior to opening the casino. Mrs. Simonelli questioned how long the building process would take; how long does the BOS have to pass this ordinance? First Selectman Maynard briefly viewed the construction process, beginning with demolition of the existing building and following with the application processes, and the issuance of building permits; First Selectman Maynard felt construction would take 18 months to complete.

Chairman Corso questioned when the BOS will vote on this ordinance? First Selectman Maynard suggested perhaps February 1st.

11. Board Member Comments:

Chairman Corso queried Board members for comments:

Ms. Muska: Nothing additional to report.

Mrs. Pippin: Mrs. Pippin reported she is getting many complaints that the Board of Selectmen liaisons are not attending their assigned Commissions; the Board members are uncomfortable with the lack

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of attendance. Ms. Muska noted the BOF's liaison hasn't attended the Board's meetings either.

Mr. Syme: No comments.

Mrs. Christensen: No comments

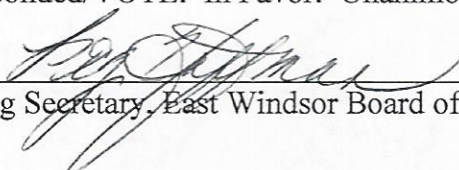
Mr. Baker: No comments.

Chairman Corso: Chairman Corso noted the start of budget workshops; she felt it will be a lengthy process this year. Chairman Corso suggested perhaps BOF members might want to attend the BOS budget workshops as well. She was disheartened that Selectman Dearborn suggested that the Town had been hoarding money for years. She felt that if that was true then the departments would have more what they need. She suggested the BOF has been working diligently with the BOS to plan expenditures wisely. Interim Treasurer Carolus cited the continuing uncertainty with the State.

12. Adjournment:

MOTION: To **ADJOURN** this Meeting at 8:15. p.m.

Syme moved/Pippin seconded/VOTE: In Favor: Unanimous

Respectfully submitted: 
Peg Hoffman, Recording Secretary, East Windsor Board of Finance

Attachments A – D.

CUMULATIVE REPORT OF CASH

End of Month Report of	DEC 2017	NET CASH COLLECTION	BUDGETED REVENUE	DIFFERENCE BETWEEN BUDGET AND ACTUAL
Current Taxes	\$3,281,018.02	\$21,546,006.76	\$31,199,259.00	(9,653,252.24)
MV Supplemental	\$4,712.73	\$4,712.73	\$275,000.00	(270,287.27)
Interest and Fees	\$34,961.65	\$174,432.97	\$225,000.00	(50,567.03)
Prior Year Taxes	\$53,019.25	\$215,714.77	\$300,000.00	(84,285.23)
Total Tax Collector Report	\$3,373,711.65	\$21,940,867.23	\$31,999,259.00	(10,082,397.68)
NON-GENERAL FUNDS COLLECTIONS				
Sewer Benefit Assessment	\$3,858.40	\$13,913.82		\$13,913.82
Sewer Facility Connection Charge	\$5,601.14	\$62,548.56		\$62,548.56
Aircraft	\$0.00	\$3,110.00	\$3,500.00	(\$390.00)
Parking	\$0.00	\$0.00	\$20.00	(\$20.00)
WHP Fire District	\$1,832.41	\$626,472.62	\$635,681.27	(\$9,208.65)
Total Deposit	\$3,385,003.60			

