



# CANDLEWOOD LAKE AUTHORITY

P.O. BOX 37 • SHERMAN, CONNECTICUT 06784-0037 • (860) 354-6928 • FAX (860) 350-5611

## Minutes of Special Meeting November 5, 2014

### Attending:

P. Schaer	Sherman
H. Berger	Sherman
E. Hayes	Sherman
B. Kemble	New Fairfield
J. Hodge	New Fairfield
N. Gyle	New Fairfield
W. Lohan	Brookfield
B. Brown	Brookfield
C. Robinson	Danbury

### Absent:

E. Siergiej	Danbury
M Toussaint	New Milford
J. Wodarski	New Milford
D. Rosemark	Danbury
J. Murphy	Brookfield
H. Mayer	New Milford

L. Marsicano, CLA Executive Director  
 F. Frattini, Administrative Coordinator  
 M. Howarth, CLA Public Education Director \

Recorder: F. Frattini

Guests: Bob Kornhaus and Paula Latham for Fiorita, Kornhaus & Co. PC

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Phyllis Schaer, Chairman, called the special meeting of the Candlewood Lake Authority to order at 7:07 P.M. at Sherman Mallory Town Hall, Sherman, CT. She welcomed the guests.

Mrs. Schaer reported that the agenda for the Special Meeting is "Discussion and Action on the Audit of the CLA for the year ended June 30, 2014."

Mrs. Schaer noted that there were a number of questions regarding the final audit. Mr. Kornhaus added that he would give a brief overview of the audit but thought that the questions would be good way to start. Mrs. Schaer asked if the following could be explained:

- The deficit in the audit breakdown
- Expenses in excess of budget
- Accrual and depreciation
- Amounts either taken out or brought forward from previous years.

Delegates were directed to Page 9 of the audit – it shows the payables, receivables and the deferred revenues noting that cash is cash regardless of when it was received.

The audit is done on the accrual basis but the CLA books are kept on the cash basis. Whether a bill is paid or unpaid is the same as a paid bill it still accrues in the Audit.

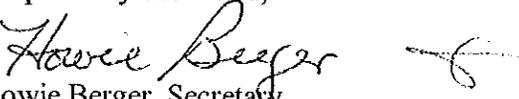
Mrs. Schaer advised that she has a letter out to an attorney about how to release the restricted funds that were raised for the furnishings and equipment of the Education Center.

Mr. Hodge asked has the Authority overspent its budget by \$49,000? Auditor – as money is commingled it is in the bank account to pay bills. Mr. Hodge noted that State Statues do not address overspending. Mrs. Schaer asked Mr. Hodge for his concerns. They were: 1. Clear up the outstanding overage and release the restricted funds and 2. , moving forward stick to the budget.

Discussion followed. It was suggested that moving forward a meeting of the 5 CEO's with the delegates of the CLA be held prior to budget season (before December) to ask them for the direction that they would like to see the CLA take. If there are items that they want cut then they will have to explain that to their townspeople. The delegates should speak with their CEO's about this as soon as they can. Mr. Hodge volunteered to set up the meeting. The Auditor noted that the CLA is a collaborative effort of the Towns, if the CLA goes away what does each Town do? Fundraising has been used to balance the budget. Should that continue to be done? Mrs. Gyle suggested that fundraising should be for capital expenditures and not part of the operating budget. Mr. Berger questioned, "If the restricted monies can be released will that change the audit? No, the audit stands but the release of funds would be reflected in the next audit. The breakdown of expenses in excess of the budget was only \$26,096 for the year ended 6/30/2014 and prior years excess add up to the \$49,000. Grants can be included in the budget and are reflected in the audited numbers. The budget should not be balanced by increasing the fundraising projections. With no other questions or discussion on the audit, Mrs. Schaer made a motion to approve the audit of the CLA for the year ended June 30, 2014 as presented, seconded by Bill Lohan and voted with all in favor. Audit of the CLA for the year ended June 30, 2014 has been approved as presented and will be forward to the Towns.

With no further business to come before the Candlewood Lake Authority, *John Hodge moved to adjourn, seconded by Norma Gyle. Meeting adjourned at 8:45 P. M.*

Respectfully submitted,

  
Howie Berger, Secretary  
Frances Frattini, Administrative Coordinator

r/b/lm

*These minutes are not considered official until they have been approved at the next regularly scheduled meeting of the Candlewood Lake Authority.*