

Meeting Minutes
CHARLOTTE TOWN AUDITORS
Annual Meeting
Monday, March 17, 2014, 3:00 p.m.
Charlotte Town Hall

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

Others: Brief visits by Selectboard Chair, Lane Morrison and member, Charles Russell

The meeting was called to order at 3:00 p.m. Chair, Nancy Wood distributed a meeting agenda.

Jenny Cole was welcomed as new elected auditor.

Election of Officers: Nancy Wood was elected Chair (Peter Trono moved, Jenny Cole seconded, vote 3-0). Jenny Cole was elected Secretary (Peter Trono moved, Nancy Wood seconded, vote 3-0).

Approval of Minutes: Meeting minutes for January 8 and February 24 were approved (vote by Peter and Nancy) with no changes. Minutes will be posted on the Town of Charlotte web site and in a binder in the Planning and Zoning Office.

Priorities for 2014 were discussed. High on the list is updating and correcting the Town's Capital Assets list. It appears that some assets were omitted or placed in the wrong place in the 2012-13 audit. All Town buildings should be included and values (including depreciation) determined. A more complete list was published in the 2006 Town Report. Independent audits for the Town and for Charlotte Fire and Rescue should reflect the transfer of vehicles, still under ownership of the Town, to Charlotte Fire and Rescue. It is anticipated that this will happen by June 30, 2014.

Lane Morrison, Selectboard Chair, joined the meeting briefly at this point. Another priority task is completing the Town's Financial Policies, including a purchasing policy. Lane suggested asking Independent Auditor candidates, during interviews, whether they could assist with this project. Resources that could be used to start a draft of policies include checklists in the VLCT Handbook for Locally Elected Auditors, policies from other towns, and Charlotte policies and procedures already drafted or approved. Nancy reviewed the proposals from the three Independent Auditor candidates, and prepared a table of questions for upcoming interviews. This document (attached) and additional questions were discussed.

Peter worked with the Trustees of Public Funds to review the Funds. He has also reviewed expenditures of the Cemetery Commission.

The various Town Special Funds were discussed. Discussion included how they are used, where grants are deposited, and how use of grant money is tracked and documented. Nancy felt that the funds could be reviewed a little at a time, and suggested a review of the Affordable Housing Fund. At this point there is no committee to administer this fund. The Selectboard has indicated that it may take over the administrative role. Review would likely include looking at the original intent of the fund and the process for application and approval.

There was discussion of working with the Listers to review the property tax process and checklist. Nancy will look into scheduling a meeting.

Nancy does bank reconciliations once a month. Nancy will explain the process to Peter and Jenny at a training session scheduled for Monday, March 24 at 3:30 p.m. (prior to the interview with Fred Duplessis, Sullivan, Powers & Co).

Preparing the Town Report was briefly discussed. Mary Mead submitted a letter to the Selectboard suggesting she might continue to do the report. The topic will be discussed at an upcoming Selectboard meeting.

Nancy presented an outline for Town Auditor meetings that included meeting about every other month, aiming for dates of strategic activities: Annual Meeting in March after Town Meeting, year-end review by Independent Auditor in June, tax rate setting by Selectboard in August, audit date by Independent Auditor in September, review of draft audit in November/December, preparation of Town Auditors report in January, work sessions as needed for account reviews, and work on the Town Report.

The working relationship between the Town and the Independent Auditor was discussed. The Auditor works for the Selectboard. A Town contact person should be designated for communication between the Town and Auditor.

Peter suggested that drafting the financial policies may be a good project for a college student. He also raised the question of why all the Independent Auditor proposals had a similar increase in cost each year over the three year period.

The Town Auditors joined the Selectboard in interviewing Independent Auditor candidates:

5:00: Tom Telling, Telling & Associates, CPA

6:00: Nathan Hawley, Pace & Hawley,

On a motion by Peter Trono, seconded by Nancy Wood, the Auditors' meeting was adjourned at 6:45 p.m.