

TOWN OF EAST HADDAM
BOARD OF FINANCE
Regular Meeting
November 19, 2012
7:00 pm
Nathan Hale Ray High School Cafeteria

Call to Order

The Regular Meeting of the East Haddam Board of Finance was called to order by Chairwoman Susan Link on Monday, November 19, 2012 at 7:05 pm at the Nathan Hale Ray High School cafeteria.

The Pledge of Allegiance was recited.

In attendance:

Board of Finance Members:

Susan Link, Chairwoman
Daniel Alexander
Bruce Dutch
Harvey Thomas
Raymond Willis

Others:

Mark B. Walter, First Selectman
Deb Denette, Town Clerk and BOF recording secretary
Denise Dill, Tax Collector
Cindy Varricchio, Finance Director
Gerald Paradis, Blum Shapiro
Leslie Zoll, Blum Shapiro

Approval of Agenda

Motion was made by Mr. Alexander to accept the agenda as presented. Mr. Dutch seconded the motion and it was unanimously approved. Motion carried.

Approval of Minutes

Motion was made by Mr. Willis accept the minutes of the Regular Meeting of October 15, 2012 as presented. Mr. Alexander seconded the motion and it was unanimously approved. Motion carried.

Mr. Alexander requested that staff review the postings of Board of Finance minutes on the website. He noted that current minutes are not posted. Brief discussion was held relative to the availability of minutes immediately following a meeting. Mrs. Denette responded that minutes are to be available from the Finance Office or from her office seven business days following the meeting. Traditionally, the minutes are not posted on the website until they have been adopted.

Correspondence

Nothing noted.

CHAIRMAN'S REPORT

a. Audit Report:

Mr. Paradis and Ms. Zoll provided a comprehensive review of the audit, including the financial statements for fiscal year ending 2012. In summary the Town's audit went very well. They highlighted specific paragraphs of the documentation, indicating compliance. They also reviewed the State and Federal Single Audit reports in detail.

The auditors offered two recommendations, one that the Town should strengthen its requisition process through the use of standardized purchase orders. It was noted that with the current system in place, the Town cannot determine what funds have been encumbered through purchase orders via the Munis financial system. It was noted that this will be resolved through an additional Munis module. The other area of recommendation was regarding the validation machine in the tax office. Mrs. Dill responded that the problem lies with the machinery, a statement will be printed whenever the machine faults which is where the problem lies. The auditors were in agreement that the solution proposed would be sufficient.

A series of questions were asked and answered. Particular discussion was held surrounding the reason for amending the budget to address overages. It was noted that the audit reflects the original budget, the final amended budget and the actual amounts for the fiscal year. Technical discussion was also held relating to materiality levels. Mr. Paradis stated that he will provide additional information further to the discussion for the benefit of Mr. Alexander and Mr. Thomas.

b. Tax Collector Monthly Report:

It was noted that collections are tracking well. Further discussion was held relative to the validator machine. Responsive to inquiry, Ms. Dill noted that there are two software companies, Quality Data Services and Munis, 90% of Town's utilize Quality and all experience the same problem with the validator machine. She stated that the machine works well as long as you don't rush it.

c. Liaison Assignments:

A revised liaison report with contact information was presented. The document reflected the formatting requested by Mr. Thomas. It was noted that Mr. Dutch will remain the liaison to the Senior Center. It was noted that the next meeting of the Financial Needs round table is scheduled for December 3, 2012.

Mr. Walter requested Mr. Alexander to work with the Assessor on important due dates for the revaluation.

FIRST SELECTMAN'S REPORT

Mr. Walter stated that the Financial Roundtable Committee will reconvene early next month. He stated that he has asked for a debt schedule that includes refinancing options to be prepared by our Financial Advisors at Webster Bank.

He noted that fire house company #2 (Moodus) is not structurally sound in high winds and plans for expansion at firehouse company #1 are being engineered for inclusion in the 10-

year capital plan. Discussion was held regarding the flexibility needed for regionalized organizations. Mr. Thomas and Mr. Walter disagreed regarding their growth and needs.

FINANCE DIRECTOR'S REPORTS

a. **October YTD Budget Reports:**

Mrs. Varricchio noted that the first quarter is tracking fine. It was also noted that legal expenses are on track.

b. **2011-2012 Annual Report:**

A draft of the 2011-2012 Annual report was presented. The Board of Finance and ultimately the legislative body of the Town must adopt it. It was noted that copies are available from the Town Clerk's office and on the website; however, it is not mailed to each resident.

Motion by was made by Mr. Thomas to approve the 2011-2012 Annual Report subject to proof reading and to request the Board of Selectmen to schedule a Town Meeting for adoption. Mr. Willis seconded the motion and it was unanimously approved. Motion carried.

Mrs. Varricchio reminded the Board that commencing with the December meeting; the venue will be the Grange Hall.

Liaison Reports

Nothing noted.

Guests and Audience Comments

Nothing noted.

Old Business

Nothing noted.

New Business

Mr. Walter reported on a lost town asset. He stated that he struck a deer with a Town car.

Mr. Willis encouraged attendance at the Hadlyme Hall this Friday to Sunday for an art show.

Motion by was made by Mr. Dutch to adjourn at 8:33 pm. Mr. Thomas seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted

Debra H. Denette