

ASHFORD BOARD OF FINANCE
REGULAR MEETING
June 25, 2015

Members Present: Cathryn Silver-Smith (Chairperson), Chuck Funk, Marian Matthews, Merrill Simpson, Gail Zaicek, Judy Austin (alt.), Carl Pfalzgraf (alt.), Francine Hodovan (Recording Secretary).

Guests: Linda Gagne (Tax Collector), Angie Di Santo.

1. **Call to Order:** Chairperson Cathryn Silver-Smith called the Regular Meeting of the Ashford Board of Finance to order at 7:07 p.m.
2. **Seating of Alternates:** Mr. Pfalzgraf was seated for Mr. Horn and Ms. Matthews was seated for Ms. Eastwood.
3. **Approve Minutes of Regular Meeting of June 11, 2015:**
MR. PFALZGRAF MOVED AND MS. ZAICEK SECONDED A MOTION TO ACCEPT THE MINUTES OF THE JUNE 11, 2015 BOF REGULAR MEETING WITH THE FOLLOWING CORRECTIONS. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY EXCEPT FOR MS. MATTHEWS WHO ABSTAINED.

Under item 5, the sentence “Ms. Silver-Smith announced that the Town has hired Halloran & Sage, Ltd as the new town attorney as of June 16, 2015” should read “Ms. Silver-Smith announced that the Town has hired Halloran & Sage, LLC as the new land use attorney/firm as of June 16, 2015, however, their firm will also be available to provide services to the Board of Finance.”

Under Item 7b, second paragraph, Ms. Gagne clarified that online payments work in conjunction with Quality Data. The charge is \$1.95 for each e-check an individual generates for payment, otherwise if paying by credit card it is the usual cost the credit card company charges for the service.

Under Item 8, Audit Committee, the last sentence should read “With regard to the Historical Society it was suggested that they may want to provide a report for the document. Ms. Silver-Smith will speak with Ms. Bowley who is the Society’s Chair.”

4. Hear From Public:

Ms. Di Santo introduced herself and stated that she has an interest in joining the BOF and will be observing the proceedings to learn more.

5. Communications:

A series of emails and phone communications occurred between Jim Rupert (BOF Chair) and Ms. Silver-Smith between June 23 and June 25, 2015. The intent of these communications was to:

- Notify the BOF of the hiring of Donald Neel as the BOE’s part-time Business Office Manager
 - Note: Ms. Silver-Smith participated in Mr. Neel’s final interview on June 17 and endorsed his selection as the school’s part-time Business Office Manager
- Clarify and address concerns raised by Mr. Rupert about the accuracy of information reported in June 11 BOF meeting minutes concerning Item 7g, FYE 2015 Audit - Update discussion of school purchase order controls:
 - Mr. Rupert informed Ms. Silver-Smith on June 23 that she was put on copy for an April 23 email from the Superintendent to the Auditor, which included an April 21 letter communicating action taken by the BOE to address the control gap.
 - Ms. Silver-Smith was unaware of the Superintendent’s April 23 email and April 21 letter, as the letter was not received by post or email either didn’t arrive in the BOF email box or was inadvertently deleted before it could be read. She also did not receive a corresponding hardcopy of the letter and the letter was not attached to any BOE minutes
 - Review of BOE minutes indicate that the Superintendent was instructed during BOE April 16 and May 28 meetings (well after the April 23 email) to send the written response to the Chair of the Board of Finance

- Address Mr. Rupert's concern that BOE had not transferred unspent 2014 BOE funds to the Unexpended Education Funds Account:
 - BOF Members questioned the timing of the communications on this matter
 - The Superintendent's February 18, 2015 request for transfer of unspent FY 2014 BOF funds was recorded with BOF February 19 meeting minutes. When action was taken to rename the fund and implement policies and controls for its management on February 19, the Board inadvertently neglected to make the 2014 transfer. Although reflected in June 11 BOF meeting minutes and the June 25 BOF meeting agenda, Mr. Rupert was unaware that Board action to address the oversight was slated for tonight's (June 25) BOF meeting
 - Dr. Longo emailed a letter dated June 5, 2015 to the BOF one week later (June 12), and that the request was for FY 2015, not 2014. The BOF cannot consider a transfer of FY 2015 funds until the FY 2015 audit is complete
 - BOF members also expressed concern that the BOE froze expenditures for FY 2015, then initiated an RFP for the installation of safety walls and secured a bid by North East Facilities Sales for \$12,154.00 for the project. Apparently the intent was to use the Unexpended Education Funds Account to pay for the project, which they cannot do, as the project is not on the FY 2016 Capital Improvements Plan. Mr. Pfalzgraf noted that it appears that the BOE froze expenses with the intention of putting "leftover" money into the Unexpended Education Funds Account so they can use it at their discretion

6. New Business:

a. Action: Approval of Taxes for Transfer to Suspense per CGD 12-165:

Ms. Gagne stated that this is limited to Real Estate accounts only. These properties had unpaid taxes on them at the time of the tax sale and therefore they are no longer collectible and should be taken off the books.

