

**ASHFORD BOARD OF FINANCE
REGULAR MEETING
December 8, 2011
7:00 p.m.**

Members Present: Cathryn Silver-Smith (Chairperson), Merrill Simpson, Paul Canavan, Jane Cercena (alt.), Charles Funk, Eugenie Bagley (alt.), Tony Paticchio, Susan Eastwood (Clerk), Ralph Fletcher (First Selectman, Ex-officio), Francine Hodovan (Recording Secretary).

Guests: Linda Gagne, Ashford Tax Collector; Boy Scout Troop 92 of Ashford.

1. **Call to Order:** Ms. Silver-Smith called the meeting of the Ashford Board of Finance to order at 7:02 p.m.
2. **Seating of Alternates:** None.
3. **Approval of Meeting Minutes of Regular Meetings of September 8, 2011, Special Meeting of September 8, 2011, Special Meeting of October 20, 2011 and Special Meeting of December 1, 2011:**

Mr. Paticchio relinquished his seat to Ms. Cercena for the vote.

MR. CANAVAN MOVED AND MR SIMPSON SECONDED A MOTION TO APPROVE THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF FINANCE HELD ON SEPTEMBER 8, 2011. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY EXCEPT FOR MS. BAGLEY AND MS. EASTWOOD WHO ABSTAINED.

Mr. Paticchio was reseated at 7:04 p.m.

MR. PATICCHIO MOVED AND MR. CANAVAN SECONDED A MOTION TO APPROVE THE MINUTES OF THE SPECIAL MEETING OF THE BOARD OF FINANCE HELD ON SEPTEMBER 8, 2011 AS WRITTEN. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY EXCEPT FOR MS. BAGLEY AND MS. EASTWOOD WHO ABSTAINED.

Ms. Bagley was seated as present at 7:06 p.m.

MR. PATICCHIO MOVED AND MR. SIMPSON SECONDED A MOTION TO APPROVE THE MINUTES OF THE SPECIAL MEETING OF THE BOARD OF FINANCE HELD ON OCTOBER 20, 2011 AS WRITTEN. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY, EXCEPT FOR MS. EASTWOOD AND MR. CANAVAN WHO ABSTAINED.

MR. PATICCHIO MOVED AND MR. SIMPSON SECONDED A MOTION TO APPROVE THE MINUTES OF THE SPECIAL MEETING OF THE BOARD OF FINANCE HELD ON DECEMBER 1, 2011 WITH THE FOLLOWING CORRECTIONS. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY, EXCEPT FOR MS. EASTWOOD WHO ABSTAINED.

Under Agenda Item 1: Correct spelling of Selectman Fletcher's name.

Under Agenda Item 2: Correct the spelling of Ms. Bagley's name in both motions.

Under Agenda Item 3, Election of Officers: Correct the spelling of Mr. Paticchio's name.

4. **Hear From Public:** None.

5. **Communications:**

A letter dated December 5, 2011 from Ms. Gagne is attached.

A letter dated December 5, 2011 from Joe Kalinowski is attached.

Ms. Silver-Smith stated that she plans to call Ms. Jennifer Sterling-Folker, former chair of the BOE, to thank her for helping the BOE and BOF work together during her term.

6. Old Business:

a. 2010-2011 Annual Audit Report:

The final version received from the auditor contained the corrections suggested by the board.

MR. CANAVAN MOVED AND MS. EASTWOOD SECONDED A MOTION TO ACCEPT THE 2010-2011 ANNUAL AUDIT REPORT AS WRITTEN. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY.

Ms. Silver-Smith asked for discussion of the Auditor's recommendations. She stated that the BOE indicated during the December 1, 2011 Board of Finance meeting that the school is already making the changes suggested. Mr. Fletcher stated that more detailed recommendations are forthcoming in response to suggested changes on the Town side. This item will be tabled for another meeting.

