

## Town of Canaan Board of Finance

### Regular Meeting

Monday, August 13, 2007

6:30 P.M.

Town Hall, 108 Main Street, Falls Village, CT

**Present:** Kent Allyn, Tom Christian, Denise Cohn, George Elling, and E. Frederick Petersen. Alternates Stephen Koshland and Scott Macchi.  
**Absent:** Chairman Charles Lemmen and Alternate Patrick Hafner.  
**Also Present:** First Selectman Patricia Allyn Mechare, Michael A Zemaitis, and later Mary Petersen.

Acting Chairman Petersen called the Regular Meeting to order at 6:37 P.M., for Chairman Lemmen, who is excused. Petersen seated Alternate S. Koshland to replace Regular Member Lemmen at this meeting. **On a motion by T. Christian, seconded by K. Allyn and passed unanimously, discussion with Mr. Zemaitis of Meyers & Company, L.L.C., the Town Auditor, was added to the agenda and taken first.** This item is in reference to a July 25, 2007 letter from Meyers & Company to the Board of Finance (attached).

Various Board members questioned how the new requirements, described in the letter, as set by the AICPA would affect our Town. Zemaitis noted that most Towns in CT would be required to have a separate professional accountant, with experience in governmental financial accounting, and providing independent review on a regular basis of the accounting measures that are in place, in addition to an auditor. The two cannot be from the same firm or be the same person. The Federal Government Accounting Office and the State of CT have initiated this new independent oversight measure that begins with the current fiscal year.

He estimates that the cost of a professional accountant could be from a minimum of \$6,000 to \$8,000 to as much as \$10,000 to \$15,000, depending on the amount of work, especially for the first year.

Meyers & Company will be seeking qualified accountants to recommend to their municipal clients.

#### Secretary's Report:

**D. Cohn made a motion to approve the July 9, 2007 Regular Meeting minutes as presented. K. Allyn seconded. Passed. T. Christian abstained because he was not present at that meeting.**

#### Treasurer's Report:

The June and July Reports were e-mailed to the members by the Treasurer prior to this meeting (attached). **A motion was made by T. Christian to receive the June 2007 Treasurer's Report. K. Allyn seconded.** Discussion: T. Christian questioned the way in which the \$40,000 transfer from the unexpended Recreation Commission line, transferred to the Pool Reserve, was represented on the report. Mechare indicated that the Town auditor has not questioned the current way of showing the transfer, expense, and unexpended balance. **The motion carried unanimously.**

**A motion was made to receive the July 2007 Treasurer's Report by T. Christian. D. Cohn seconded. Passed unanimously.**

**Tax Collector's Report:** The July 2007 report was distributed (attached). As of July 31, 2007, the collection rate on the 2006 Grand List is 53.00%. **A motion to receive the July 2007 Tax Collector's Report was made by G. Elling. T. Christian seconded. Passed unanimously.**

**Board of Education Financial Report:**

No report was received for June or July 2007.

**First Selectman's Report:**

- Johnson Rd. /Feeder Road Grant Project – Work is essentially complete. \$216,000 has been expended to date. The Town Treasurer has already sent in the paperwork to receive reimbursement for the Town. The project seems to be \$6,000 to \$8,000 under budget at this time.
- No bids were received on the advertised bid specifications. Re-advertising the bid has ensued and the new bid opening is scheduled for August 22, 2007.
- Pool Project – Vernali Concrete will pour the concrete pool house floor. Mechare will then notify Trevor Soule at Falls Village Saw Mill to begin cutting the frame members. She hopes the pool house will be up by winter. Final work on the pool will be scheduled for early spring.
- Mechare notes that an Assistant (Deputy) Treasurer has been hired. The Assistant can perform all the duties of the Treasurer, except signing checks. That will require an ordinance. Mechare distributed a protocol document (attached) prepared by the Treasurer for requesting access to financial information in the Treasurer's absence. Mechare has requested that Town Counsel review the proposed protocol for FOI compliance and a new ordinance for the Assistant Treasurer check-writing protocol for statutory compatibility.
- A renter has been found for the 107 Main Street building, first floor. Michael Klemens, LLC, will have office space for his environmental consulting business and possibly an antiques business in the front room.

**Old Business:** None

**New Business:** None

**Adjournment:**

**G. Elling made a motion to adjourn, K. Allyn seconded, and passed unanimously.** The meeting adjourned at 7:35 P.M.

Respectfully submitted,

Margo B. Lewis  
Recording Secretary