

**Middletown Springs Auditors Meeting**  
**August 23, 2023 – 7:30 PM**  
**Zoom**  
***Approved Minutes***

**Auditors present:** Juanita Burch-Clay (Nita), Tracy Weatherhogg. **Absent:** Sarah Grimm,  
**Call to order:** 7:43 PM

**1. Minutes:** Minutes from the July 26, 2023 meeting were edited and approved.

**2. Agenda review:** No changes.

**3. Report on recent auditor activities**

- **Reconciliation of town accounts (Tracy)** - not complete yet
- **Nita** - Reviewed open meeting law. Updated internal controls checklist. Has asked Jenny for a first draft of the treasurer's report for FY23, if possible by the Sept. 24 meeting, and at latest by mid-October. This is in line with previously agreed upon expectations.

**4. Discussion of recent Select Board actions:** Reviewed items from recent SB minutes.

Special attention to the end of year figures at July 27 meeting (copied here): "Jenny reviewed the financials for FY22/23. At the end of the year, we had a Highway surplus of \$57,104 and a General Government surplus of \$75,021.

- By state law the Highway surplus goes into the Highway reserve account and in keeping with the Town Meeting vote, the General Government surplus first adds \$5,000 to the Tax Stabilization fund and the balance of \$70,021 goes into the Municipal Facilities reserve account.
- This is the largest General Government surplus we've had since Jenny became treasurer. Generally, we had much greater income than anticipated coupled with lower than budgeted expenditures. Board members would have liked to apply some of this General surplus to lower this year's taxes but were not able to. This experience will certainly inform how we approach the coming year's budgeting and financial planning for future years, but it's important to note that a good amount of the increased income came from collection of delinquent taxes, which was an unusually large amount this past year.
- Next Jenny reviewed the proposed FY23/24 Tax Rate. According to her calculations the General Government rate should be set at .478 and the Highway rate should be set at .431, a total of .909 for town taxes. Last year's rates were General Government .460 and Highway.426. A small increase over FY22/23."

**5. Policy recommendations:** Update on recent actions and recommendations -

- Credit card policy - SB has been reviewing and discussing drafts. Some email comments have been shared with the auditors.
- Cash receipts, petty cash, and return checks policy - no further action this month. We'll check in with the SB after the credit card policy is adopted.

**6. Update internal controls checklist:** The updated language for the internal controls checklist was sent to Patty Kenyon and others. Patty commented on the Ethics and Cash Receipts policies wording ("The PACIF application checklist needs to be corrected to acknowledge the lack of a Cash Receipts...policy and Ethics policy.") She said:

- I believe that our "Conflict of Interest" policy and Personnel policy cover the "Code of Ethics" piece, others might disagree, but all the checks and balances and expectations are in those two policies.
- I [am] confident if we can find the time to work on it, we can get a Cash Receipts policy in place that makes sense and works within our current practices.
- Nita will update the Internal Controls Checklist to include the ethics comment, and noting that the cash receipts policy has been recommended.

**7. Status of work on new town office building; status of ARPA funds**

- Work is progressing. Will review reports in September.

**8. Review of FY23 Treasurer's Report:** We will review this at the September or October meeting, depending on when we receive the treasurer's first draft.

**9. To-Do List:**

- Continue with monthly reconciliation. (Tracy)
- Continue attending board meetings, and reviewing and signing board orders (Sarah)
- Continue to monitor town trust funds and work toward transparency. (Nita)
- Check in with Milk Fund trustees for update (Nita)

**10. Future Meetings and Events:**

- Next meeting - Sept. 27, 2023 - Review of end of FY23, especially building project.
- Set work session for "routine administrative matters", possibly in lieu of a meeting.

**Meeting adjourned: 8:25 PM**

Minutes submitted by Juanita Burch-Clay