% OF BUDGET COLLECTED 68.57% TOWN
 % OF BUDGET COLLECTED 98.55% FIRE

BOF - 1/17/2018 - Attachment A

Bot - 1/17/2018 - Attachment B - page 1

TOWN OF EAST WINDSOR
REPORT OF TAX COLLECTOR

TOWN OF EAST WINDSOR													
LIST YEAR	BEGINNING BALANCE	ASSESSMENT INCREASE	ASSESSMENT DECREASE	TAXES REFUNDED	TO SUSPENSE	ADJUSTED COLLECTIBLE	SUSPENSE PAID TAX	SUSPENSE PAID INTEREST	TAXES PAID	INTEREST	LIEN	NET BALANCE	GROSS BALANCE
2016	32,216,746.41	85,265.44	238,551.83	16,011.75		32,062,460.02			21,550,719.49	36,873.96	18,185.86	10,511,740.53	10,528,166.93
2015	335,927.69	2,415.39	69,863.35	5,144.02		268,479.73	235.07	79.70	133,123.52	25,243.37	8,120.48	135,356.21	196,122.12
2014	144,958.08	31.05	59,105.14	754.72		85,883.99			18,213.36	17,820.82	2,551.33	67,670.63	87,597.35
2013	85,055.18		2,474.42			82,580.76	52.89	30.98	13,931.47	7,220.56	839.68	68,649.29	68,695.29
2012	100,078.10		2,641.72			97,436.38	352.41	182.86	11,875.99	9,593.23	751.59	85,560.39	85,606.39
2011	87,077.52		2,638.81			84,438.81	4,339.29	4,105.58	6,527.34	4,922.13	287.47	77,911.47	77,935.47
2010	82,435.78		2,525.05			79,909.73	4,549.59	3,624.85	4,948.11	4,925.26	151.43	74,961.62	74,985.62
2009	76,965.92		2,486.75			74,479.07	233.17	361.60	4,039.07	5,017.52	101.00	70,440.00	70,464.00
2008	62,056.15		2,253.84			59,802.31	321.67	491.27	3,495.05	4,961.73	48.00	56,307.26	56,307.26
2007	54,145.24		2,167.27			51,977.97	284.02	476.00	3,258.76	5,178.68	48.00	48,719.21	48,719.21
2006	7,186.57		1,977.80			5,208.87	342.34	669.48	3,003.87	5,337.54	48.00	2,205.00	2,205.00
2005	4,167.97		1,970.79			2,197.18	417.77	833.16				2,197.18	2,197.18
2004	2,024.59		1,913.08			111.51	1,259.78	2,878.34				111.51	111.51
2003	1,964.36		1,856.18			108.18	654.36	1,825.76				108.18	108.18
2002	1,852.25		1,750.24			102.01	261.08	823.04				102.01	102.01
2001	385.47	1,334.57	1,621.87			98.17	19.79	62.71	(24.00)		24.00	122.17	122.17
TOTAL	33,262,027.38	89,046.45	395,799.14	21,910.49		32,955,274.69	13,322.23	16,445.33	21,753,112.03	126,894.80	31,156.84	11,202,162.66	11,299,447.69
CREDIT BALANCES													
DATE	1/3/2018					2016	(16,428.40)						
						2015	(60,765.91)						
						2014	(19,926.72)						
						2013	(46.00)						
						2012	(46.00)						
						2011	(24.00)						
						2010	(24.00)						
						2009							
						2008							
						2007							
						TOTAL	(97,261.03)						



*BOF - 1/17/2018
Attachment C*

TOWN OF EAST WINDSOR

Caroline G. Madore, CCMA II – Assessor
11 Rye St. - Broad Brook, CT 06016-9553
cmadore@eastwindsorct.com
860-623-8678 / (Fax) 860-623-4798

TO: Board of Finance / Board of Selectmen
FROM: Caroline G. Madore, CCMA II - Assessor
DATE: January 11, 2018
RE: Assessor's Status Report

MEMORANDUM

Real Estate Appeals - Grand List of October 1, 2014:

- 54 Real Estate Accounts – owned by SJK Properties LLC & Jolanta Kement – The Plaintiff has refused offers to Stipulate for Judgment. Appraisals will be exchanged by January 16, 2018 and a Pretrial session is scheduled for February 8, 2018.

Real Estate Appeals - Grand List of October 1, 2016:

- 44 Prospect Hill Rd. (Wal-Mart Stores East LP) - Pretrial is scheduled for 4/19/18.
- 191 Depot St. & 38 Sullivan Farm Rd. – Pretrial is scheduled for June 21, 2018.

Motor Vehicle Supplemental – Grand List of October 1, 2016:

- Pricing continues and the bills will be released at the end of this month for collection during the month of January, 2018.