7. New Business:

a. SBA Towers II LLC Refund:

Ms. Gagne stated that each year a line item is made in the tax assessor's budget for "Tax Refunds." Her letter to board dated December 5, 2011 is attached. The most common reasons for doing so have been to facilitate refunds over the year, to pay on certificates of correction, and actions due to appeals of assessments, i.e., refinancing, etc. From an accounting perspective, these refunds can make it appear that the department's budget has been over-expended when it has not. Ms. Gagne sent a letter to the audit firm stating her concern about this, but has yet to hear back from them. It was decided to table this discussion until Ms. Silver-Smith speaks with the auditors to find a workable solution to this ongoing problem.

b. Selectman's Update:

Selectman Fletcher stated that the Region 19 BOE will hold their annual meeting to discuss issues that could impact the 2012-2013 budget on Tuesday, December 13, 2011 at 7:00 p.m. in the EO Smith Media Center. Ms. Fletcher and Ms. Silver-Smith encouraged all to attend. Columbia students will now be coming to EO Smith and Ashford is expected to have 13 less students attending than was projected.

c. BOS Request for Funds for Deputy Treasurer Stipend of \$500 Annually:

Selectman Fletcher stated that the Deputy Treasurer will be responsible for signing checks in the absence of the Treasurer. According to statute, the Deputy Treasurer is appointed by the Treasurer. For the remaining six months of FY 2011-2012, \$250 is needed. Selectman Fletcher will provide a copy of the Deputy Treasurer's duties and qualifications to Ms. Silver-Smith to distribute to the board.

MR. SIMPSON MOVED AND MS. EASTWOOD SECONDED A MOTION TO APPROVE THE TRANSFER OF \$250 FROM THE CONTINGENCY FUND (110-74000-59520) TO A NEW LINE ITEM TO BE CREATED IN THE FINANCE DEPARTMENT (110-17000) FOR THE DEPUTY TREASURER STIPEND FOR FY 2011-2012. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY, EXCEPT FOR MR. CANAVAN WHO ABSTAINED.

d. BOS Request for Funds to Repair the Senior Center Septic System Pumps and Valves:

Selectman Fletcher suggested that the BOF allocate a sum from the contingency fund, not to exceed \$6,500 to cover services recently performed by electric and septic contractors to repair the septic system at the Senior Center.

MR. CANAVAN MOVED AND MR. PATICCHIO SECONDED A MOTION TO ALLOCATE A SUM FROM THE CONTINGENCY FUND (110-74000-59520) NOT TO EXCEED \$6,500 FOR SEPTIC REPAIRS FOR THE SENIOR CENTER. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY.

e. Contracted Tree Service for Storm Irene (\$8,500):

Selectman Fletcher stated that the BOS would like to rescind their request for these funds at this time, but offered these dollar amounts to the Board for informational purposes. He noted that the 75% reimbursement from FEMA may not be received during this fiscal year.

f. Contracted Tree Service for Storm Alfred (\$4,500):

The BOS rescinded their request for these funds.

g. BOS Request for Additional Appropriation for Emergency Management Budget (\$3,000):

Selectman Fletcher stated that the Department of Homeland Security will give each town approximately \$1,500 for their emergency management budgets which can be used for virtually anything within reason. The amount of the line item must be at least \$3,000 in order to receive the full \$1,500.

MR. PATICCHIO MOVED AND MS. EASTWOOD SECONDED A MOTION TO ALLOCATE \$3,000 FROM THE CONTINGENCY FUND (110-74000-59520) TO THE EMERGENCY MANAGEMENT BUDGET LINE ITEM (110-22000-55525). THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY EXCEPT FOR MR. CANAVAN WHO ABSTAINED.

h. 2012 – 2013 Budget Planning:

Ms. Silver-Smith stated that the board's Financial Management Goals and Budget Policies need to be updated for the 2012-2013 budget cycle. In addition to updating the dates in the documents, Ms. Silver-Smith will obtain recommendations for changes from the auditors, including any changes resulting from the Tax Collector concerns stated by Ms. Gagne's letter to the BOF dated December 5, 2011.

MR. SIMPSON MOVED AND MR. PATICCHIO SECONDED A MOTION TO ADD ITEM I "ALLOCATION OF DEPARTMENT OF PUBLIC WORKS GENERATED REVENUE" TO THE AGENDA. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY.

i. Allocation of Department of Public Works Generated Revenue:

A letter (attached) was received from J. Kalinowski dated December 5, 2011 to the BOF requesting that income that came into the General Fund from sale of DPW goods be moved to the DPW line item.

MR. CANAVAN MOVED AND MR. PATICCHIO SECONDED A MOTION TO TRANSFER \$3,500 FROM THE GENERAL FUND TO DPW'S VEHICLE REPAIRS LINE ITEM (110-33000-54224) TO COVER THE PURCHASE OF A TRAILER AND RELATED EQUIPMENT. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY.

