

**Minutes
Board of Finance
Regular Meeting
February 17th, 2010**

Mayor April Capone Almond called the meeting to order at 7:30 p.m., with the following members in attendance: Brendan Geelan, Dr. Schlegel, Mark Petonito, Noreen Clough, Richard DePalma and Daniel Algilana. Also present Finance Director Tom Thompson and Ralph Mauro.

2. Approval of Minutes for November, December 2 and 16, January 13th.
Dr. Schlegel made motion to accept the minutes; seconded by Mr. Geelan.
All in favor, motion carried.

3. Correspondence Received- none

4. Correspondence Sent- none

5. Old Business

Ms. Clough wants Mr. Thompson to clarify the transfer that was made in June 2008 for the Fireworks overtime for the Police Department. The money was transferred in June but not paid until July 3rd, she doesn't want there to be any confusion of what budget was used 08-09 or 09-10. The concern is the overtime of \$93,000 in July. Mr. Thompson said that he would take care of that and the audit could clarify it for her.

Dr. Schlegel is concerned about statutory transportation fund (440,000) being used as revenue, by law the funding is to be used by the BOE for transportation. The Mayor said that the 440,000 was used for transportation by the BOE. Dr. Schlegel wants to know why they are short in the General Fund. Mr. Thompson said that the BOE doesn't keep proper checks and balances and I think the Audit will give you a better understanding of that.

6. New Business

James Crozier from Northeast Financial Mgt came to give a presentation to the Board about Personal Property Audit. He said that his firm would help the Town

collect taxes that may be owed to them from individual that don't properly account for their assets at tax time. This is money the Town could benefit from. His firm would review the financial records and the grand list, and from there anything found would be brought to the Assessor and a decision would be made to have hearing and collect the missing taxes from the individual. He will be compensated in the first for what he finds and years after he will be paid a percentage of what the Town collects from the use of his services. Dr. Schlegel asked if he would be going to every business. Mr. Crosier said that he would be looking at the balance sheet to make sure they are reporting correctly. Dr. Schlegel asked would you look into the aircrafts that are based in East Haven for 6 months and we don't see any taxes money from them. Mr. Thompson wants to know what your percentage is after the first year. Mr. Crozier said 30 percent of what the Town collects.

Mr. Petonito motions to recommend this item to the Town Council; seconded by Ms. Clough. All in Favor, motion carried.

8. Town Of East Haven Annual Audit for the year ended June 30, 2009 presented by Joseph Centofanti.

Reports issued were Comprehensive Annual Financial Report, Federal and State Single Audit Reports, Recommendations to Management, and SAS 114 Communications.

Mr. Centofanti explained that the BOE doesn't have a proper ledger in place to keep track expenditures; they are assuming that there is more money than what is really in their budget. Ms. Clough asked if they have a general ledger. Mr. Centofanti said they don't use it to do checks and balances and the records show that. I have offered in the past to help them use the ledger properly but unfortunately they haven't taken me up on my offer. The records do show different number and I have asked them to redo them. The one sided bookkeeping has lead to overspending in their business.

Mr. Centofanti explains that one of the Grants (EDI) still hasn't been revised by the BOE and there was an extension until Dec 31st 2009. There are no more extensions offered for this grant.

Mr. Centofanti explains that the funding goal will be to have a deficit be equal to long-term portion of claims payable. We have adjusted it so that it will cover the current liability.

9. Monthly Financial Report

Mr. Thompson explained that he has provided Dec, Jan, and Feb reports. We still need to collect 15 million, ECS money (9 million) will be received in April. This will help us out. I will do a projection up until June, to show how collection of taxes will take place. This will give the board a good guide.

10. Amendment to Agenda

Ms. Clough motions to add discussion of farther review of possible over expenditures of the Board of Education and possible Charter violation; seconded by Mr. Petonito. All in favor, motion carried.

The board discussed that there needs to be better control with the use of a general ledger and proper balance of spending. The BOE needs to be put on alert. The board members would also like monthly report from BOE. They need to live within their budget.

Ms. Clough motions to recommend this item to the Town Council for the review of possible over expenditures of Board of Education and possible Charter violation; seconded by Mr. DePalma.

All in Favor, motion carried.

11. Adjournment

Motion to adjourn at 8:45 made by Mr. Geelan; seconded by Mr. DePalma.

All in favor, motion carried.

Respectfully Submitted by,

Teena Fucci
BOF Clerk