

Middletown Springs Auditors Meeting

January 27, 2021 – 7:30 PM

via Zoom

Approved Minutes

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

Call to order: 7:32 PM. (Notice of Zoom meeting and phone number for joining meeting was posted on the Town Office door in advance of the meeting.)

1. Minutes:

- Minutes from the December 23, 2020 meeting were reviewed and approved.

2. Agenda review and adjustment:

- Report on recent auditor activities
- Review final draft of auditors' annual report, from town report draft (from Beth Miller)
- Discuss future auditor activities

3. Report on recent auditor activities

- **Reconciliation of town accounts** (Tracy)
 - In progress; some difficulties with the latest reconciliation.
- **Select Board information** (Sarah)
 - Lots of budget work and warning for town meeting
- **Town Trust Funds and Annual Report** (Nita)
 - Library: Nita met with Beth (Library Treasurer) and reviewed accounting procedures. She also obtained a copy of the library-town agreement, which seems satisfactory, and shared it. Beth will be printing and filing trial balances and reconciliations on a monthly basis.
 - Public Monies: Nita met with Beth (Trustee of Public Monies) to review the annual reports of the three trust funds. There has continued to be difficulties and poor communication with the People's Bank. Beth will be moving the investments to Heritage in the near future.
 - Annual Report: Nita made final edits and submitted the approved report to Beth, who is preparing the town report.

4. Auditors FY20 Report

- A few final edits agreed upon, to be sent to Beth. Approved.

5. Other Business – Reminder to Tracy and Nita to submit auditors' paid and volunteer hours.

6. Review of February 2020 to-do list

- Time to update the list with priorities for 2021
- We would like to support SB by preparing financial policy templates for them, perhaps one each month. Sarah will mention this at the next SB meeting.
- It's time to revisit the financial controls checklist and note progress since the last one. This is in line with the external auditors' suggestions.
- We are halfway through FY21. We are currently looking at accounts every month (via reconciliation of bank accounts) and following town finances via SB meetings, but we should also

do some random testing and pick some threads to follow, such as the road project on Spruce Knob Rd.

- Work with the trust funds, website, and auditor handbook should continue.
- Regarding the Sullivan, Powers report – we have reported on progress to the SB and in the annual report, and we will continue to work on the remaining recommendations and suggestions.

7. Next Steps – Review and update To-Do list from February 2020

- Nita – Continue to work on trust funds. Send out financial controls list for February meeting.
- Sarah – continue with SB and building committee meetings
- Tracy – continue with monthly reconciliation.

8. Future Meetings and Events:

- Meeting – February 24, 2021 at 7:30
- Town Meeting

Meeting adjourned: 8:26 PM

Minutes submitted by Juanita Burch-Clay

To-do list from January 2021

- Town Trust Funds continue to need attention:
 - Compile the founding *documents from the various trust funds* and publish on the website, with a hard copy in the town office. (In progress)
 - Review Sullivan, Powers “*audit report*” – regard to trust funds and investments. This includes discussion of cost basis of funds.
 - Help the town funds recruit trustees, create clear annual reports, and communicate clearly.
- Continue work on an *auditors’ handbook*, with information such as list of town bank accounts, restricted funds, trust funds, reconciliation, etc. to support both current and future auditors.
 - 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)
- Continue to monitor progress on the Sullivan, Powers recommendations, including revisiting the financial controls checklist and supporting the SB in enacting financial policies.