

DRAFT
Minutes
CHARLOTTE TOWN AUDITORS
Meeting
Thursday, July 31, 2014 at 9:00 a.m.

Town Auditors Present: Jenny Cole, Peter Trono, Nancy Wood

Selectboard Members Present: Matt Krasnow, Lane Morrison, Charles Russell, Ellie Russell, Fritz Tagatz

Others: Rick Brigham of Sullivan Powers & Co., Dean Bloch, Mary Mead, Stephen Brooks, Moe Harvey

This was a joint meeting with the Selectboard. Rick Brigham was invited to discuss the Town's end of the fiscal year financial status, modified accrual adjustments, what to keep in reserve for the upcoming year (fixed amount or percentage of total budget), and what should be applied as surplus in the property tax calculation. Rick stated that the current surplus fund balance is about \$275,000. Keeping the reserve balance at \$150,000, \$125,000 could be applied to the tax rate.

Mary Mead was asked whether the Town generally needed to borrow money at the beginning of the fiscal year to cover expenses. She stated that this has usually not been necessary. Rick Brigham asked whether the Town has considered borrowing from existing Town funds, such as the Conservation Fund, to cover payments early in the year.

The Charlotte Fire and Rescue surplus was discussed. The agreement between the Town and Fire and Rescue states that CVFRS can keep a reserve fund that is capped at 10% of the average of operating budgets of the previous three years. The Selectboard will ask for payment of the excess surplus.

There was further discussion of the tax rate calculation, and whether the Town anticipates additional invoices or revenue for 2013-2014. Nothing major is anticipated. Legal expenses are usually delayed. It was suggested that Stitzel, Page & Fletcher be contacted to check on billing.

Fixed assets were discussed. Rick suggested that the Listers compile a list of Town-owned properties. The value should be the value or cost at the time the property was purchased or donated. The Town owns no vehicles. The Library collection would not be considered a "fixed asset." Other items to include are buildings, covered bridges, recreational facilities and infrastructure with substantial value, trails, roads with extreme maintenance or re-do, guardrails. The list is useful for a capital replacement plan, if the Town wishes to charge an impact fee, and in the event of a flood or other natural disaster.

Setting the tax rate and use of the surplus were discussed. The cost for replacement of the library roof is higher than anticipated. Further research into the extent of the project, cost and funding is being done.

The Selectboard decided to continue its meeting at 4:00 p.m. to set the tax rate. The Auditors completed the remaining items on their meeting agenda.

The minutes of the June 16, 2014 meeting were approved. (Motion by Peter, second by Jenny)

The Auditors discussed how to complete tasks to prepare the Town Report. Charles Russell has a thumb drive containing town report information. Peter will contact printers for cost estimates. Jenny will check to see if Britney Tenney can assist with the project, and whether there is time for this within existing Town staff hours. Nancy volunteered to contact committees about submitting reports.

The Auditors discussed meeting the week of August 11.

The meeting was adjourned at 11:38 a.m.

J. Cole
8/5/14