

Middletown Springs Auditors Meeting

May 22, 2019 – 7:30 PM

Middletown Springs Town Office

Official Minutes

Auditors present: Melissa Chesnut-Tangerman, Sarah Grimm, Juanita Burch-Clay (Nita)

Call to order: 7:31 PM

1. Minutes:

- Minutes from the May 1, 2019 meeting were approved.

2. Agenda review and adjustment: We did not have the Sullivan, Powers external auditors' report yet, so that agenda item was dropped.

3. Updates on recent activity:

- **Melissa** transcribed the 1927 handwritten contract for the **Copeland Milk Fund**. This is a huge step forward towards clarification and better understanding of the fund's purpose. We will review this in depth after we have the Sullivan, Powers report.
- **Sarah** met with the external auditors during their May 17 visit. She has also attended a Select Board meeting and the initial meeting about the West Street property review.
 - Sarah reports, unofficially, that
 - The auditors said they were pleased at how organized the town officials involved in the audit were, especially the treasurer.
 - There will be recommendations and suggestions in a "management letter", including that
 - The Treasurer create a manual that explains what the treasurer does and why, perhaps with the aid of an assistant treasurer.
 - Auditors review the journal entries on a quarterly basis.
 - Auditors sign off on journal entry changes and that the Treasurer attach paperwork to such changes.
 - All trust funds are entered in NEMRC.
 - The Select Board review certain financial policies.
 - And more...
 - Of interest, it seems that an annual professional audit would cost \$15K/year! Some towns without local elected auditors do it every 3-5 years, unless receiving a large federal grant. For us, it seems that Middletown should continue to set aside \$5000 for this purpose.
- **Nita** worked on town trust funds.
 - She joined the **Trustees of Public Monies** (Henderson, Louis Library, and Bigelow-Mathews) in meeting with their new financial planner at the Peoples United Bank in Rutland.
 - Some administrative changes, clarifications, and updates were made, as well as a shift in the investments to an "allocation fund."
 - We expect that the Town will be reimbursed for the \$131 bank charge from the Louis Library fund.
 - She reviewed more documents and statements from the **Copeland Milk Fund** in response to requests from the external auditors. Most information was found. However, the annuity values from June 2017 and June 2018 had still not been received.
 - We have questions about the annuity and why it was set up, but we will wait to review this more carefully after receiving the Sullivan, Powers report.

4. Any Other Business

- We agreed to submit our hours before the end of June, using the new form.
- Nita is registered to attend the VLCT Forum on Government Accounting on May 29.

5. Future Meetings and Events:

- Auditors Meetings – June 26, 2019 at 7:30 PM. No July meeting.
 - Agenda: Action on Sullivan, Powers audit report.
- Work sessions will be scheduled after the Sullivan, Powers report is available.

Meeting adjourned: 8:20 PM

Minutes submitted by Juanita Burch-Clay