

Middletown Springs Auditors Meeting

August 26, 2020 – 7:30 PM

Middletown Springs Town Office

Approved Minutes

Auditors present: Juanita Burch-Clay (Nita), Sarah Grimm. By Zoom – Tracy Weatherhogg

Call to order: 7:40 PM

1. Minutes:

- Minutes from the July 22, 2020 meeting were reviewed and approved.

2. Agenda review and adjustment: No additions.

3. Updates

- **Reconciliation of town accounts** (Tracy)
 - Difficulties with July statements resolved, with help from Jenny.
 - Working on August statement.
- **Select Board information** (Sarah)
 - Tax rate has been set. SB used the tax stabilization reserve fund to bring down taxes - \$13K.
 - Received some expected delinquent taxes in July, after the end of FY19/20, plus some FY19/20 late taxes. These receipts were posted to FY19/20 – about \$63K. SB voted in favor of this common accounting practice.
 - Salary increases of 3% for some town employees.
 - First Response – much discussion and some conflict. SB supports First Response. To make a responsible decision on next steps, SB requires more information in order to understand legal, tax, financial and liability issues.
- **Town Trust Funds** (Nita)
 - No new information from Terry Redfield on Copeland Milk Fund and the mortgage repayment schedule.
 - No new action on Cemetery Fund annual reports. Statements have been opened, and investments appear to be in good shape.
 - No new action on other funds.
- Starting on template for FY20 report (Nita)

4. Review of Fiscal Year 2020 (FY20)

- August 3 work session was a good start.
- Treasurer has sent out pdf's of her FY2020 reports. Auditors have started an overview of the numbers and will discuss at next work session.
 - Question: does the Aug. 20 pdf of the FY20 Treasurer's report include the late and delinquent taxes that were received in July?

5. Other Business: None.

6. Next Steps – All - Work on review of FY20. Examine Treasurer's report.

- Nita – continue to work on trust funds. Provide trust fund info for town website. Confirm names of all trustees for all funds. Work on FY20 auditors' report.

- Sarah – continue with SB and building committee meetings
- Tracy – continue with reconciliation.

7. Future Meetings and Events:

- Work session – Sept. 8, 2020 – 1:00. Meetings - September 23, 2020; October 28, 2020.

Meeting adjourned: 8:30 PM

Minutes submitted by Juanita Burch-Clay

To-do list from February 2020 - items remaining:

- Compile the founding documents from the various trust funds and publish on the website, with a hard copy in the town office.
- Develop an auditors' handbook, with information such as list of town bank accounts, restricted funds, etc. easy to access. (in progress)
- Compile information with descriptions of each of the restricted funds for easy accessibility and understanding. (In progress)
- Create a web page for the miscellaneous financial information about the town and its funds, for greater transparency. (In progress)
- Review Sullivan, Powers "audit report" – particularly with regard to trust funds and investments
- Consider what external audit information should be posted on the town website and how people can access the full report. Maybe the town auditors' summary and a reference to the full report in the town office.
- Work on recommendations from the Sullivan, Powers report, including following up with the new SB and the financial controls checklist. (Reconciliation – in progress)
- Continue testing finances for FY20. (In progress)
 - What has been done already includes
 - Taking action to do the monthly reconciliation of town bank accounts
 - Attending board meetings and reviewing board orders.
 - Work with trust funds
 - What should be done next includes reviewing:
 - Individual accounts, for example: dog licenses, delinquent taxes, overweight permits, cash flow (in progress)
 - Library accounts
 - Testing of accounts (in progress)