

**TOWN OF EAST HAMPTON
EAST HAMPTON CT 06424
BOARD OF FINANCE**

Regular Meeting, Town Hall Annex
Tuesday, February 16, 2010, 7:00 PM

Meeting Minutes

Members Present: Thomas J. O'Brien, Patience R. Anderson, Timothy S. Csere, Matthew D. Walton and George Pfaffenbach. Not present were Henry Thorpe and Judy Isele.

Other attendee(s): Jeffery M. Jylkka, Director of Finance, Jeffery J. O'Keefe, Town Manager, Joseph Centofanti of Kostin, Ruffkess & Company, LLC

1.-2. Chairman Walton called the meeting to order at 7:00 p.m. followed by the pledge of allegiance.

3. Approval of Minutes of Meeting(s):

- January 19, 2010 – regular meeting

Motion made by Timothy Csere, seconded by George Pfaffenbach to approve the minutes for the January 19, 2010 meeting with the following amendments: Item #9 – Jeffery O'Keefe stated that the goals of the tri-board are just guidelines; and Item #13 – all part of the Community Block Development grant. Motion approved 5-0.

4. Public Remarks: None

5. Correspondence: 2008-2009 Auditor's Recommendations to Management; Jeffery Jylkka commented that each board member received a copy in their packets. No comments made by the board.

6. Special presentations: Audit presentation (Kostin, Ruffkess & Company, LLC); Joseph Centofanti presented the board with his firm's recommendations and covered the overview of the annual audit for the year ending June 30, 2009. Mr. Centofanti commented that there were notable changes from the 2008 report (i.e. post retirement/pension); he also commented that the Comprehensive Annual Financial Report shows where the town is going and where it has changed. Mr. Centofanti reported that the Federal Single Audit Reports list all federal money spent, test requirements. There were no problems with compliant audit. The State audit was the same as the federal – of 5 programs, no compliance findings. Mr. Centofanti made recommendations for an accounting manual, investment policies, payroll, journal entries and information technology. There were no difficulties in performing the audit. Mr. Centofanti indicated the major findings consisted of internal control (i.e. payroll, information technology), general comments versus importable. Jeffery Jylkka commneted that some of the issues of the audit has been addressed – the accounting entries have been done, he is working on payroll and there is no IT department. Jeffery O'Keefe commented that there should be cross-training and back-up for individuals. Jeffery Jylkka stated that the BOE helps out and runs reports together with the Finance Department. Thomas O'Brien questioned as to whether the preparation of the accounting manual will be farmed out. Timothy Csere asked about sharing IT with other towns and Mr. O'Keefe commented that the town has considered sharing services with other towns. (see attached reports)

7. Status Reports (Financial): Jeffery Jylkka reported that nothing has changed since the projection presented in January, 2010. He will do one in March or April. The issue with MIRMA – trying to legislate to smooth things over. Jeffery O’Keefe met with MIRMA regarding the potential workers’ compensation assessment. He also mentioned that there is a contract out for a workers’ compensation bid.

8. Financial Transactions:

a) Appropriation and borrowing authorization for the Memorial School Improvement Project (\$3.545M); Jeffery Jylkka reported that the original amount was revised and reduced to \$3.44M which includes the Memorial School roof project (\$3.29M) and the oil tank replacement (\$150,000). Thomas O’Brien asked Jeffery Jylkka if he received the information regarding state funding for solar conservation. The town has an allotment and is using \$60,000 to retrofit and update all heating controls at the Senior Center. This will potentially save approximately \$15,000 annually. A motion was made by George Pfaffenbach to approve the appropriation of funds for the Memorial School and oil tank replacement projects, seconded by Thomas O’Brien. Motion approved 5-0. The board decided to allow the matter to go to a town meeting.

b) Budget transfer 2009-2010 (Various departments) – Jeffery Jylkka commented that this transfer relates to union negotiations for 2008-2009 budgets not to increase allocated payroll account. Contract settled with the union and the money set aside will go back to departments which didn’t budget for additional payroll. He reported that the 2010-2011 budget will reflect what has been allocated. A motion was made by George Pfaffenbach to accept the transfer \$32,000 from unallocated payroll to outlined accounts, seconded by Patience Anderson. Motion approved 5-0.

9. New Business: None

10. Old/Continued Business:

a) Budget workshop is scheduled for March 12, 2010, 1-4 p.m. Reports will be sent to each board member. The budget then goes to a public hearing and then will be presented to the Town Council by April 15, 2010.

11. Liason’s Reports: Thomas O’Brien attended the Economic Development meeting where \$900 was requested for signage in the historic district. George Pfaffenbach WPCI did not get to WPCA. Matthew Walton attended two Town Council meetings, Board of Fire Commissioners discussed the damaged fire truck will be back in East Hampton on March 16, 2010, there were discussions regarding the transport of the truck back to East Hampton. Timothy Csere attended the last two BOE meetings where Dr. Gold presented a 3.88% budget increase.

12. Public Remarks: None

13. Town Manager’s Report: Mr. O’Keefe commented that the town awarded a contract for the final design for the expanded Senior Center. There will be a submission for a Community Block Development Grant to clean up 103 Main Street to install a parking lot. Mr. O’Keefe mentioned that the town is still in negotiations for the DiStefano property, three quotes/appraisals have been received but there are other potential opportunities/alternatives. The town received \$250,000 for the Haddam Neck road project. Two projects made the high priority list with the federal government for the Transportation Reauthorization. – the connection of the Airline Trail to the Village Center and the complete rehab of Old Marlborough Road. Charter Revision Commission is up and running with their

first hearing on March 1, 2010. Mr. O'Keefe also mentioned that the sidewalk ordinance issue will be discussed at the February 23, 2010 Town Council meeting.

14. Adjournment

A motion was made by George Pfaffenbach, seconded by Timothy Csere to adjourn the meeting at 8:24 p.m. Motion approved 5-0.

Submitted,
Jennifer Magro
Recording Secretary