

Middletown Springs Auditors Meeting

July 25, 2013 at 9:00 AM

Middletown Springs Town Office

Unofficial Minutes

Auditors present: Juanita Burch-Clay (Nita), James Georg (Jim), Jacqueline Parker (Jackie)

Others present: Jackie DiPaolo

Call to order: 9:15

1. Minutes:

- Minutes from the May 23, 2013 meeting were approved

2. Current progress and status

- Insurance – Insurance issues have been presented to the SB. We understand that Workers Compensation for the librarian has been addressed.
- Copeland Milk Fund – Auditors' recommendations were submitted to SB and reviewed with fund trustee, Terry Redfield.
- Regular testing and review - Ongoing
- Highway funds – Ongoing review
- Payroll – Questions about payroll hours are being examined.
- Trust fund report templates – Jim has developed a trust fund report template that will ensure appropriately detailed information in the annual reports.
 - **Motion:** Auditors will provide the various town trust funds with a report template to be used in their annual reports, beginning with the FY13 report.
 - Approved unanimously
- General auditor work – The auditors noted that although we have been in office for less than a year, we are starting the audit of their third fiscal year. FY12 had closed six months before we began work on it, and FY13 was halfway over. FY14, which began July 1, is the first year that we will monitor from the beginning. We noted the large amount of time required for monitoring and research as town auditors, hoping that this will decrease as various issues are eventually clarified and resolved.

3. End of fiscal year 2013 - review past recommendations, progress, current status, and plans for future

1. Look at past recommendations

- Graham and Graham report
 - Comments were made about the poor organization and weak written expression of the findings
 - We looked at the “summary of selected findings and future actions” and will look for further information on actions and progress in the following areas:
 - Town Treasurer – training, responsibilities, actions
 - Technology use – use of NEMRC software, purchase of new, modules, support, etc.
 - Bidding process
 - Check and orders signing –requiring two signatures on checks over \$5000, requiring all SB members to sign orders, etc.
 - Adjusting journal entries – requiring SB sign-offs for any changes
 - Town record retention and safety

- Inventory of town assets
- Internal control questionnaire (AKA Municipal Checklist for Internal Controls) – completed 1/30/13
 - We briefly reviewed the overwhelming need for clear policies and procedures in numerous areas, including
 - Job descriptions for town employees
 - Bidding procedures
 - Purchase approval procedures
 - Approved vendors
 - And more.

2. Auditor actions and recommendations

- Action: Nita will prepare questions for various town officials to follow up on progress in the above areas. Jackie and Jim will review questions Jackie will follow up with Town Treasurer.
- Recommendations will be discussed at next warned meeting

3. Monthly meetings: Next meetings were confirmed:

- Formal meetings: 9/26/13 and 11/21/13 at 4:00 PM
- Work sessions: 8/22/13 at 1:00, 10/24/13 at 4:00 PM

Adjourned: 10:23

Minutes submitted by J. Burch-Clay