8. Review of 2011-2012 Expense and Revenue Reports

Selectman Fletcher stated that there are no outstanding issues to report at this time.

9. Agenda Items for Next Meeting:

- Auditor recommendations
- BOF budget for FY 2012-2013
- SBA Towers II, LLC issue
- Budget Policies and Fiscal Management Goals for 2012-2013
- Debt Payment Schedules – copies of debts still due

10. Remarks for the Good of the Board:

Mr. Simpson welcomed Ms. Eastwood to the BOF. Selectman Fletcher wishes all a Merry Christmas and Happy New Year and sends out best Holiday wishes in general. Ms. Silver-Smith thanked Ms. Eastwood for serving as Clerk for this term.

11. Adjournment:

MR. PATICCHIO MOVED AND MR. SIMPSON SECONDED A MOTION TO ADJOURN THE REGULAR MEETING OF THE ASHFORD BOARD OF FINANCE. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY.

The Regular Meeting of the Ashford Board of Finance was adjourned at 8:40 p.m.

Respectfully submitted,

Cathryn Silver-Smith for BOF Clerk

attachments:

12/5/2011 Letter from Linda Gagne - Office of the Tax Collector

12/5/2011 Letter from Joe Kalinowski – Department of Public Works

Ashford Tax Collector's Office
P. O. Box 173
Ashford, CT 06278
taxcollector@ashfordtownhall.org
860-487-4411

December 5, 2011

Ashford Board of Finance
5 Town Hall Road
Ashford, CT 06278

Dear Board of Finance Members,

The Tax Collector's Office has a refund line item in the Office Expenditure Budget, #110-16000-5916, that has always been an area of concern to our office. For several budget cycles I would include verbiage discussing the refund line item as such:

“***** The tax refund line item continues to be an area of concern. This item is really a wash item since refunds are issued on accounts that are already collected and need to be refunded due to either assessments being adjusted, or real estate taxes being paid twice on one installment when a closing occurs in a due date month. This account sometimes runs in the red. There is no way to predict how many refunds may be processed in a fiscal year. When the account is over-expended, however, there needs to be an adjustment prior to the end of the fiscal year since the account is offset by revenue. It is not truly an over expenditure”. Sometimes these overpayments can occur within hours of two payments when wire transfers of bulk files are involved.

We are facing this dilemma with the account right now. I have signed requests for refunds from SB Towers II LLC in the amount of \$5762.44. The refund line item has a balance of \$3955.58 remaining. There are additional refunds in the amount of \$649.41 that have not been processed. In previous fiscal years, this line item was allowed to run with an over-expended balance because of the nature of the line item. This is not the case in the current fiscal year. I had given advance notification to the Finance Office, the Treasurer, and the Board of Selectmen at the same time that I sent out the applications for refunds to SBC Towers. The Treasurer responded that she will sign these checks since I have enough funds in the

Department Budget, but suggested that I get an additional appropriation to cover the expenditure. In other words, until I get that appropriation, the cost would be held against my other department line items.

It is too early in the fiscal year to ask for an additional appropriation for a line item that may have additional overpayments, especially during the January month of collection. Since this is essentially a bookkeeping issue, I had sent a copy of the correspondence to one of the auditors. I am hoping that the mechanics of this line item can be resolved so that we may focus our attention on the collections, and the upcoming tax sale.

Feel free to contact me with any questions.

Sincerely,

Linda G. Gagne, CCMC
Ashford Tax Collector

TOWN OF ASHFORD

Department of Public Works
185 Nott Highway
Ashford, Connecticut 06278

5 December 2011

TO: Cathryn Silver-Smith, Chairman
Ashford Board of Finance

FROM: Joe Kalinowski

SUBJECT: Allocation of Department of Public Works generated revenues

In November of 2011, the Town of Ashford issued an invitation to bid (attached) for surplus town-owned vehicles and equipment. The proceeds of the sale of this equipment brought in \$3,550.00 which, as an unanticipated revenue, was credited to the Finance Department's miscellaneous revenue account.

Following discussion with the Treasurer, Cheryl Miller, I am requesting that the above mentioned revenue of \$3,550 be transferred to DPW's Vehicle Repairs budget line (#110-33000-54224) to cover the purchase of a trailer and related equipment. The cost of the trailer from Kahn Tractor is \$5,300 less \$1,800 (trade-in value of our currently owned trailer) leaving a balance of \$3,500. The remaining \$50 will cover the cost of binders and chains for the trailer.