



TOWN of THOMPSON

BOARD OF FINANCE

Minutes: Regular Meeting

Thursday, February 28, 2016

Thompson Library/Community Center

7:00 PM

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Aaron McGarry called the meeting to order at 7:00 PM.

I. Roll call

- A. Members Present: Jim Bellavance, Larry Groh, Jr., Aaron McGarry, Rhonda Rooney, Susanne Witkowski. (Larry Groh, Jr. entered the meeting at 7:07 PM, after the first motion/vote.)
- B. Members Absent: Ray Faucher, Jr. (notified the Chairman of his absence prior to the meeting)
- C. Staff Present:
Tina Fox, Recording Secretary
Orla McKiernan-Raftery, Finance Director
- D. Also Present: Ken Beausoleil, Neal Breen, Steve Herbert, Linda Jarmolowicz, Joe Lindley, Bill Witkowski, Members of the Public, and representatives from Blum Shapiro.

II. Approve Minutes

- A. January 21, 2016
 - 1. **Susanne Witkowski moved and Rhonda Rooney seconded the motion to approve the January 21, 2016 minutes with the following clarifications:**
 - a. Page 2, Section IX(A)(3): Donna Grant stated that there are still some funds left from last year's appropriation for the fuel assistance program.
Clarification that there are some funds left in the reserve, not fuel left in the reserve.
- | | |
|---------------------|------------------------|
| Jim Bellavance- Yes | Aaron McGarry- Yes |
| Rhonda Rooney- Yes | Susanne Witkowski- Yes |
- The motion carried unanimously.**

III. Correspondence

- A. Email from Joe Lindley regarding Town owned 65 Main St.
- B. Copy of Board of Selectmen budget schedule.
- C. Copy of Board of Education budget calendar.

IV. Citizen's Comments: None

V. Audit Report

- A. Gerry Paradis, CPA, partner at Blum Shapiro, presented the Town's Audit Report to the Board.
- B. Aaron McGarry asked for clarification on the portion of the report that discusses a material weakness. G. Paradis referred him to the State report, Page 6, third paragraph, for a specific definition. G. Paradis stated that if adjustments are not made until the auditors begin their process, then there is no control in place, which is a material weakness.
- C. A. McGarry asked that G. Paradis explain his recommendation on this matter. G. Paradis stated that during the year, the general ledger needs to be reviewed (the balance sheets, revenues, and expenditures) to make sure each fund is accurate, and any adjustments that need to be made should be processed. With municipalities the size of Thompson, a lot of processes don't happen until the year end close, so at the year end close, there needs to be a well-structured process that details what needs to be done to make sure the necessary adjustments are made. The process is supposed to occur before the auditors come in, so that at least the general ledger has everything in it that it is supposed to have. The auditors prepare Thompson's financial statements as an accommodation, but it is actually the responsibility of the Town to do so. The fact that the auditors are going to put together the financial statements does not take away the responsibility of the Town to make all necessary adjustments. He suggested checklists be created, because when one person does all of the year end processes for a number of years, they retain the processes in their head, but when there is a new employee, they should have a checklist of processes to follow. G. Paradis stated that if he was in the Board of Finance's position, he would ask for a list of procedures before the next close must happen in June.
- D. A. McGarry asked what the consequences of identifying a material weakness in the next Fiscal Year would be. G. Paradis stated that OPM would ask for a corrective action plan again. There wouldn't be problems with bond rating agencies, but some grantors might ask more questions during the grant process.
- E. A. McGarry asked who creates the corrective action plan. G. Paradis answered that it is created by the Finance Director and First Selectman. O. McKiernan-Rafferty answered that the corrective action plan is a work in progress.
- F. G. Paradis stated that the auditing process begins in August, and there is no reason why the audit should not be presented in November. He stated that it is not good for the work to drag on, and for the auditors to have to stop and start continuously. He asked for an overall commitment from the Board of Education (BOE) and the Town to finish the audit in August.
- G. A. McGarry asked about the BOE deficit. G. Paradis stated that there were some entries that were still in flux, and when the dust settled, there was no deficit, and there was still \$2,895 left in the BOE budget.

VI. Ken Beausoleil: Selectman's Update

- A. K. Beausoleil stated that he is waiting to hear from the Town Attorney regarding the status of 65 Main St. There is a meeting with CIRMA on Tuesday, February 23, 2016 at 10:00 AM in regards to the Animal Control Officer issue. The budget is being finalized by the Board of Selectmen (BOS). Progress is being made on looking for a full time Assessor, which may require a budget adjustment in the future. Quaddick Road Bridge replacement has gone out to bid.

VII. Dr. Michael Jolin: Education Update

- A. Dr. Jolin was not present at the meeting. Bill Witkowski, BOE Chairman, stated that the BOE is working on their budget, and will have another budget meeting in the school auditorium on Monday, February 22, 2016, which everyone is encouraged to attend. He stated that the BOE is waiting for the First Selectman to get back to them on whether or not the Town will start legal proceedings regarding the oil spill at the school

VIII. Orla McKiernan-Rafferty: Financial Update

- A. O. McKiernan-Rafferty provided a verbal update to the Board regarding the financial report.

IX. Board of Trustees of the Tourtellotte Fund

- A. Joe Lindley stated that there was a meeting on February 3, 2016. The account is up by 1.34%. The Slate of Officers for the Board remains the same. Future projects include the continuation of the window project and artwork restoration. The 2017 recommendation will be \$65,000 for facility and structural projects, and \$5,000 for art restoration, which will need formal approval from both Boards. There is still \$25,000 available from the previous year.
- B. The Board briefly discussed the actual location of the funds that were previously approved to be spent. Joe Lindley stated that all funds stay in one account, and a balance and expenditure sheet keeps track of funds that were previously approved to be spent and are still available.

X. New Business

XI. Old Business

A. Oil Spill at School

- 1. B. Witkowski stated that the ground water filtration system is up and working, and after clean results are achieved for 4 quarters, the system can be abandoned. Approval was granted for the new tank to be placed.
- 2. K. Beausoleil stated that the Town Attorney is waiting for a response back from the BOE Attorney, Shipman and Goodwin.
- 3. B. Witkowski stated that the legal proceedings have to be started by October 2016, and that the BOE should have been notified that the Town Attorney was waiting for a response from the BOE Attorney, which he planned to take care of the following morning.
- 4. L. Groh, Jr. suggested that the costs for the legal proceedings be included in the upcoming budget so that the Town will not have to go through an additional Referendum at an expense of \$6,000 to approve the legal fees.

A. Oil Spill at Town Garage

- 1. K. Beausoleil stated that the BOS voted to ask for the appropriation from the Board of Finance, not to exceed \$118,000. The actual bill is for \$117,926.58.
- 2. L. Groh, Jr. suggested waiting to appropriate these funds until the upcoming budget for Fiscal Year 2016-2017 goes to Referendum, again to avoid an extra \$6,000 Referendum cost.

XII. Adjourn

A. **Larry Groh, Jr. moved and Susanne Witkowski seconded the motion to adjourn.**

Jim Bellavance- Yes

Larry Groh, Jr.- Yes

Aaron McGarry- Yes

Rhonda Rooney- Yes

Susanne Witkowski- Yes

The motion carried unanimously.

B. A. McGarry adjourned the meeting at 8:50 PM.

Tina Fox

Recording Secretary