

## ANNUAL REPORT OF THE CHARLOTTE TOWN AUDITORS - For Fiscal Year 2012

The Board of Auditors has reviewed the final report by Independent Auditor Batchelder Associates, P.C., for the Town of Charlotte's fiscal year ended June 30, 2012. In our opinion, the financial statements prepared by them and included in this Town Report present fairly the financial position of the Town as of June 30, 2012, and the results of its operations for the year then ended. The financial statements are the responsibility of the Selectboard.

We have also reviewed the final report by Independent Auditor Batchelder Associates, P.C., for the fiscal year ended June 30, 2012, of Charlotte Volunteer Fire and Rescue Services (CVFRS). In our opinion, the financial statements prepared by them and included in this Town Report present fairly the financial position of CVFRS as of June 30, 2012, and the results of its operations for the year then ended. Most of CVFRS revenue is from Town funds voted annually at Town Meeting. During FY12, the Town Treasurer began managing the operating account for CVFRS. The Board of Auditors has reviewed the final report of a Five-Year Audit of Operating Account and Patient Billing for CVFRS.

Our responsibility, as elected auditors, is to express an opinion on the statements based on our review of the professional audit, discussions with the Selectboard and Town Treasurer, and review of accounting practices. The Board of Auditors is in full agreement with the recommendations and considerations noted at the end of each audit and is available to assist in the implementation.

Over the past year the Board of Auditors:

- Reviewed all accounts for the Town of Charlotte, including special funds.
- Provided input on setting the tax rate.
- Participated in the review of the audits.
- Identified outstanding checks as an area of focus. Fifty checks dated prior to FY12 with a value of \$6,296.28 were on the Outstanding Checks Report at the end of FY11. For the year ended 06/30/12, the Outstanding Checks Report indicates there are eight checks totaling \$1,060.93 that need to be reconciled.
- Attended a Vermont League of Cities and Town workshop for the Town of Charlotte focusing on Governmental Accounting.
- Developed a presence on the Town website. You can find agendas and meeting minutes as well as financial statements by fiscal year for the Town and CVFRS. We are exploring including the Annual Report.

Goals for the Board of Auditors in the coming year include reviewing internal controls, policies, and bank statements for all accounts.

Respectfully submitted,  
Charlotte Town Auditors  
Patrice Machavern, Chair  
Nancy Wood, Secretary  
Vacant Position

January 21, 2013