Grand List of October 1, 2017:

Revaluation (Real Estate) –

- Informal hearings were completed & notices of results of these hearings will be sent within the next few days.
- Informal Revaluation Hearings were scheduled from 12/5/17 to 12/15/17, however, due to weather & re-scheduling, the hearings (in person & by phone) were completed 1/2/2018.
- My formal notices of value will be released following the filing of the October 1, 2017 Grand List.

Personal Property & Motor Vehicles –

- Input continues on the October 1, 2017 Grand List.

Personal Property Audits:

- Two Personal Property Audits were completed (relative to the Grand Lists of 2014, 2015 & 2016): Metal Improvement & Specialty Printing. The results will be shared with you in next month's Assessor Status Report following my review and decisions.

Thank you.



Presentation to the

Board of Finance

Fiscal Year 2017 Audit Results

Town of East Windsor,
Connecticut

Presented by:

Michael J. VanDeventer, CPA, Partner

January 17, 2018

www.mahoneysabol.com

Glastonbury Essex Middletown

BOF - 1/17/2018 - Attachment D - multiple pages

Agenda

- Scope of Work
- Auditor's Reports
- Financial Highlights
- Required Communications
- Questions

Scope of Work

Audit of Financial Statements performed in accordance with the following:

- Auditing standards issued by the American Institute of Certified Public Accountants
- *Government Auditing Standards* issued by the Government Accountability Office

Federal and State Single Audit performed in accordance with the following:

- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)
- State of Connecticut, OPM Compliance Supplement to the State Single Audit Act
- Applicable grant and contract agreements

Agreed-Upon Procedures on End of Year School Reports (ED001):

- Procedures required by the State of Connecticut Department of Education

Auditor's Reports

Report on Financial Statements:

- Unmodified "clean" opinions on the following opinion units:
 - Governmental activities
 - Each Major Governmental Funds:
 - Capital and Nonrecurring Fund
 - Capital Projects Fund
 - Educational Grants Fund
 - Aggregate remaining fund information

Report on Compliance and on Internal Control over Financial Reporting:

- No material noncompliance of laws and regulations reported
- No significant deficiencies or material weaknesses over financial reporting reported

Auditor's Reports (Continued)

Federal Single Audit

- Report on Compliance and on Internal Control at the Federal Award Level
 - Fiscal Year 2017: \$896,055 expended
 - Fiscal Year 2016: \$859,761 expended
 - Major Program:
 - Community Development Block Grant - \$216,922
 - Unmodified “clean” opinion on compliance
 - No significant deficiencies or material weaknesses over compliance reported

Auditor's Reports (Continued)

State Single Audit:

- Report on Compliance and on Internal Control at the State Financial Assistance Level
 - Fiscal Year 2017: \$8,650,328 expended; \$2,586,123 nonexempt
 - Fiscal Year 2016: \$10,355,530 expended; \$2,213,984 nonexempt
 - Major Programs:
 - Alliance Capital Grant (\$1,166,266)
 - Town Aid Road Grant (\$267,266)
 - Unmodified “clean” opinion on compliance
 - No significant deficiencies or material weaknesses over compliance reported

Financial Highlights

Government-wide Financial Highlights:

	2017	2016	\$ Variance	% Variance
Current and other assets	\$ 20,784,649	\$ 21,381,463	\$ (596,814)	-3%
Capital assets	59,313,345	57,717,740	1,595,605	3%
Total assets	80,097,994	79,099,203		
Deferred outflows of resources	2,475,425	1,547,289	928,136	60%
Other liabilities	2,760,284	9,067,631	(6,307,347)	-70%
Long-term liabilities	20,736,415	13,625,561	7,110,854	52%
Total liabilities	23,496,699	22,693,192		
Deferred inflows of resources	104,321	74,942	29,379	39%
Net position:				
Net investment in capital asset	50,159,825	47,177,997	2,981,828	6%
Restricted	94,937	69,877	25,060	36%
Unrestricted	8,717,637	10,630,484	(1,912,847)	-18%
Total net position	\$ 58,972,399	\$ 57,878,358		

