Written by JEFF MEYERS, Staff Writer
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PERU — Town of Peru financial figures for 2006 have been finalized following extensive analyses of last year's records.Chazy accountant Carolyn Tetreault, hired by the town to correct a number of errors in financial records and reports from 2006, filed a comprehensive overview of Peru's financial situation for the year, called the AUD report, with the state on March 31.
Tetreault was not at the town's regular meeting this week, but Councilman Cortland Forrence reported her findings to the council and community members in attendance.
"Approximately 75 entries have been made to correct accounting mistakes," Forrence said of Tetreault's efforts over the past three months. "Although there are still no guarantees of its accuracy, Carolyn felt confident that the numbers were as close as could be expected."
Final figures show that town expenditures for 2006 were $1,257,284.
In February, Town Supervisor Donald Covel had noted that preliminary figures showed the town had spent $1,166,325 last year in what he said was a $150,000 decrease in spending from the previous year.
But final figures showed that the town actually cut spending by just under $58,000.
The year-end report also identified $200,000 in the unappropriated fund balance, which is used as a kind of safety net for emergency expenditures.
With adjustments to the 2007 budget, the unappropriated fund balance for January was set at $346,562, Forrence noted.
"For the first four months of 2006, the town board did not receive an enterprise report (updating financial figures), and for the rest of the year, we received reports that were full of errors," he said.
"It is very difficult to manage the current budget and plan for future budgets under these circumstances. If the town had accurate financial data and knowledge of our unappropriated fund balances at budget time, I believe we could have lowered this year's tax increase."
At the time of budget discussions, the council did not know what the unappropriated fund balance was but had been told by former Budget Officer Robert Duquette that the fund was dangerously low.
"Based on the 2006 AUD report, it seems that impending financial doom and zero funding balances are not going to happen anytime soon," Forrence said.
He also noted how costly it had been to hire Tetreault to fix the accounting mistakes and suggested that the town schedule a workshop with her to discuss accounting issues and appropriate guidelines for the unappropriated fund balance.
Neither Covel nor the other councilors commented on Forrence's report.
Historically, town financial records had been handled by the supervisor and his confidential secretary, but the town experienced a turnover of secretaries in 2006 following Covel's firing of former Secretary Sue Polhemus in February 2006.