MR. PFALZGRAF MOVED AND MR. FUNK SECONDED A MOTION TO TRANSFER TO THE SUSPENSE ACCOUNT THE FOLLOWING ACCOUNTS, WHICH ARE DEEMED TO BE UNCOLLECTIBLE PER CGS SECTION 12-165 AS OF JUNE 25, 2015: EIGHT REAL ESTATE ACCOUNTS TALLING \$3,223.16 AS PROPERTIES WERE SOLD SHORT OF TOTAL AMOUNT DUE. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY.

See attached list of *Accounts for Transfer to Suspense 2015-06-24*.

b. Action: Transfer of Unused 2014 Ashford BOE Funds to Unexpended Education Funds Account:

MR. FUNK MOVED AND MS. ZAICEK SECONDED A MOTION TO TRANSFER THE AMOUNT OF \$32,187.00, WHICH REPRESENTS THE AUDITED BALANCE OF UNUSED EDUCATION FUNDS FROM THE FY 2014-2014 BOARD OF EDUCATION APPROPRIATION, TO THE UNEXPENDED EDUCATION FUNDS ACCOUNT. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY.

- c. **Action: Funds Review and Assignment:** This is on hold until Maureen Barber, Town Accountant can be present. She will be invited to the next regular BOF meeting.

7. Committee Reports:

Annual Report Committee: The FYE 2014 report is still in process. Ms. Zaicek sent a photo to the Ms. Silver-Smith June 25 for use in the report dedication.

8. Agenda Items for Next Meeting:

- Annual Report
- Funds Review and Assignment – Maureen Barber (Town Accountant)
- Discussion of BMSI/Town UCOA – Mike Zambo (First Selectman), Cheryl Baker (Treasurer)
- Closing Capital Improvement Projects – Cheryl Baker
- Review of FYE 2015 Revenues and Expenditures

9. Remarks for the Good of the Board: None.

10. Adjournment:

MR. FUNK MOVED AND MS. MATTHEWS SECONDED A MOTION TO ADJOURN THE JUNE 25, 2015 REGULAR MEETING OF THE ASHFORD BOARD OF FINANCE. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY.

The Ashford Board of Finance Regular Meeting adjourned at 8:28 p.m.

Respectfully submitted,

Cathryn Silver-Smith (for BOF Clerk)

Attachments:

6/23/2105 Email from Board of Education Chair re: 6/11/2015 BOF Special Meeting Minutes

6/05/2015 Letter from Superintendent re: Unexpended BOE Funds – Request

6/24/2015 Tax Accounts for Transfer to Suspense

6/23/2015 Email from Board of Education Chair re: 6/11/2015 BOF Special Meeting Minutes

From: Rupert, Jim

Sent: Tuesday, June 23, 2015 4:04 PM

To: Board of Finance Ashford; Sherri Mutch; Karen Zulick; Cheryl Baker

Cc: First Selectman; Christine Abikoff; Linda Gagne; Maureen Barber; Cheryl Baker; Fire Chief; Francine Hodovan; Kimberley Rourke; Jame Longo; Don Neel; Jennifer Barsaleau

Subject: RE: 6/11/2015 - Special BOF Meeting Minutes

Good afternoon,

I would like to address a couple of concerns regarding information or lack thereof in the minutes of the Board of Finance meeting. First I would like to report that on the 17th the Board of Education acted to hire Mr. Donald Neel as the Business Office Manager for the Board of Education. Please let this serve as official notice of his employment. Should anyone wish to obtain a copy of his employment contract you should provide written request to the office of the Superintendent.

There is a statement in the minutes that indicate that there is a continued deficiency with regard to Superintendent expenditures. It is my viewpoint that this is an incorrect statement. The Board of Education has addressed this by reviewing and approving those expenditures at its meetings and unless I am mistaken this information was shared with the Board of Finance in the form of a memo to which no comment has been received from the Board of Finance.

What I am disappointed to find missing once again in the Board of finance minutes is any action on the account created for unexpended funds for the fiscal year ending 13/14. Not only has the Board of Finance failed to act based on two separate written requests it has also failed to respond to those communications. Both memos were written by Superintendent James Longo and reviewed and approved by the Board of Education prior to them being sent to the Board of Finance.

Please know that while these are areas of disagreement the Board of Education continues to pursue cooperative working relationships with other Boards and Commissions including the Board of Finance but as Chairman of the Board of Education I will not permit what I believe to be misinformation go unchecked in a document that is public and widely distributed.

Respectfully,

James Rupert

Chairman, Ashford Board of Education