

Town of Canaan Board of Finance

Regular Meeting

Tuesday, December 10, 2007

6:30 P.M.

Town Hall, 108 Main Street, Falls Village, CT

Present: Chairman Charles J. Lemmen, Kent Allyn, Denise Cohn, George Elling, E. Frederick Petersen, and Alternates G. Tracy Atwood and Stephen Koshland.
Absent: Regular Member Scott Macchi.
Also Present: Michael Zemaitis, Meyers and Company, LLC, Town Treasurer Linda Paviol and First Selectman Patricia Allyn Mechare. After 7 P.M. - Selectmen Peter G. Lawson and Charles H. Lewis, Dan Shaw, and Terry Cowgill, *The Lakeville Journal*.

Chairman Lemmen called the Regular Meeting to order at 6:37 P.M. and seated Alternate T. Atwood for absent Regular Member S. Macchi

Public Comment: None

Two items, inadvertently left off the agenda, were added by consensus - New Business: Adoption of the 2008 Meeting Schedule and Election of Officers.

Without objection, the agenda was modified to begin with the **New Business** item: 2006-2007 Financial Report by Auditor.

Auditor Michael Zemaitis distributed draft copies of the *Financial Statements Year Ended June 30, 2007 with Supplemental Statements and Schedules and Independent Auditors' Report* (attached). Zemaitis reviewed the document. Some areas he highlighted were: Management's Discussion and Analysis, Statement of Net Assets, Analysis of Governmental Funds, Long Term Debt, Major Fund Balances, Detailed Schedule of Budget Expenditures with Variances, Activity of Non-Major Governmental Funds, and Net Assets of Fiduciary Funds. There was some discussion regarding pension funds. Zemaitis indicated he expects pension figures will be available earlier next year with the change to *American Funds*, allowing presentation of the audit report to the Board of Finance earlier in the fall.

Zemaitis also distributed a separate two-page document *Schedule of Findings and Questioned Costs* (attached). These require submission of a corrective action plan. He noted that the Town Treasurer does an excellent job keeping the books and records, however the Board still needs to recommend an accountant to provide periodic independent oversight and review as part of Town control procedures. C. Lemmen noted that the Board is in the process of reviewing proposals from municipal accountants.

D. Cohn made a motion to accept the auditor's Town of Canaan Financial Statements - Year Ended June 30, 2007 with Statements, Schedules, and Report. T. Atwood seconded. Motion passed with one abstention.

Without objection, next addressed was **Old Business** item – Review Proposals for Extra Auditing Services.

Because two of the four proposals had just been received today by Chairman Lemmen, consensus was to distribute the four proposals for Board review and then schedule a Special Meeting for discussion and vote.

K. Allyn made a motion to schedule a Special Meeting for Monday, December 17, 2007 at 6:30 P.M. to discuss and consider hiring extra auditing services. F. Petersen seconded. Passed unanimously.

Secretary's Report:

A motion was made by K. Allyn to approve the Minutes of the November 13, 2007 Regular Meeting. D. Cohn seconded. Passed unanimously.

Treasurer's Report:

The Treasurer e-mailed the November 2007 Report to members prior to the meeting (attached).

A motion was made by F. Petersen to receive the November 2007 Treasurer's Report. K. Allyn seconded. Passed unanimously.

Tax Collector's Report:

The November 2007 Report was distributed (attached). **A motion to receive the November 2007 Tax Collector's Report was made by G. Elling. F. Petersen seconded. Passed unanimously.**

Board of Education Financial Report:

A report was received for November 2007(attached). D. Cohn requested that the BOE e-mail their report to the BOF members in the future. C. Lemmen will make the inquiry. **K. Allyn moved to receive the November 2007 BOE Financial Report. D. Cohn seconded. Passed unanimously.**

First Selectman's Report:

- Mechare expects the Johnson Feeder Road Grant Project to close out this month.
- Contracts have gone out this week for signatures by the chosen contractors for the 107 Main Street STEAP Grant Renovation Project. Mechare is hopeful the roof work will be completed in January and the whole project by June 30, 2008.
- The Fire Department's STEAP Grant extension application is still with the State Atty. General's Office.
- The Town Clerk has begun receiving materials for the Annual Town Report. Mechare expects it will be ready for a Town Meeting by the end of January. Acquisition of the twenty foot strip of land along RT 7 for the proposed Emergency Services Center would be voted upon at the same meeting.

New Business:

Adoption of 2008 Meeting Schedule

Chairman Lemmen distributed the proposed schedule of meeting dates for 2008 (attached). **D. Cohn made a motion to adopt the schedule of Regular Board of Finance Meetings for 2008 as presented. T. Atwood seconded. Passed unanimously.**

Election of Officers for 2008

G. Elling nominated C. Lemmen to the position of Board Chairman.

A motion was made by K. Allyn to close the nominations. F. Petersen seconded. Passed unanimously. The motion for Charles J. Lemmen as Board of Finance Chairman was voted upon and passed unanimously.

F. Petersen nominated D. Cohn for the position of Board Clerk. She declined the nomination.

F. Petersen nominated K. Allyn for the position of Board Clerk.

F. Petersen moved to close the nominations and have the Chairman cast a unanimous ballot on behalf of the Board for Kent Allyn as Board of Finance Clerk. D. Cohn seconded. Passed unanimously.

Adjournment:

G. Elling made a motion to adjourn, D. Cohn seconded, passed unanimously. The meeting adjourned at 7:40 P.M.

Respectfully submitted,

Margo B. Lewis
Recording Secretary