

Middletown Springs Auditors Meeting

November 21, 2019 – 10:00 AM

Middletown Springs Town Office

Approved Minutes

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

Call to order: 10:15

1. Minutes:

- Minutes from the October 17, 2019 meeting were reviewed and approved.

2. Agenda review and adjustment: The agenda includes

- Updates on town and auditor activities
- Ongoing review of treasurer's report of FY19
- Work on auditors' annual report
- Continued review of Sullivan, Powers report

3. Updates

- Sarah and Melissa tested items in the treasurer's report at a work session on Oct. 23.
- Nita presented the auditor comments on the Sullivan, Powers letter to the Select Board on Oct. 24, with good discussion and thanks from the SB. There are a number of actions needed from the SB, mainly with regard to financial policies. The auditors are working on other tasks, and the treasurer has her to-do list.
- Reconciliation – Melissa and Nita met with Jenny on Nov. 13 to learn the NEMRC reconciliation module. The plan is for the auditors to reconcile the general account monthly.
- Nita emailed the Copeland Milk Fund trustees again. We are waiting for a copy of the mortgage the fund provided the Tarbells.
- The Record Preservation and Record Surcharge restricted funds have apparently not been combined yet. This apparently needs action by the SB.
- The vote on the bond for four town projects took place on Tuesday, Nov. 19 and did not pass.

4. Sullivan, Powers audit review - postponed

5. Work on the FY2019 Treasurer's Report.

- Melissa and Sarah looked at deposits from taxes and dog license fees last month.
- We reviewed town bank accounts and restricted funds and how restricted funds are tracked and reported.
 - The separate bank account for the restricted "Bridge" fund is not labeled as such. We recommend that "Bridge Fund" be added to the account name on the statements
 - The separate bank account for "Municipal Facilities" contains, as of the June 2019 statement, \$273,543.15. The treasurer's report for FY19, printed on 9/17/19, reports, \$258,351 in the fund. (There is a similar discrepancy for June 2018 – about \$280K on the bank statement vs \$219K in the Treasurer's report.)
 - In July 2018 there is a check written to the Town for \$14,200.99 from this account, but the auditors could find no record of the movement of funds
 - We emailed the Treasurer with questions.

6. Auditors' Annual Report - postponed

7. Any other business

- (From October - suggestion for town report: Consider putting copies of the original town trust fund reports in the annual report. Do it this year as a point of information for the public.)
- Suggestion to develop an auditors' handbook, with information such as list of town bank accounts, restricted funds, etc. easy to access.

8. Next Steps

- Follow up with Treasurer about restricted funds questions.
- Review Sullivan, Powers "audit report" – particularly with regard to trust funds and investments
- Follow up with trustees of public monies about the difficulties with the bank
- Follow up with Milk Fund trustees about investments, and copy of mortgage agreement
- Work on auditors' annual report
- Remind SB about the two record preservation funds, and the financial policies recommended by the Sullivan, Powers auditors.

9. Future Meetings and Events:

- Auditors' Meetings – January 22, 2020
- Work sessions will be scheduled for FY19 research and review.

Meeting adjourned: 12:00

Minutes submitted by Juanita Burch-Clay