

**Lebanon Board of Finance
Minutes of January 13, 2011
Regular Meeting**

Members Present: Liz Charron, Chairman, Glen Coutu, David Geligoff, Betsy Petrie, Lori Wesolowski, Chuck Haralson (alt), Philip Johnson (alt), Susan Zickmann (alt)

Members Absent: Gregg LaFontaine

Item A. Call to Order.

The meeting was called to order at 7:30 p.m. by L. Charron, Chairman. S. Zickmann was appointed to vote in the absence of Lori Wesolowski, and C. Haralson was appointed to vote in the absence of Gregg LaFontaine, until such time as they arrive.

Item B. Election of Officers for 2011.

C. Haralson moved to appoint G. Coutu as temporary Chairman for the election of officers. B. Petrie seconded. Motion passed unanimously. B. Petrie moved to nominate L. Charron for Chairman of the Board of Finance. C. Haralson seconded. Motion passed with 5 ayes and 1 abstention – L. Charron. L. Charron resumes as Chairman of the Board of Finance and accepts nominations for Vice Chairman. B. Petrie moved to nominate G. Coutu as Vice Chairman. C. Haralson seconded. Motion passed with 5 ayes and 1 abstention – G. Coutu. B. Petrie moved to nominate L. Wesolowski as Secretary. G. Coutu seconded. Motion passed unanimously.

Item C. Review and consider accepting minutes of December 9, 2010 Regular BOF Meeting.

The Board reviewed the minutes of the December 9, 2010 Regular Meeting. Under Item F.1. New Business, minutes should be amended to reflect the following as wording of the motion made to consider and act upon updated funding information for the Waterman Road and Taylor Bridge Road bridge projects, "...with the remainder to come from fund balance and a total of all sources not to exceed \$360,000 to fund the Waterman Road Bridge over Pease Brook project.

G. Coutu moved to approve the minutes of the December 9, 2010 Regular meeting, as amended. S. Zickman seconded. Motion passed unanimously.

Item D. Correspondence

In addition to correspondence previously received by members, the 2009-10 Audit report was handed out at the meeting.

Item E. Monthly Expenditures/Revenues/Payment of Bills.

1. Board of Education – Revenues and Expenditures

The Board reviewed the 10/1/2010 tuition billing report and noted that an increase of \$70,000 in tuition is projected over last year's approved budget. The expense and revenue reports were reviewed and discussed. Expenses are impacting the budget. Several employees are going out on unplanned medical leave and this will increase the amount spent on substitute teachers. Grants will be received and will increase Accts #510 (Pupil Transportation) and #560 (School Tuition) which will help offset some expenses.

(Phil Johnson joined the meeting at 8:07 pm)

2. Town Revenues and Expenditures

It was noted that 57% of outstanding taxes have been collected at this time. As of the end of December 2010, \$580,000 of school tuition has been collected. The Board discussed the final invoice for the town audit in the sum of \$8,350. C. Haralson moved to pay the amount of \$8,350 to the Town Auditor. G. Coutu seconded. Motion passed unanimously.

Item F. Ongoing Business

1. Finance Office

a. Consider and act on recommendation from the Finance Functions Subcommittee regarding the Town Accountant position in the Finance Office

The Subcommittee's recommendation is to fund and fill the position of Finance Director for the Town of Lebanon. The Board discussed this recommendation. B. Petrie moved to support the recommendation from the Finance Functions Subcommittee for a full time Finance Director. C. Haralson seconded. Motion passed unanimously.

(Lori Wesolowski joined the meeting at 8:37 pm)

b. If changes to Town Accountant position are supported, then:

1. Consider and act on authorizing an over expenditure in the Finance Office in the current FY to support changes.

B. Petrie moved to authorize an over expenditure of up to \$45,000 in Acct #406 Finance Office and up to \$9,000 in Acct #480 Benefits. C. Haralson seconded. Motion passed unanimously.

2. Provide feedback on a new job description for the Town Accountant.

An updated job description for Finance Director was handed out to BOF members and briefly discussed. B. Petrie informed the Board that the Finance Functions Subcommittee had compared the job description to those of neighboring communities and found it to be comparable. The Board agreed that

additional time was needed to review the job description. L. Charron asked that any comments be emailed to Joyce Okonuk and B. Petrie by Monday evening, January 17, 2011.

3. Consider and act on selecting members from the Board of Finance for the search committee.

It was decided that B. Petrie and L. Wesolowski will represent the BOF on the search committee.

D. Geligoff moved to discuss Item G. 1. on the agenda. G. Coutu seconded. Motion passed unanimously.

Item G. New Business

1. Consider and act on a proposal by the PZC and Conservation Commission for a new approach for obtaining funding for open space.