Financial Highlights (Continued)

Government-wide Financial Highlights (Continued):

- Increase in capital assets reflects continued costs incurred in connection with the modular classroom project in addition to other school improvements funded by the Alliance Capital Grant.
- Reduction in other liabilities includes the retirement of the \$4.9 million bond anticipation note combined with a reduction in payables associated with the modular classroom project.
- Long-term bonded debt increased by \$5.3 million due to the issuance of bonds in the amount of \$5.74 million, offset by scheduled principal repayments.
 - \$3 million used to retire a portion of the \$4.9 million bond anticipation note
 - \$2.74 million to be used for various public improvements, roads and the Broad Brook dam

Financial Highlights (Continued)

Government-wide Financial Highlights (Continued):

- The net pension liability for the Town's defined benefit pension plan is \$7 million, an increase of \$1.5 million over the prior year
 - Increase reflects a change in discount rate from 7.0% to 6.5%
 - 77% funded as of June 30, 2017
- The net pension liability for the State Teachers' Retirement System attributed to the Town totaled \$36.2 million as of June 30, 2016 (most recently available reporting by the Board). This liability is currently carried by the State. On-behalf payments totaled \$2.5 million.
- The Town is reporting an unfunded net other post-employment liability of \$3.2 million.
 - This reflects the liability associated with post-employment health benefits provided to Teachers, net of assets held in trust of \$907 thousand

Financial Highlights (Continued)

Governmental Funds Financial Highlights:

- Combined ending fund balances as of June 30, 2017 was \$16.4 million, an increase of \$2.9 million over the prior year. Total fund balances consisted of the following:
 - General Fund: \$9.4 million (\$8.1 million unassigned an available for new spending)
 - Capital and Nonrecurring: \$1.6 million, committed for capital purposes
 - Capital Projects Fund: \$2.6 million, unspent bond proceeds restricted for capital projects
 - Nonmajor Funds: \$2.8 million, restricted and committed for various purposes
- General Fund unassigned fund balance represents 21.6% of General Fund GAAP basis expenditures. This is sufficient to cover 2.6 months of General Fund operating expenditures (GAAP Basis).

Financial Highlights (Continued)

General Fund – Budgetary Highlights:

- Original budget included the use of fund balance of \$250,000 to balance revenues and expenditures
- Final budget included additional appropriations of \$906,200 primarily consisting of transfers to the Capital and Nonrecurring Fund for authorized capital purposes
- Actual change in fund balance was \$369,345, resulting in a favorable budgetary variance of \$1,525,545
- Revenues and other financing sources were \$549,860 more than budgeted
- Expenditures and other financing uses were \$975,685 less than budgeted

Required Communications

Auditor's Responsibility under U.S. Generally Accepted Auditing Standards:

- Management is responsible for the preparation of the financial statements
- Our responsibility is to express opinions on the financial statements

Planned Scope and Timing of the Audit:

- No changes were made to the planned scope or timing of the audit

Significant Audit Findings:

- Qualitative Aspects of Accounting Practices:
 - The Town was required to implement a number of new accounting standards, however, those standards did not have a significant impact on the financial statements
 - Disclosures included in the financial statements are neutral, consistent, and clear
 - Accounting estimates were deemed to be reasonable

Required Communications (Continued)

Significant Audit Findings (Continued)

- Difficulties Encountered in Performing the Audit: No significant difficulties
- Corrected and Uncorrected Misstatements:
 - No uncorrected misstatements
 - Audit adjustments consisted of:
 - Recording of approved transfers between funds
 - Certain reclassifications for financial reporting purposes

Required Communications (Continued)

Significant Audit Findings (Continued)

- Disagreements with Management: No disagreements
- Management Representations: No unusual representations made by management
- Management Consultations with Other Independent Accountants: Not aware of any consultations
- Other Matters - Recommendations:
 - Recording transfers between Funds
 - Filling the Treasurer Vacancy
 - Fraud Risk Assessment
 - Cybersecurity Risk Assessment