

# January 28, 2013

Chairman Michael Jackson called the meeting to order at 4:57 p.m.

**Present:**

Regular Members: Jack Boyer, Rex Swain, Gary Fitzherbert, Michael Jackson, Craig Schoon

Alternate Members: A. J. DuBois, Ted Bent

Selectmen: Mark Lyon, Richard Carey

Treasurer: Linda McGarr

**Minutes:**

Jack Boyer suggested an amendment to the minutes of the December, 2012 meeting to add that Chairman Michael Jackson had noted his concern that the Board would need some resolution of the Regional School issues before considering an expense of the scope suggested for moving the town garage site, etc. that had been discussed at the previous Finance meeting. This amendment was approved and is shown in bold lettering of the December minutes on the website. Thank you, Jack!

**Tax Collector's Report:**

The Tax Collector's report for the period ending 12/31/2012 was accepted as submitted.

**Treasurer's Report:**

The Treasurer's Report for the period ending 12/31/2012 was accepted as submitted.

**Audit:**

Mr. Enrico Melaragno of Charles Heaven & Co., Inc. presented the audited financial statements and supplemental financial data for the year ending June 30, 2012. He described in detail the audit findings for each Fund and the requirements relating to each, noting the audit had been completed according to GAAP and GASB 34 standards.

The General Fund Balance for the year ending June 30, 2012 approximated 20% of the year's budget. The previous year ending June 30, 2011 had been 19%. Mr. Melaragno noted a balance of 7-15% should be maintained. He noted a well-prepared Management Discussion & Analysis had been prepared by Dennis Dix of Dixworks on behalf of the Town. The report on compliance indicated no reportable instances of noncompliance.

The audit suggested the Town does not have a formal Accounting Procedure Manual. It is recommended this be developed and implemented to define systems and procedures to be followed for each of the fund types for the General Ledger, Cash Receipts Journal, Cash Disbursements Journal, Journal Entry Register with sample accounting entries, budgetary

procedures, supporting data required, internal controls, required internal management reports, required external reports and procedures for updating the manual. Mr. Melaragno suggested the manual would facilitate accounting procedures used by various personnel to continue accounting for ongoing programs. The Board agreed and will contract a vendor to assist in the preparation of the manual.

The Board discussed the Town's Affordable Housing Fund. It was noted the Town's Housing Commission may make recommendations for expenditures of the funds for the specific purchased of land and related cost used to provide affordable housing. It was noted the Town's Affordable Housing Fund is a separate entity from the Washington Community Housing Trust.

The extraordinary occurrences of the town garage fire and town hall explosion during the past year were discussed, noting the Town's insurance coverage and assistance through CIRMA has been positive.

The Town Employee Pension Plan and the Volunteer Fire and EMT Award Plans were also discussed. These do not affect the budget but will be reviewed with Counsel to insure their safety. It was noted 46 slots in the fire company are filled and the Town is extremely appreciative for the volunteer services of both the Fire Company and the EMT's.

The Board accepted the Audit Report for the 2011-2012 fiscal year as provided by Charles Heaven & Co. They noted their sincere appreciation to Mr. Melaragno for his informative discussion on the Town's responsibilities and financial standing.

**Legal Litigation Fund:**

Michael Jackson made a motion to transfer \$5,000 to the Legal Litigation Fund. The motion was seconded by Jack Boyer and unanimously passed.

The meeting was adjourned at 6:18 p.m.

Respectfully submitted,  
Kathy Gollow  
Finance Secretary