The PZC and the Conservation Commission proposed setting aside \$100,000 annually in the budget for open space beginning in FY 2010-2011 or provide an open space bond referendum to be voted by residents in May 2011. The Board discussed the proposals. It was agreed that bonding would increase the expense to the town. The BOF was supportive to consider this in the annual budget and look for public comment at the Town Budget Meeting.

2. Consider and act upon a request to release \$40,000 from the Open Space Account (which has a balance of \$150K) at the next Town Meeting for appraisals, surveys and legal fees associated with open space preservation.

B. Petrie moved to request the Board of Selectmen to hold a special town meeting for the purpose of releasing \$40,000 from the Open Space Fund. C. Haralson seconded. Motion passed unanimously.

3. Consider and act upon accepting an Agricultural Viability grant for \$25,000.

C. Haralson moved to authorize the Board of Selectmen to accept a \$25,000 Agricultural Viability grant. D. Geligoff seconded. Motion passed unanimously.

(resume agenda)

Item F. Ongoing Business

1. Finance Office

c. Consider and act upon new procedures (drafts distributed at December meeting)

B. Petrie moved to approve the Account Reconciliation Policy as presented with the changes as discussed. C. Haralson seconded. Motion passed unanimously.

B. Petrie moved to approve the Account Reconciliation Procedure – Accounts Payable as presented with changes. L. Wesolowski seconded. Motion passed unanimously. B. Petrie moved to approve the Bank Account Reconciliation Policy. C. Haralson seconded. Motion passed unanimously. The BOF agreed

to discuss the Bank Account Reconciliation Procedure at the next meeting. L. Wesolowski moved to approve the On-Line Banking Policy. B. Petrie seconded. Motion passed unanimously. B. Petrie moved to approve the On-Line Banking Procedure. C. Haralson seconded. Motion passed unanimously. C. Haralson moved to approve the Positive Pay Policy. L. Wesolowski seconded. Motion passed unanimously. G. Coutu moved to approve the Positive Pay Procedure as presented with changes. L. Wesolowski seconded. Motion passed unanimously. The BOF agreed that the Investment and Cash Management Policy needed more in-depth review, and to hold approval until the next meeting.

2. 2011 – 12 Budget Process Update

The budget schedule has been set and has been posted to the website.

Item G. New Business

4. Discuss the Capital Projects ordinance.

The Capital Projects ordinance was discussed. J. Okonuk informed the BOF that the town attorney felt a new, more concise ordinance should replace the extremely vague one currently in place. This could be done by bringing up the current ordinance at the next town meeting and having it repealed. The BOF has been made aware of the matter but does not have a formal opinion on it.

5. Consider and act on closing the following bank accounts that are no longer used:

Tree Account	2610
Old Housing REHAB Grant	4697
Senior Center Account	0216
Old Housing REHAB Grant	3903
Old Small Cities Grant	8390

B. Petrie moved to have the Town Accountant close the accounts as listed. C. Haralson seconded. Motion passed unanimously.

6. Consider and act on closing a CD upon renewal and a money market account for the Capital Fund and utilizing the town's interest earning cash accounts.

B. Petrie moved to have the Town Accountant close the CD upon renewal and the money market account for the Capital Fund and move all funds into the Town's interest earning cash account. D. Geligoff seconded. Motion passed unanimously.

7. Discuss findings in the audit of 2009-2010 fiscal year.

There were 3 findings noted in the town audit: 1) Develop an accounting policy and procedure manual, 2) Capital assets and inventories – fixed assets, computer purchases, 3) Account reconciliation for BOE and town now required monthly. All three items have already been addressed and will be taken care of.

Item H. Other

G. Coutu moved to add to the agenda the setting of budgets for Acct #405 (Board of Finance), Acct #411 (Auditor) and Acct #412 (Town Report) for the 2010-2011 budget year. D. Geligoff seconded. Motion passed unanimously. G. Coutu moved to set the Board of Finance (#405) budget at \$2000. D. Geligoff

seconded. Motion passed unanimously. D. Geligoff moved to set the Auditor (#411) budget at \$12,350 – the second year of a two-year agreement. L. Wesolowski seconded. Motion passed unanimously. G. Coutu moved to set the Town Report (#412) budget at \$1,200. L. Wesolowski seconded. Motion passed unanimously.

Item I. Adjourn

L. Charron moved to adjourn the meeting. Motion seconded by G. Coutu. Motion passed unanimously. Meeting was adjourned at 10:06 p.m.

Respectfully submitted,

Lisa K. Sedlmeier, Recording Secretary