

## Middletown Springs Auditors Meeting

June 27, 2018 – 7:30 PM

Middletown Springs Town Office

### **Official Minutes**

**Auditors present:** Juanita Burch-Clay (Nita), Sarah Grimm

**Absent:** Melissa Chesnut-Tangerman

**Others present:** None

Call to order: 7:45 PM

#### **1. Minutes:**

- Minutes from the May 23, 2018 meeting were amended and approved.

**2. Agenda adjustments:** The warned topic of this meeting is review of progress on current activities, including internal controls checklist, cash handling procedures, and town trust funds

Added to agenda:

- Examination of warrants and discrepancies in cash handling
- Review and update of auditor hours for FY18, to be included in the annual report
- Discussion of technology expenses – auditor assessment vs. informed citizen concerns
- Review of information from sheriff's office.

#### **3. Review auditor activities since last meeting:**

- Sarah – report on info from sheriff's department, information from SB meetings.
- Select Board information
  - At the May 24, 2018 SB meeting, auditors requested that policy manual be printed and put in the policy binder in the town office. An electronic copy was sent to the town clerk to print out. It has not been done as of June 27.
  - At the June 14, 2018 SB meeting, a question was raised about technology fees.
  - Road grant received for \$140,000 to pave Route 140.
  - Norton Rd. bid won by Ashley Waite for \$117,800. Auditors will review as that work progresses.
  - There have been questions about delinquent tax collection and a report on current accounts.
- Melissa – verification of cash count from transfer station to town clerk to treasurer
- Nita – meeting with a trustee of Copeland Church fund. Report to Select Board.

#### **4. Information from Sheriff's office:**

- Select Board asked Sarah to compile the information about activities, tickets and income. She reports the following:
  - Middletown Springs will not receive income from tickets issued by the Rutland County Sheriff for violations such as cell phone use while driving, expired inspection stickers, seat belt violations, violations on State highways, etc. The State receives all the income from these tickets. Therefore, there may be a large discrepancy between the dollar amount of tickets issued by the Sheriff in Middletown Springs reported in the Sheriff's activity summary and the dollar amount the Town actually receives reported from the Vermont Judiciary.

- Please also note that Middletown Springs receives about 40% of the amount of the civil fine issued, the other 60% goes to the state for surcharges, administrative costs and seat belt laws.
- Once the Rutland County Sheriff's activity summary has been submitted to the Vermont Judiciary, it becomes very difficult to track outstanding fines because the Vermont Judiciary may no longer file these by Town but rather by ticket number or by the individual's name.
- Beginning June 2018, the Rutland County Sheriff's activity summary will list activity in all 4 towns together - Middletown Springs, Tinmouth, Ira, and Danby. According to the Rutland County Sheriff Captain - Chief of Deputies, David Fox, each town may decide whether to provide public access to the Sheriff's activity summary via their Town website.
- The Select Board of Middletown Springs will consider whether to provide public access to the Rutland County Sheriff's activity summary via the Middletown Springs Town website.
- Sarah reports that the income from tickets reported by our treasurer matches information from the Vermont Judiciary.

## 5. Town Trust Funds

- Nita met with Rita Hansen, one of the Copeland Memorial Church Fund trustees.
- We reviewed the information about the fund, how it is managed, and how the funds may be spent. We also examined how to report on a fiscal year and how to set up a page on the town website.
- Current trustees are Rita Hansen, Dan McKeen, and Dale Carr
- One question that arose: is this fund subject to public meeting laws?

## 6. Technology Budget

- A look at the Computer Technology budget (1-3-02-01) shows that as May 31, \$3384.74 was spent out of a budget of \$3500.
- We see that there have been three invoices of \$110 each for technology assistance for problems that could be solved in-house by other employees, with a fourth invoice of \$110 noted at the June 14 SB meeting. This total of \$440 is expensive tech support.
- The latest invoice puts the Computer Technology line over-budget.
- Questions raised:
  - How much of this budget line is designated for computers and other hardware and software vs. tech support?
  - Are tech support expenses approved in advance? If not, why not?

## 7. Cash Handling Procedures

- We have concerns about discrepancies in the cash handling, as noted by Melissa when checking cash receipts envelopes. She reported the following by email on June 20:
  - "First, there was a \$49 discrepancy in what we counted versus what was reported on Laura's fee slip for Transfer station fees, for June 9th. Jenny will be following up with that.
  - Then, there were the following inconsistencies in 2 fees envelopes:
    1. A \$6.00 fee with its receipt was entered as \$60.00 in Laura's receipt log.
    2. A property tax payment, on a check and receipt dated June 12, was in the fees envelope. Jenny sent out late fees notices this morning. The payment was not placed in the lock box before the 15th. We do not know how it came to be included

in the fees.

3. One search fee came in with cash receipt but not its fee receipt...”

#### **8. Other Business**

- Petty cash follow up – Has the petty cash account been closed? We will check with the treasurer.
- Policy binder – an email was sent to the town clerk during the meeting to remind her to print the updated town policies and put them in the policy binder in the town office.
- Auditor hours – Nita is collecting the paid and volunteer hours for the annual report.

**9. Next tasks** – continue on current activities. Prepare to review the treasurer’s report for FY18.

#### **7. Future Meetings:**

- No July meeting
- Auditors Meetings – August 15, September 26, October 24, November 28, 2018 at 7:30 PM
  - Review FY18 and prepare annual report for the town
  - Report on current reviews, including town trust funds, cash handling, and internal controls checklist.
- No December meeting.

Meeting adjourned: 9:15 PM

Minutes submitted by Juanita Burch-Clay